

NYS Urban Development Corporation Meeting
37th Floor Conference Room
Thursday, 3/26/2020
6:00 - 8:00 PM ET

I. Corporate Actions

A. Approval of the Minutes of the February 20, 2020 Directors' Meeting

022020 Draft ESD Minutes - Page 6

B. Annual Operating Budget

Authorization to Adopt the Annual Operating Budget, Including Certain Subsidiary Operating Support and Non-Programmatic Capital Expense Authorization for Fiscal Year (FY) 2020-2021 and to Take Related Actions

Annual Operating Budget Memo - Page 40

ESD Annual Operating Budget - Page 44

C. New York (New York County) - Penn Station - Farley Complex Moynihan Station Civic and Land Use Improvement Project

Approval of the Fiscal Year 2020-2021 (April 1, 2020 - March 31, 2021) Operating and Capital Budgets

Moynihan Station Development Corporation Budgets - Page 48

MSDC Operating Budget - Page 51

MSDC Capital Budget - Page 52

D. Annual Budgets for Certain Subsidiaries

Authorization to Approve the Annual Budgets for Certain Subsidiaries for Fiscal Year (FY) 2020-21 and to Take Related Actions

Annual Budget for Certain Subsidiaries - Page 53

AYCDC Operating Budget - Page 58

ESNMC Operating Budget - Page 59

HCDC Capital Budget - Page 60

QWDC Operating Budget - Page 61

E. Delegation of Authority to Enter into Contracts – COVID-19 Pandemic Relief Assistance

Delegation of Authority

Delegation of Authority to Enter into Contracts-COVID-19 - Page 62

F. Statewide – Entrepreneurship Assistance Centers, Small Business Development Centers - COVID-19 Disaster Relief Technical Assistance Grants - Urban and Community Development Program

Findings and Determinations Pursuant to Sections 10(g) and 16-d of the Act; Authorization to Make Grants and to Take Related Actions; Minority and Women-Owned Business Development and Lending Program – Findings and Determinations Pursuant to Section 10(g) and 16-c of the Act; Authorization to Make Grants and to Take Related Actions; Empire State Economic Development Fund – Findings and Determinations Pursuant to Section 10(g) and 16-m of the Act; Authorization to Make Grants and to Take Related Actions

EAC COVID-19 Disaster Relief Technical Assistance Grants - Page 65

G. Statewide – Community Development Financial Institution COVID-19 Disaster Relief Technical Assistance Grants

Community Development Financial Institution Assistance Program – Findings and Determinations Pursuant to Sections 10(g) of the Act; Authorization to Make Grants and to Take Related Actions; Empire State Economic Development Fund – Findings and

Oral Reports

A. President's Report

B. Loans and Grants - Summary of Projects

II. Projects

A. Oswego (Central New York Region – Oswego County) – The Children’s Museum of Oswego Capital – Downtown Revitalization Initiative (Capital Grant)

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

The Childrens Museum of Oswego - Page 89

The Childrens Museum of Oswego Photographs - Page 97

B. Buffalo (Western New York Region – Erie County) – TechBuffalo Talent Attraction Program Working Capital – Buffalo Regional Innovation Cluster (Working Capital Grant)

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

TechBuffalo Talent Attraction Program Working Capital - Page 99

C. Wellsville (Western New York Region – Allegany County) – Burrous Building Stabilization Redevelopment Capital – Regional Council Capital Fund and Restore New York Communities Initiative – Mixed-Use Development (Capital Grants)

Findings and Determinations Pursuant to Sections 10(g) and 16-n of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make Grants and to Take Related Actions; Determination of No Significant Effect on the Environment

Burrous Building Stabilization Redevelopment Capital - Page 108

Burrous Building Stabilization Redevelopment Capital Photographs - Page 119

D. Batavia (Finger Lakes Region – Genesee County) – O-AT-KA Milk Products Cooperative Capital – Regional Council Capital Fund (Capital Grant)

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

O-AT-KA Milk Products Cooperative Capital - Page 122

O-AT-KA Milk Products Cooperative Capital Photographs - Page 135

E. Regional Council Award – Canandaigua (Finger Lakes Region – Ontario County) – Friends of CMAC Capital & Market NY Capital – Regional Council Capital Fund & Market NY – ESD Capital Appropriation (Capital Grants)

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make Grants and to Take Related Actions; Determination of No Significant Effect on the Environment

Friends of CMAC Capital & Market NY Capital - Page 137

Friends of CMAC Capital & Market NY Capital Photographs - Page 147

F. Geneva (Finger Lakes Region – Ontario County) – Cornell Industrial Hemp Phase II Working Capital – Empire State Economic Development Fund – General Development Financing (Working Capital Grant)

Findings and Determinations Pursuant to Sections 16-m and 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

G. Regional Council Award – Priority Project – Rome (Mohawk Valley Region – Oneida County) - Deployed Resources Capital – Regional Council Capital Fund (Capital Grant)

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

Deployed Resources Capital - Page 158

Deployed Resources Capital Photographs - Page 170

H. Regional Council Award - Priority Project - Utica (Mohawk Valley Region – Oneida County) – Baggs Square - Mixed Use Capital – Regional Council Capital Fund - RC 5 – Neighborhood Revitalization (Capital Grant)

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

Baggs Square - Mixed Use Capital - Page 172

I. Regional Council Award – Priority Project - Yorkville (Mohawk Valley Region – Oneida County) – O.W. Hubble & Sons Capital – Regional Council Capital Fund (Capital Grant)

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

O W Hubble & Sons Capital - Page 181

O W Hubble & Sons Capital Photographs - Page 192

J. Regional Council Award – Priority Project – Saratoga Springs (Capital Region – Saratoga County) – Universal Preservation Hall Capital – Regional Council Capital Fund and Restore New York Communities Initiative (Capital Grants)

Findings and Determinations Pursuant to Sections 10(g) and 16-n of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make Grants and to Take Related Actions

Universal Hall Preservation Capital - Page 194

Universal Hall Preservation Capital Photographs - Page 204

K. Regional Council Award – Sag Harbor (Long Island Region – Suffolk County) – Sag Harbor Partnership Capital – Regional Council Capital Fund – Business Improvement (Capital Grant)

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

Sag Harbor Partnership Capital - Page 205

L. Regional Council Award – Hempstead (Long Island Region – Nassau County) – Frank G. Zarb Building Capital – Regional Council Capital Fund (Capital Grant)

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

Frank Z. Garb Building Capital - Page 219

Frank G. Zarb Building Capital Photographs - Page 232

M. Market New York Grant Program

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

Market New York Program

A. Arrowhead Farms Brewery Expansion Capital - Arrowhead Farms (Ulster County) - \$360,000

Market NY Grant Program - Page 234

N. Statewide - Restore New York Communities – Capital Grants

Findings and Determinations Pursuant to Sections 10(g) and 16-n of the Act; Authorization to Adopt the Proposed General Project Plans; Authorization to Make Grants and to Take Related Actions; Determination of No Significant Effect on the Environment

Grantees

A. Village of South Dayton PV – Agri-Industrial Park RESTORE IV (Cattaraugus County) - \$450,000

B. Town of Southport – Point Redevelopment RESTORE IV – (Chemung County) - \$500,000

C. Town of Southampton - Riverside Hamlet Center Redevelopment RESTORE V (Suffolk County) - \$1,000,000

Restore New York Communities Consent Calendar - Page 246

III. Non-Discretionary Consent Calendar

A. Non-Discretionary Consent Calendar

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

Local Assistance (Base Retention 17-18)

A. Oneida County Capital 17-18 – County of Oneida (Oneida County) - \$450,000

Non-Discretionary Consent Calendar - Page 268

IV. Statewide - New York State Electric Generation Facility Cessation and Mitigation Program

A. New York State Electric Generation Facility Cessation Mitigation Program

Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

Grantee

A. Dunkirk City School District - Dunkirk Power, LLC (Chautauqua County) - \$1,899,970.13

NYS Electric Generation Facility Cessation Mitigation Program - Page 278

V. Administrative Actions

A. Renewal of Corporate Insurance Policies

Authorization to Purchase Corporate Insurance Policies and to Take Related Actions
Renewal of Corporate Insurance Policies - Page 283

B. ESD and Subsidiaries Procurement Guidelines

Adoption of Revised Guidelines for the Use, Awarding, Monitoring and Reporting of Procurement Guidelines

ESD and Subsidiaries Procurement Guidelines Memo - Page 287

ESD Procurement Guidelines - Page 291

C. Property Disposition Guidelines

Approval of Property Disposition Guidelines, Appointment of Contracting Officer and Authorization to Take Related Actions

Property Disposition Guidelines Memo - Page 327

D. Brooklyn (Kings County) – Atlantic Yards Land Use Improvement and Civic Project - Procurement of Owner's Representative Services

Authorization to Amend the Contract with STV, Inc. to Provide Owner's Representative Technical Services for the Atlantic Yards Land Use Improvement and Civic Project; and Authorization to Take Related Actions

Procurement of Owners Representative Services-STV - Page 336

E. Brooklyn (Kings County) – Atlantic Yards Land Use Improvement and Civic Project - Procurement of Environmental Consulting Services

Authorization to Amend the Contract with Henningson, Durham & Richardson, Architecture and Engineering, P.C. to Continue to Provide Mitigation Monitoring Consulting Services in Connection with the Atlantic Yards Land Use Improvement and Civic Project; and Authorization to Take Related Actions

Procurement of Environmental Consulting Services - HDR - Page 341

F. Procurement of Event Management Vendor Services for the 2020 NYS MWBE Forum

Authorization to Enter into a Contract for Event Management Vendor Services Relating to the 2020 NYS MWBE Forum and to Take Related Actions

Procurement of MWBE Forum - Page 347

G. Microsoft Dynamics System

Authorization to Enter into an Agreement for Enhancements and Modifications for ESD's Microsoft Dynamics System

Microsoft Dynamics System - Page 352

H. New York City (New York County) - Empire Station Complex

Authorization to Enter into a Contract for Financial Advisory Services and Authorization to Take Related Actions

Empire Station Complex - Page 356

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NEW YORK STATE URBAN DEVELOPMENT CORPORATION

d/b/a Empire State Development

Meeting of the Directors

New York City Regional Office

633 Third Avenue

37th Floor Conference Room

New York, New York 10017

February 20, 2020

MINUTES

In Attendance

Directors:

Howard A. Zemsky – Chair

Eric J. Gertler

Cesar A. Perales

Hilda Rosario Escher

Shaunik Panse, Designee - Superintendent of NYS Department of
Financial Services

Present for ESD:

Timothy Anderson, Senior Financial Analyst

Simone Bethune, Senior Project Manager

Douglas Bressette, Treasurer

Thomas Conoscenti, Senior Vice President – Real Estate Development

London Cruz, Paralegal and Assistant Corporate Secretary

Elizabeth Fine, Executive Vice President, Legal and General Counsel

Anna Franzini, Project Manager

Edward Hamilton, Executive Vice President - Administration

Kevin Hansen, Senior Vice President and Head of Policy

Brendan Healey, Vice President – Economic Incentives

Jonevan Hornsby, Assistant Vice President – Portfolio Management

Robert Kwon, Vice President – Portfolio Management

Scott Lamkin, Senior Project Manager – Loan and Grants

Edwin Lee, Senior Vice President and Director of Economic Incentives

Kathleen Mize, Deputy Chief Financial Officer and Controller

Richard Newman, Executive Vice President and Chief of Staff

Pravina Raghavan, Executive Vice President – Small Business and
Technology Development

Debbie Royce, Corporate Secretary

Jay Vido, Project Manager - Loans and Grants

Goldie Weixel, Senior Managing Attorney

Kevin Younis, Chief Operating Officer

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Also Present: Clayton Besch, Director – NYS Innovation Venture Capital Fund
Vincent Esposito, Director – Finger Lakes Regional Office
James Fayle, Director – Central New York Regional Office
Donna Howell, Director of Regional Business Development
– Southern Tier Regional Office
Stephen Hunt, Director – North Country Regional Office
Rebecca Miller, Environmental Compliance Assistance Supervisor

Also Present: The Press
The Public

The meeting of the Directors of the New York State Urban Development Corporation (“UDC”) d/b/a Empire State Development (“ESD” or the “Corporation”) was called to order at 9:32 a.m. by Chair Zemsky. It was noted for the record that the time and place of the meeting had been given in compliance with the New York State Open Meetings Law.

Next, the Chair set forth the guidelines regarding comments by the public on matters on the Agenda as well as with regard to any conflicts of interest the Directors may have regarding items on the Agenda. No conflicts were noted at this time.

The Chair then called for a motion to approve the Minutes of the January 16, 2020 Directors’ meeting. There being no changes or corrections, upon motion duly made and seconded, the following resolution was unanimously adopted:

**APPROVAL OF MINUTES AND RATIFICATION OF ACTIONS TAKEN AT JANUARY 16, 2020
MEETING OF THE DIRECTORS OF THE NEW YORK STATE URBAN DEVELOPMENT
CORPORATION**

RESOLVED, that the Minutes of the meeting of the Corporation held on January 16, 2020, as presented to this meeting, are hereby approved and all actions taken by the Directors

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presented at such meeting as set forth in such Minutes, are hereby in all respects ratified and approved as actions of the Corporation.

* * *

Next, Chair Zemsky called on Kevin Younis to present an item relating to the Appointment of Officers.

Mr. Younis explained that the Directors were being asked to approve the appointment of several Officers of the Corporation.

Mr. Younis noted that Richard Gagliano was being appointed as Senior Vice President of Marketing; Kevin Hansen as Senior Vice President and Head of Public Policy; Edwin Lee as Senior Vice President and Director of Economic Incentives; Glendon McLeary as to Vice President and Director of Loans and Grants; and Goldie Weixel as Senior Managing Attorney.

Following the presentation, Chair Zemsky called questions or comments. Hearing none and upon motion duly made and seconded, the following resolution was unanimously adopted:

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE
DEVELOPMENT – Officers of the Corporation - Appointment of Officers

BE IT RESOLVED, that, based on the materials presented to this meeting, a copy of which is ordered filed with the records of the Corporation, the following individuals be, and they hereby are, appointed to the offices which appear opposite their respective names, effective as of the dates set forth in the materials presented to this meeting, a copy of which is ordered filed with the records of the Corporation, until their earlier resignation or removal:

NAME

OFFICE

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Richard Gagliano	Senior Vice President, Marketing
Kevin Hansen	Senior Vice President and Head of Public Policy
Edwin Lee	Senior Vice President and Director of Economic Incentives
Glendon McLeary	Vice President and Director of Loans and Grants
Goldie Weixel	Senior Managing Attorney

and be it further

RESOLVED, that in accordance with and for all the purposes of the New York State Urban Development Corporation Act and the By-Laws of the Corporation, including but not limited to the indemnification provisions thereof, each of the foregoing individuals is an “officer” of the Corporation; and be it further

RESOLVED, that any and all actions taken by each of the foregoing individuals since their nomination to the offices identified herein be and hereby are ratified as the acts and deeds of the Corporation.

* * *

Next, Chair Zemsky asked Director Gertler to provide the President’s Report on the Corporation’s most recent activities.

Following the President’s Report, Chair Zemsky called on Kevin Hansen to give an overview of the New York State budget and the Governor’s 2020 agenda as it relates to economic development.

Following the presentation, the Chair then called on Brendan Healey to present a summary of the project items on the Agenda. He further explained that following this brief presentation, he would call upon the individual Regional Directors or their representatives to present the projects from their region.

Mr. Healey explained that the Directors were being asked to consider nine projects

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totaling \$8,083,465 million in grants.

Mr. Healey further explained that there were three Regional Council awards and six discretionary awards that will support various projects in regions throughout the State.

Mr. Healey noted that these projects will leverage over \$92 million of additional investment, retain 950 jobs and create 118 new jobs in the State.

The Chair then called on James Fayle, Director of ESD's Central New York Region to present the first two items on the Agenda for the Directors' consideration.

The first item Mr. Fayle presented involved an Upstate Revitalization Initiative grant in the amount of \$2.6 million to Green Empire Farms.

Mr. Fayle explained that the grant will be used for a \$72 million project to construct and equip a controlled environmental agricultural greenhouse on 34 acres.

Mr. Fayle noted that this project received an additional \$2.4 million in Excelsior Tax Credits, committed to creating 118 but has actually created 136 jobs and was completed in October 2019.

The second item Mr. Fayle presented involved a New York Works Economic Development Fund grant in the amount of \$393,000 to JD Farms Hemp Processing.

Mr. Fayle explained that the grant will be used to purchase and install new machinery and equipment into the first hemp farm in New York State where 30 acres of land will be used to produce 21,000 pounds of hemp and 35 bales of hemp fiber.

Mr. Fayle noted that the project was completed in September of 2019.

Following the presentation of both projects, the Chair called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolutions were unanimously adopted:

Oneida (Central New York Region – Madison County) – Green Empire Farms URI Capital – Upstate Revitalization Initiative (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Green Empire Farms URI Capital -- Upstate Revitalization Initiative (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and

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Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Green Empire Farms, Inc. a grant for a total amount not to exceed Two Million Six Hundred Thousand Dollars (\$2,600,000) from the Upstate Revitalization Initiative, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Oneida (Central New York Region – Madison County) – Green Empire Farms URI Capital – Upstate Revitalization Initiative (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Green Empire Farms URI Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Eaton (Central Region – Madison County) – JD Farms - Hemp Processing Program Capital – New York Works Economic Development Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is

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hereby ordered filed with the records of the Corporation, relating to the JD Farms Hemp Processing Program Capital – New York Works Economic Development Fund (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Pinnacle Livestock LLC d/b/a JD Farms a grant for a total amount not to exceed Three Hundred Ninety Three Thousand Four Hundred Sixty Five Dollars (\$393,465) from the New York Works Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

The Chair then called on Donna Howell, Director of Regional Business Development in

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ESD's Southern Tier Region to present the next two projects on the Agenda for the Directors' consideration.

The first item Ms. Howell presented involved a Downtown Revitalization Initiative capital grant in the amount of \$500,000 for Captain Bill's DRI Capital Project.

Ms. Howell explained that the Directors are being asked to approve the grant to the Schuyler County Partnership for Economic Development to demolish the current facility and construct a new 5,000 square-foot multi-purpose terminal for Captain Bill's Seneca Lake Cruises which will be completed in February 2021.

The second item Ms. Howell presented involved a Regional Council Capital Fund grant in the amount of \$1,250,000 to Amphenol Aerospace and will be used to demolish and remediate the former 600,000 square-foot factory that was destroyed in 2011 by Hurricane Irene.

Mr. Howell noted that the former factory will be replaced with a new five mega-watt solar farm to power their new factory, which is located a mile away to lower power costs for the existing building and was completed in January.

Following the full presentation of both projects, the Chair called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolutions were unanimously adopted:

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Watkins Glen (Southern Tier Region – Schuyler County) – Captain Bill’s DRI Capital – Downtown Revitalization Initiative Round 2 (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Captain Bills DRI Capital -- Downtown Revitalization Initiative Round 2 (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Schuyler County Partnership for Economic Development a grant for a total amount not to exceed Five-Hundred Thousand Dollars (\$500,000) from the Downtown Revitalization Initiative Round 2, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute

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and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Watkins Glen (Southern Tier Region – Schuyler County) – Captain Bill’s DRI Capital –
Downtown Revitalization Initiative Round 2 (Capital Grant) – Determination of No
Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Captain
Bills DRI Capital Project, the Corporation hereby determines that the proposed action will not
have a significant effect on the environment.

* * *

Sidney (Southern Tier Region – Delaware County) – Amphenol Aerospace Capital –
Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to
Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan;
Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is
hereby ordered filed with the records of the Corporation, relating to the Amphenol Aerospace
Capital -- Regional Council Capital Fund Capital Project (the “Project”), the Corporation hereby
determines pursuant to Section 10(g) of the New York State Urban Development Corporation
Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced
from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section
16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to
this meeting, together with such changes therein as the President and Chief Executive Officer
Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan,
together with such changes, is hereby ordered filed with the records of the Corporation; and be
it further

RESOLVED, that upon written finding of the President and Chief Executive Officer Designate of
the Corporation or his designee(s) that no substantive negative testimony or comment has
been received at the public hearing held on the Plan, such Plan shall be effective at the
conclusion of such hearing, and that upon such written finding being made, the President and
Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them
hereby is, authorized to make to Amphenol Corporation d.b.a. Amphenol Aerospace a grant for
a total amount not to exceed One Million Two-Hundred Fifty Thousand Dollars (\$1,250,000)

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from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Sidney (Southern Tier Region – Delaware County) – Amphenol Aerospace Capital – Regional Council Capital Fund (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Amphenol Aerospace Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

The Chair then called on Vincent Esposito, Director of ESD's Finger Lakes Regional Office, to present the next item on the Agenda for the Directors' consideration.

Mr. Fayle explained that the Directors were being asked to approve a Regional Council Capital Fund grant in the amount of \$1 million to the Golisano Autism Center to be used to

support the construction of a new 33,000 square-foot autism center in the City of Rochester.

Mr. Fayle noted that the Golisano Autism Center is a non-profit organization founded in 2018 by a partnership of different service provider organizations and offers a range of services.

Following the full presentation, the Chair called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Regional Council Award – Priority Project – Rochester (Finger Lakes Region – Monroe County) – Golisano Autism Center Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Golisano Autism Center Capital -- Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Golisano Autism Center a grant for a total amount not to exceed One Million Dollars (\$1,000,000) from the Regional Council Capital Fund, for the purposes, and

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substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Regional Council Award – Priority Project – Rochester (Finger Lakes Region – Monroe County) – Golisano Autism Center Capital – Regional Council Capital Fund (Capital Grant)
– Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Golisano Autism Center Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

The Chair then called on Simone Bethune to present the Restore New York Community Capital Grant items on the Agenda for the Directors' consideration.

Ms. Bethune explained that the Directors were being asked to approve three grants.

The first item Ms. Bethune presented involved a grant in the amount of \$500,000 to the

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Town of Clifton – Clifton J & L Site Redevelopment for the demolition of 16 structures at the former Jones and Laughlin Steel site.

Ms. Bethune explained that this project is significant as one of a few properties within the Adirondack Park that is zoned for industrial use with critical transportation access to New York State Highway 3, as well as abutting the rail line between Newton Falls and Carthage.

Ms. Bethune noted that the potential for redevelopment of the site was hindered by the presence of many dilapidated structures, but that as of June 2019, all obsolete buildings have been removed at a cost of \$1.7 million and the parcel is now ready for future development.

The second item Ms. Bethune presented involved a grant in the amount of \$500,000 to the Village of Massena and will be used for the rehabilitation of the vacant Slavins Building.

Ms. Bethune explained that the building now features two, 4,000 square-foot retail spaces and three 1,300 square-foot market rate apartments.

Ms. Bethune noted that the project was completed in November 2019 at a cost of approximately \$727,000.

The third item Ms. Bethune presented involved a grant in the amount of \$1 million to the Village of Port Chester for the renovation of an underutilized 19th century building.

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Ms. Bethune explained that the project includes the preservation and adaptive reuse of 16 North Main Street and the demolition and new construction of a structure at 16-18 North Main Street.

Ms. Bethune further explained that the project will result in an 11,649 square-foot, mixed-use building, including renovations to the existing restaurant and the creation of commercial property and six market-rate residential units.

Lastly, Ms. Bethune noted that the project will be completed in January 2021 at a cost of approximately \$5 million.

Following the full presentation of all three projects, the Chair called for questions or comments. Director Perales asked if all Restore New York grants repay localities for the removal of old structures or are the funds used to pay for what they are replaced with or both.

Ms. Bethune explained that the funds could be used for both depending on work is needed to be done in the area.

Chair Zemsky added that sometimes the grant is used to restore an existing building.

The Chair then called for any further questions or comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

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Statewide – Restore New York Communities (Capital Grants) – Findings and Determinations Pursuant to Sections 10(g) and 16-n of the Act; Authorization to Adopt the Proposed General Project Plans; Authorization to Make Grants and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Restore New York Communities Initiative Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, are hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written findings of the President and Chief Executive Officer Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearings held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written findings being made, the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a to grant to the party and for the amount listed below from Restore NY Communities, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grants; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

Restore New York Communities Initiative Program – Project Summary Table

	Grantee	Project Name	Project #	Grant	Village, Town, City	County
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A.	Town of Clifton	Town of Clifton - Clifton J&L Site Redevelopment RESTORE IV	AB794	\$500,000	Clifton	St. Lawrence
B.	Village of Massena	Village of Massena - Slavins Building Restoration RESTORE IV	AB793	\$500,000	Massena	St. Lawrence
C.	Village of Port Chester	Village of Port Chester - 16-18 North Main Street Redevelopment RESTORE NY V	131,789	\$1,000,000	Port Chester	Westchester
	Total RESTORE NY – 3 Projects	TOTAL		\$2,000,000		

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

The Chair then asked Ms. Bethune and Pravina Raghavan to present the February Non-Discretionary Consent Calendar item for the Directors' consideration.

Ms. Bethune explained that the Directors were being asked to approve an Assembly-Sponsored grant in the amount of \$500,000 to Brooklyn Alliance, Inc.

Ms. Bethune further explained that Brooklyn Alliance will partner with the Brooklyn Chamber of Commerce to help address the needs of communities and small businesses to provide comprehensive technical assistance and support services to commercial corridors.

Next, Pravina Raghavan presented the second Non-Discretionary item on the Agenda for

the Directors' consideration.

Ms. Raghavan explained that the Directors were being asked to approve a grant in the amount of \$20 million for the 2020 Census Outreach Working Capital Project, which will be disbursed to 62 counties and four municipalities - Buffalo, Rochester, Syracuse and Yonkers to support the 2020 Census effort.

Ms. Raghavan noted that this grant will be used to reach hard to count populations across the State.

Following the presentation of both projects, the Chair called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Local Assistance – (Working Capital Grants) Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make Grants and to Take Related Actions

RESOLVED, that on the basis of these materials, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Local Assistance Project identified below (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from the Local Assistance program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

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RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable; (2) receipt of all other necessary approvals; and (3) receipt of funds

Local Assistance – Senate – Project Summary Table

	Project Name	Project #	Grantee	Assistance up to
	Local Assistance (Assembly)			
A.	Brooklyn Alliance - Brooklyn Chamber of Commerce Working Capital 19-20	133,047	Brooklyn Alliance, Inc.	\$500,000
	Local Assistance (Executive)			
B.	2020 Census Outreach Working Capital	N/A	(62 Counties in New York State)*	\$20,000,000
	TOTAL NON-DISCRETIONARY PROJECTS - 2		TOTAL	\$20,500,000

**See Appendix A for detail*

and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

The Chair then called Stephen Hunt, Director of ESD's North Country Regional Office, to present the next item on the Agenda for the Directors' consideration.

Mr. Hunt explained that the Directors were being asked to approve a Regional Council Capital Fund grant in the amount of \$340,000 to the St. Lawrence County Industrial

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Development Agency to be used for a portion of the cost to abate and demolish 16 structures at the former Jones and Laughlin Steel site in Star Lake in the Adirondack Park.

Mr. Hunt noted that an early phase of this project was completed in September of 2017 and included the abatement and demolition of 11 structures at the J & L site.

Mr. Hunt also noted that the project was completed and no further work is being considered at the site.

Following the full presentation, the Chair called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Regional Council Award – Star Lake (North Country Region – St. Lawrence County) – St. Lawrence IDA J&L Site Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the St. Lawrence IDA J&L Site Capital -- Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

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RESOLVED, that upon written finding of the President and Chief Executive Officer Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to St. Lawrence County Industrial Development Agency a grant for a total amount not to exceed Three Hundred and Forty Thousand Dollars (\$340,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Next, the Chair called on Clayton Besch to present the New York State Innovation Venture Capital Fund (“NYSIVCF”) investment items on the Agenda for the Directors’ consideration.

The first project Mr. Besch presented involved an investment of up to \$2 million in Redpin Therapeutics.

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Mr. Besch explained that Redpin is pro rata in the company's \$15 million Series B round, with the remainder being provided by private sector investors, including 4Bio Capital, a leader in selling gene therapies.

Mr. Besch noted that Redpin Therapeutics is a women-led, New York City based biotechnology company led by Dr. Elinor Hawkins, who has held several senior level positions in several biotechnology companies.

Lastly, Mr. Besch noted that the funds will allow the company to expand the investigational new drug program to prepare for human studies to be conducted.

The second project Mr. Besch presented involved a follow-on investment of up to \$1.6 million in Urban Electric Power in three tranches with the balance of the \$16 million Series B round to be provided by private sector investors.

Mr. Besch noted that Urban Electric Power is now the manufacturer of unique, patented, safe, low-cost rechargeable alkaline batteries.

Lastly, Mr. Besch noted that the grant will allow the company to continue to drive down rates and cell production costs, enhance manufacturing and form additional partnerships for market growth.

The Chair noted that rechargeable batteries have been around for 40 years and asked,

what is the difference between those batteries and the ones being produced today.

Mr. Besch explained that the batteries do not use the lithium ion that was used in those produced 40 year ago. He advised that the batteries produced by Urban Electric Power are zinc Manganese dioxide batteries which are safe, low-cost rechargeable alkaline batteries.

Following the full presentation of both projects, the Chair called for questions or comments. Director Gertler asked regarding Redpin Therapeutics, for the total amount of the money going to the project and Mr. Besch noted that it was \$15 million for this round.

Director Gertler asked for the valuation and Mr. Besch noted that it is at 6.5.

Director Gertler then asked if a Series A was done on this project and for the valuation. Mr. Besch noted that a Series A was done and the valuation was at 15.

The Chair then asked for any further questions or comments. Hearing none, and upon motion duly made and seconded, the following resolutions were unanimously adopted:

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE DEVELOPMENT - New York State Innovation Venture Capital Fund - Authorization of an Investment of NYSIVCF Funds in Redpin Therapeutics Inc.

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the “Materials”), relating to the New York State Innovation Venture Capital Fund, the Corporation is authorized to make an investment, in an amount not to exceed \$2,000,000, in Redpin Therapeutics, Inc. (the “Company”) and to enter into agreements and related documentation with the Company and

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the investment entities named in the Materials in order to effect such investment; and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, subsequent to the making of the investment, and each of them hereby is, authorized to take such actions, including modifying the terms of the investment and entering into additional agreements with the Company and others, as he or she may deem necessary or appropriate in the administration of the Corporation's investments in the Company; and be it further

RESOLVED, that the provision by the Corporation of financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable; (2) receipt of all other necessary approvals; and (3) the availability of funds and the approval of the State Division of the Budget, if applicable; and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE DEVELOPMENT – New York State Innovation Venture Capital Fund - Authorization of an Investment of NYSIVCF Funds in Urban Electric Power, Inc.

RESOLVED, that on the basis of the materials presented to this meeting (the "Materials"), a copy of which is hereby ordered filed with the records of the Corporation, relating to the New York State Innovation Venture Capital Fund (the "Fund"), the Corporation is authorized to make an investment, in an amount not to exceed \$1,600,000, in Urban Electric Power, Inc. (the "Company") and to enter into agreements and related documentation with the Company and the investment entities named in the Materials in order to effect such investment; and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his or her designee(s) be, subsequent to the making of the investment, and each of them hereby is, authorized to take such actions, including modifying the terms of the investment and entering into additional agreements with the Company and others, as he or she may deem necessary or appropriate in the administration of the Corporation's investments in the Company; and be it further

RESOLVED, that the provision by the Corporation of financial assistance is expressly contingent

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upon: (1) the approval of the Public Authorities Control Board, if applicable; (2) receipt of all other necessary approvals; and (3) the availability of funds and the approval of the State Division of the Budget, if applicable; and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

The Chair then called on Rebecca Miller to present the New York State Electric Generation Facility Cessation Mitigation Program item on the Agenda for the Directors' consideration.

Ms. Miller explained that the Directors were being asked to approve a grant in the amount of \$1.2 million to the City of Dunkirk which will be used to offset the reduction of payment from property taxes to this entity from Dunkirk Power LLC due to the closure of the electric generation facility.

Ms. Miller noted that this is the fourth program year for the City and that the award represents 50 percent of the property tax loss.

Following the presentation, the Chair called for questions or comments. Hearing none, and upon motion duly made and seconded, the following resolution was unanimously adopted:

Statewide – New York State Electric Generation Facility Cessation Mitigation Program - Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

BE IT RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the "Materials"), relating to the Electric Generation Cessation Mitigation Program ("the Program") projects identified below, the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended, that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and each of them hereby is, authorized to make grants as set forth below from the Electric Generation Cessation Mitigation Program, for the purposes and substantially on the terms and conditions set forth in the Materials and the Program guidelines, with such changes as the President and Chief Executive Officer Designate or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget:

PTS #	Applicant	Facility	Closure Date	Anticipated Tax Loss	County	Proposed Grant Amount
AB357	City of Dunkirk	Dunkirk Power, LLC	January 1, 2016	95%	Chautauqua	\$1,255,119.01

and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, subsequent to the making of grants, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grants as he or she may deem necessary or appropriate in the administration of the grants; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

The Chair then called on Kevin Younis to present a summary of the six Administrative Action items on the Agenda for the Directors' consideration.

The first item Mr. Younis presented was an authorization to approve a list of underwriters and financial advisors to be used as needed in connection with the Corporation's bond issuances.

Mr. Younis noted that the firms were vetted and selected by ESD staff through an extensive procurement process and that seven of the recommended underwriters are MWBE firms, two of which are service-disabled and veteran-owned.

The second item presented was a request to enter into a contract with VentureFuel, Inc. to provide marketing and promotion of the New York State Dairy Industry through The Future of Dairy Startup Competition.

Mr. Younis noted that the Dairy Promotion Board selected VentureFuel, Inc. to administer the competition that lists ideas from entrepreneurs to promote and market New York dairy products.

Mr. Younis noted that the last four items were related to the Empire Station Complex Project and that Tom Conoscenti would provide a brief overview of the projects after which he will present the individual items.

Mr. Conoscenti noted that the Empire Station Complex Project comprises a revitalization of Penn Station, the Moynihan Station Train Hall, expansion of Penn Station to the

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South and the development of a modern business transit development area around Penn Station.

Mr. Younis explained that the first two items are requests to enter into contracts for legal services. The first was a contract with Bryan Cave Leighton Paisner in the amount of \$950,000 for a term of three years and would provide legal services with respect to environmental and land use issues. The second legal services contract was with Skadden, Arps, Slate, Meagher & Flom in the amount of \$950,000 for a term of three years.

The third item Mr. Younis presented was a contract with AKRF, Inc. in an amount not to exceed \$4 million, including contingencies for a term of two years and would provide services in connection with the preparation of an Environmental Impact Statement for the project.

The last item Mr. Younis presented was a contract with FX Collaborative Architects LLC in the amount of \$590,000 for a term of 18 months to provide architectural and planning services, including the creation of a conceptual development plan for the block and coordination of the overall development for the balance of the proposed complex.

Following the summary of all six items, the Chair called for questions or comments. Director Escher asked how often does ESD put out requests for proposals on average.

Mr. Younis noted that requests for proposals are put out every two years for certain services.

The Chair then called for any further questions or comments. Hearing none, and upon motion duly made and seconded, the following resolutions were unanimously adopted:

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT - Slate of Underwriters and Financial Advisors for Bond Issuance - Authorization to Approve a Rotating Team of Underwriters and Financial Advisors

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of ESD (the “Materials”), there is hereby appointed the following team of underwriters, to serve on a rotating basis as needed, for a term of two years; it is also recommended that authority be granted to the Chief Financial Officer or Treasurer to extend the term for one year and that the Chief Financial Officer can further extend the term for an additional year:

Senior Managers:

Barclays Capital, Inc.
BofA, Securities
CitiGroup Global Markets, Inc.
Goldman Sachs
Jefferies LLC
JP Morgan Securities, LLC
Loop Capital Markets
Morgan Stanley
Ramirez & Co., Inc.
Raymond James
RBC Capital Markets, LLC
Siebert Williams Shank & Co., LLC
UBS
Wells Fargo

Co-Managers:

Academy Securities, Inc.
BAIRD Public Finance
Blaylock Van LLC
BNY Mellon
Cabrera Capital Markets, LLC
Credit Agricole
Drexel Hamilton, LLC
Janney Montgomery Scott
M & T Securities Inc.

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Mesirow Financial
MUFG Securities Americas, Inc.
Oppenheimer
Piper Jaffray
Rice Financial
Roosevelt & Cross, Inc.
SMBC NIKKO
Stern Brothers & Co.
Stifel Nicolaus & Co.
TD Securities USA, LLC
US Bancorp

and be it further

RESOLVED, that on the basis of the Materials, the following firms are appointed as approved financial advisors for a term of two years; it is also recommended that authority be granted to the Chief Financial Officer or Treasurer to extend the term for one year and that the Chief Financial Officer can further extend the term for an additional year:

Financial Advisors:

Frasca & Associates, LLC
Hilltop Securities Inc.
Public Resources Advisory Group, Inc.

and be it further

RESOLVED, that the President and Chief Executive Officer Designate, Chief Financial Officer, and the Treasurer of ESD or their designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider necessary or proper to effectuate the foregoing.

* * *

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE DEVELOPMENT - Contract for Marketing and Promotion Services of the New York State Dairy Industry Through VentureFuel, Inc. - Authorization to Enter into a Contract for Marketing and Promotion Services of the New York State Dairy Industry Relating to the Market Order Program; and Authorization to Take Related Actions

BE IT RESOLVED, that upon the basis of the materials presented to this meeting (the "Materials") a copy of which is hereby ordered filed with the records of the Corporation, the Corporation hereby finds VentureFuel, Inc. to be responsible; and be It further

DRAFT – SUBJECT TO REVIEW AND REVISION

RESOLVED, that the Corporation is hereby authorized to enter into a contract with VentureFuel, Inc. for a total contract amount of Four Hundred and Seventy-Five Thousand Dollars (\$475,000) for the purposes and services and substantially on the terms and conditions set forth in the Materials; and be it further

RESOLVED, that the President and Chief Executive Officer Designate, or other officer of the Corporation, or his or her designee be, and each of them hereby is, authorized to take such action and execute such documents as may be necessary or appropriate to carry out the foregoing resolution.

* * *

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT – Empire Station Complex Project - Authorization to Enter into a Contract for Legal Services and Authorization to Take Related Actions

RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation (the “Materials”), the Corporation hereby finds Bryan Cave Leighton Paisner (“Counsel”) to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a new contract with Counsel for up to \$950,000, plus expenses, for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate and his designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing.

* * *

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT – Empire Station Complex Project - Authorization to Enter into a Contract for Legal Services and Authorization to Take Related Actions

RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is

DRAFT – SUBJECT TO REVIEW AND REVISION

hereby ordered to be filed with the records of the Corporation (the “Materials”), the Corporation hereby finds Skadden, Arps, Slate, Meagher & Flom LLP (“Counsel”) to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a new contract with Counsel for up to \$950,000, plus expenses, for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate and his designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing.

* * *

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT – Empire Station Complex Project - Authorization to Enter into a Contract for Environmental Consulting Services and Authorization to Take Related Actions

RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation (the “Materials”), the Corporation hereby finds AKRF, Inc. to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a contract with Consultant for up to \$4,000,000 for environmental consulting services, and substantially on the terms and conditions, as set forth in the Materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing.

* * *

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE

DRAFT – SUBJECT TO REVIEW AND REVISION

DEVELOPMENT – Empire Station Complex Project - Authorization to Enter into a Contract for Architectural, Planning and Design Guidelines Services and Authorization to Take Related Actions

RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation (the “Materials”), the Corporation hereby finds FX Collaborative Architects LLP (“FX Collaborative”), to be responsible; and be it further

RESOLVED, that the Corporation is hereby authorized to enter into a new contract with FX Collaborative for up to \$590,000, including expenses, for the purposes and services, and substantially on the terms and conditions, as set forth in the Materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate and his designee(s) be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all such actions as may be necessary or appropriate to effectuate the foregoing.

* * *

The Chair noted that the last item on the Agenda is for information purposes only and did not require a vote.

There being no further business, the meeting was adjourned at 10:39 a.m.

Respectfully submitted,

Debbie Royce
Corporate Secretary

FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Annual Operating Budget

REQUEST FOR: Authorization to Adopt the Annual Operating Budget, Including Certain
Subsidiary Operating Support and Non-Programmatic Capital Expense
Authorization for Fiscal Year (FY) 2020-21 and to Take Related Actions

I. BACKGROUND

State Finance Law requires that prior to the commencement of each fiscal year on April 1 the Directors of the New York State Urban Development Corporation, doing business as Empire State Development (ESD or the Corporation), adopt the Corporation's annual operating budget.

This year, ESD's proposed FY2020-21 annual budget of approximately \$89.2 million includes an unprecedented contingency amount of \$5M to allow ESD staff to be responsive in an expeditious manner to changes that are likely to be required in response to the COVID-19 virus in the coming weeks/months. The contingency proposed represents a six percent (6%) increase to the budget and is predicated on the range commonly employed by government entities when facing an unknown or uncertain circumstance outside of its "routine business". The ESD team has already been called upon to assist in formulating quick and meaningful economic relief to businesses and it is expected that such requests will continue into the new fiscal year. This supposition will require these additional resources to allow ESD to make real time business decisions necessary to provide aide and assistance to businesses where needed. It is envisioned that consultants may be required to provide guidance and assistance in building and administering economic relief programs. Other areas of need may be in providing additional phone support to businesses as they navigate their way through economic recovery, the procurement of health and wellness supplies, the addition of IT equipment to support a more robust remote workforce, and retention of staff to administer new and novel programs.

The sufficiency of this contingency will be measured over time as we commence the work assigned to ESD and begin to help businesses emerge from this crisis. As a result, it may be necessary to come back to the Board later in the fiscal year to request an amendment to the budget. In addition, if any changes are required to the ESD budget after the adoption of the State's FY2020-21 Budget they will be brought to the Board for approval.

Consistent with prior fiscal years, the budget continues to include annual operating expenditures, as well as operating support provided to certain subsidiaries, and operating costs associated with the administration and oversight of new and existing economic development programs, such as the Regional Economic Development Councils (REDCs), a Life Sciences Initiative, the development of Empire Station, the Minority- and Women-Owned Business Division and the Buffalo Regional Innovation Cluster. ESD's budget does not include programmatic New York State appropriations for specific programs that have been included in the Governor's proposed FY2020-21 Executive Budget.

ESD's FY2020-21 budget includes total personal services expenses, including salaries and fringe benefits, of approximately \$53.5 million to support the continued expansion of ESD's role in economic development through programs including, Life Sciences, Empire Station, tourism and business marketing, and the oversight of ten REDC's.

Also included is funding for non-personal services expenses of approximately \$21.6 million, which includes increased occupancy expenses, consultant costs, IT equipment, communication enhancements and improvements, insurance, and expanded staff training and intern programs.

The Corporation's budgeted Other Post Employment Cost of \$5.6 million represents the actuarial accounting and disclosure requirements of Government Accounting Standards Board, Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions".

Subsidiary operating support of \$3.6 million includes the operating expenses of Erie Canal Harbor Development Corporation (\$1.3 million), Harlem Community Development Corporation (\$1.5 million), Queens West Development Corporation (\$.1 million) and USA Niagara (\$.7 million). Other subsidiary operating and capital budgets will be presented separately.

Director approval also is requested for the Corporation's FY2020-21 Non-Programmatic Capital Expense Authorization totaling approximately \$4.7 million. This authorization includes an upgrade to the Corporation's infrastructure network wiring to enhance functionality, licenses and support for the entity-wide Microsoft Dynamics customer relations management system, investment in technology to improve data and assets protection, broaden and replace IT hardware and software to enhance business continuity and disaster recovery capabilities.

The details of the proposed FY2020-21 ESD Operating Budget, including certain Subsidiary Operating Support and the Annual Non-Programmatic Capital Expense Authorization, are attached for your review.

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II. REQUESTED ACTIONS

The Directors are requested to adopt the Corporation's FY2020-21 Annual Operating Budget, including certain Subsidiary Operating Support and the FY2020-21 Annual Non-Programmatic Capital Expense Authorization as set forth in the attachments and to delegate authority to the appropriate officers to take related actions.

ATTACHMENTS

Resolution

Proposed FY2020-21 Annual Operating Budget, including certain Subsidiary Operating Support

Proposed FY2020-21 Annual Non-Programmatic Capital Expense Authorization

March 26, 2020

NEW YORK STATE URBAN DEVELOPMENT CORPORATION – Annual Operating Budget -
Authorization to Adopt the FY2020-21 Annual Operating Budget, Including Certain
Subsidiary Operating Support and the FY2020-21 Annual Non-Programmatic Capital
Expense Authorization and to Take Related Actions

RESOLVED, that the Corporation hereby adopts the FY2020-21 Annual Operating Budget, including certain subsidiary operating support and the FY2020-21 Annual Non-Programmatic Capital Expense Authorization, based upon the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the “Materials”); and be it further

RESOLVED, that the proper corporate officers be, and they hereby are, authorized to take related actions as he or she may, in his or her sole discretion, deem necessary or proper to effectuate the foregoing.

* * *

New York State Urban Development Corporation d/b/a
Empire State Development
Annual Operating Budget, including certain Subsidiary Support
for Fiscal Year 2020-21 (in comparison to the Board Approved Budget for Fiscal Year 2019-20)

	<u>Proposed</u> <u>FY 2020-21</u>		<u>Board Approved</u> <u>FY 2019-20</u>
EXPENSES			
<u>Personal Services (including fringe benefits)</u>	\$ 53,469,290	(a)	\$ 49,923,030
<u>Other Post Employment Cost</u>	\$ 5,600,000		\$ 5,600,000
<u>Non-Personal Services</u>			
Occupancy Expenses	\$ 8,940,000	(b)	\$ 8,378,000
Consultant Fees	5,994,900	(c)	3,875,600
Outside Services and Expenses	1,657,100	(d)	1,598,872
Computers and Equipment/Software/Telephone	1,459,900		1,363,000
Accounting and Legal Fees	1,164,000		1,115,000
Travel and Meals	699,674		673,749
Insurance	950,000	(e)	447,219
On-Line Services/Training/Conferences/Subscriptions	434,950	(f)	316,375
Office Supplies and Expenses	297,541		291,241
<u>Total Non-Personal Services</u>	<u>\$ 21,598,065</u>		<u>\$ 18,059,056</u>
<u>Total Personal and Non-Personal Expenses</u>	<u>\$ 80,667,355</u>		<u>\$ 73,582,086</u>
<u>Total Subsidiary Operating Support</u>	<u>\$ 3,569,047</u>		<u>\$ 3,496,088</u>
<u>Contingency For Unknown COVID-19/Program Costs</u>	<u>\$ 5,000,000</u>	(g)	<u>\$ -</u>
GRAND TOTAL - ALL EXPENSES	<u>\$ 89,236,402</u>		<u>\$ 77,078,174</u>
FUNDING SOURCES			
Commercial Receipts/Asset Sale Proceeds/Administrative Fees/Other Revenue	\$ 67,812,293		\$ 59,050,210
Bond Financing and Economic Development Income/Other Fees	9,200,000		9,200,000
Recovered Expenses (Program specific NYS Appropriations, Federal Funding, Other)	7,224,109		8,827,964
Funding To Be Determined	5,000,000		
GRAND TOTAL - FUNDING SOURCES	<u>\$ 89,236,402</u>		<u>\$ 77,078,174</u>

(a) Increase is primarily related to support the continued expansion of ESD's role in economic development through programs including, Life Sciences, Empire Station, tourism and business marketing and the oversight of ten Regional Economic Development Councils.

(b) Increase is primarily related to the need for additional office space at 633 Third Avenue.

(c) Increase is to support new and additional Minority and Women Business Development program initiatives.

(d) Increase is primarily due to the need for a bi-annual film tax study and expansion of ESD's trade development efforts.

(e) Increase is primarily due to increased premiums as a result of current market conditions.

(f) Increase is related to an expanded employee training and development program.

(g) To allow ESD to quickly respond to the current crisis needs/directives in the immediate weeks/months.

New York State Urban Development Corporation d/b/a
 Empire State Development
 Subsidiary Operating Support
 for Fiscal Year 2020-21 (in comparison to the Board Approved Budget for Fiscal Year 2019-20)

<u>EXPENSES</u>	<u>Proposed FY 2020-21</u>	<u>Board Approved FY 2019-20</u>
<u>Personal Services (including fringe benefits)</u>	<u>\$ 2,937,945</u>	<u>\$ 2,901,767</u>
<u>Non-Personal Services</u>		
Occupancy Expenses	\$ 170,300	\$ 164,300
Insurance	141,352	134,621
Other Outside Services and Expenses	102,500	132,200
Accounting and Legal Fees	66,250	66,250
Computers and Equipment/Software/Telephone	34,900	39,900
Office Supplies and Expenses	35,300	35,300
On-Line Services/Training/Conferences/Subscriptions	9,000	10,500
Travel and Meals	6,500	6,250
Consultant Fees	<u>65,000</u>	<u>5,000</u>
<u>Total Non-Personal Services</u>	<u>\$ 631,102</u>	<u>\$ 594,321</u>
<u>Total Personal and Non-Personal Expenses</u>	<u>\$ 3,569,047</u>	<u>\$ 3,496,088</u>

NOTE: Consists of operating expenses for Erie Canal Harbor Development Corporation, Harlem Community Development Corporation, Queens West Development Corporation and USA Niagara. ESD does not provide operating support for any other subsidiaries.

New York State Urban Development Corporation d/b/a
Empire State Development
Annual Non-Programmatic Capital Expense Authorization
for Fiscal Year 2020-21 (in comparison to the Total Board Approved Authorization for Fiscal Year 2019-20)

	<u>Proposed</u> <u>FY 2020-21</u>	<u>Board Approved</u> <u>FY 2019-20</u>
VOIP Routers and Telephones - ITS UniteNY Virtual Router License for Core Switch	15,000	
Wi-Fi Implementation For Some Regional Offices/Business Continuity/Disaster Recovery	20,000	
Miscellaneous Data Center Hardware Supplies	25,000	
Miscellaneous Software	25,000	
Mobile Devices - Laptops, Tablets, etc.	30,000	
Dell Replacement PC - Refresh Outdated Workstations	30,000	
Miscellaneous Peripheral Devices, Projectors, Printers, etc.	30,000	
License - Licenses For Critical Application Infrastructure (Database, VmWare, Windows Operating System)	35,000	
ITS Enterprise Support Changes	40,000	
Formrouter Professional Services - Support StartupNY, NY Films and Other Solutions	50,000	
Replacement VDI Devices for VmWare Virtualization Migration Project	50,000	
Dell Servers - Refresh Existing and Outdated Servers That Are Not Virtualized	60,000	
Cybersecurity Professional Services	75,000	
Cybersecurity Network Vulnerability Testing and Mitigation	75,000	
ITS WebNY Drupal Migration From Version 7 to 8 LOI	81,000	
VMWare Infrastructure Upgrade to Provide Increased Performance (required for critical application)	90,000	
Video Conferencing Equipment and Service	100,000	
Disaster Recovery Upgrade and Professional Services	100,000	
Continuation of an upgrade to ESD's PeopleSoft Financial Management System	100,000	
Media Services Refresh of Critical Enterprise System	100,000	
Managed Services Critical Infrastructure (NetApp, ESXi)	100,000	
Media Services Redundant System for NYC Location (Disaster Recovery)	105,000	
Engineering Services - Support Firewall Configuration, etc.	150,000	
Fire Eye Security Threat Prevention Expand and Upgrade Agency Wide	150,000	
SDWAN Expansion (remote office and internet connectivity redundancy)	150,000	
New Systems Implementation	200,000	
Campbell Ewald Drupal Migration from version 7 to 8 Project SOW	211,000	
VDI Solution Upgrade/ Engineering Services	300,000	
Infrastructure Network Wiring Upgrade Refresh at 633 Third Avenue Location	600,000	
Corporate, Business and Economic Development Support Services	800,000	
Support Microsoft Dynamics CRM System	825,000	
	<u>\$ 4,722,000</u>	<u>\$ 4,395,000</u>

(a) Only the total of the annual non-programmatic capital expense authorization is presented for the prior fiscal year because the Corporation's specific needs change from year to year.

(a)

FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: New York (New York County) – Penn Station - Farley Complex - Moynihan Station Civic and Land Use Improvement Project

REQUEST FOR: Approval of Fiscal Year 2020-2021 (April 1, 2020 – March 31, 2021)
Operating and Capital Budgets

I. BACKGROUND

The Moynihan Station Civic and Land Use Improvement Project (the “Moynihan Project”) will create a new intercity passenger rail facility and commercial development within the James A. Farley Post Office Building (the “Farley Building”), located on the Manhattan superblock between Eighth and Ninth Avenues and West 31st and 33rd Streets. The New York State Urban Development Corporation d/b/a Empire State Development (“ESD”) is now proceeding with Phase 2 of the Moynihan Project which involves the redevelopment of the Farley Building, including the construction of the Moynihan Train Hall and related improvements in the Pennsylvania Station train shed beneath the Farley Building that had been initiated in Phase 1 by ESD’s subsidiary, Moynihan Station Development Corporation (“MSDC”).

New York State Finance Law requires approval of an annual budget prior to the commencement on April 1st of each new fiscal year. In order to comply, the ESD Directors are being asked to approve the proposed FY 2020-21 Operating and Capital Budgets for the Moynihan Project.

II. FY 2019-20 OPERATING AND CAPITAL BUDGET SUMMARY

Authorization is requested for an Operating Budget of \$1,119,342 for Moynihan Project operations, consisting of \$1,015,734 in Personal Services (salaries and fringe benefits) and \$103,608 in Non-Personal Services expenses (professional services, insurance, telephone/ internet services and other administrative expenses). The total Operating Budget represents a slight increase from the previous year. The proposed FY 2020-21 Operating Budget is set forth in Attachment A.

In addition, authorization is requested for a Capital Budget of \$466,290,707 for expenses related to the redevelopment of the Farley Building and the construction of the Moynihan Train Hall and related improvements. The construction costs included are based on projections provided by Skanska Moynihan Train Hall Builders. The Design & Other Soft Costs include project

management, architectural and engineering fees, permitting agency fees and consultant fees. The proposed FY 2020-21 Capital Budget for is set forth in Attachment B.

III. SOURCE OF FUNDS

The Operating and Capital Budgets will be funded from grants administered by the Federal Railroad Administration (“FRA”), the Port Authority of New York and New Jersey, the Metropolitan Transportation Authority, the National Railroad Passenger Corporation, and the U.S. Department of Transportation TIFIA Loan proceeds.

IV. ENVIRONMENTAL REVIEW

ESD staff, on behalf of the Moynihan Project, has determined that the requested authorization to adopt an annual operating and an annual capital budget constitutes a Type II action as defined by the New York State Environmental Quality Review Act (“SEQRA”) and the implementing regulations for New York State Department of Environmental Conservation. The construction activities in connection with the capital expenses identified in the FY 2020-21 budget have been addressed by prior SEQRA environmental reviews, and therefore, no further environmental review is required in connection with the requested authorization.

V. REQUESTED ACTION

The Directors are requested to approve the attached Moynihan Project FY 2020-21 Operating and Capital Budgets.

VI. RECOMMENDATION

Based on the foregoing, staff recommends approval of the requested action.

Attachments

Resolutions

Attachment A – Operating Budget Plan FY 2020-2021

Attachment B – Capital Budget Plan FY 2020-2021

March 26, 2020

NEW YORK (NEW YORK COUNTY) – Penn Station - Farley Complex – Moynihan Station
Civic and Land Use Improvement Project – Approval of FY 2020 - 2021 (April 1, 2020 –
March 31, 2021) Operating and Capital Budgets

RESOLVED, that on the basis of the materials submitted, a copy of which is ordered filed with the records of the Corporation, the Corporation does hereby authorize, approve, and adopt, subject to the availability of funds, the FY 2020-2021 Operating and Capital Budgets for the Moynihan Project; and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designees be, and each of them hereby is, authorized and directed to take all actions and execute all documents in connection with the establishment and implementation of the said Operating and Capital Budgets; and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designees be, and each of them hereby is, authorized and directed to execute and deliver all documents and to take all related actions as each of them deems necessary or appropriate to effectuate the forgoing resolutions.

* * *

**Empire State Development
Moynihan Station Civic and Land Use Improvement Project
Operating Budget Plan FY 2020-21**

	Board Approved Budget FY 2019-20	Proposed Budget Plan FY 2020-21
<u>PERSONAL SERVICES</u>		
Salaries	\$ 703,570	\$ 736,039
Fringe Benefits	267,357	279,695
TOTAL PERSONAL SERVICES	\$ 970,927	\$ 1,015,734
HEADCOUNT	7	7
<u>NON-PERSONAL SERVICES</u>		
Professional Fees		
Legal / Accounting Fees	\$ 0	\$ 0
Consultant Fees	10,000	10,000
Total Professional Fees	\$ 10,000	\$ 10,000
Other Non-Personal Services		
Employee Travel & Meals	\$ 2,500	\$ 5,000
Online Services/Training/ Conferences/Subscriptions	0	0
Office Occupancy Expenses	0	0
Insurance	27,246	28,608
Outside Services and Expenses	20,000	10,000
Telephone/Fax/Internet	40,000	35,000
Office Supplies and Expenses	10,000	10,000
Computers/Software/Equipment	5,000	5,000
Total Other Non Personal Services	\$ 104,746	\$ 93,608
TOTAL NON-PERSONAL SERVICES	\$ 114,746	\$ 103,608
TOTAL OPERATING BUDGET	\$ 1,085,673	\$ 1,119,342

**Empire State Development
Moynihan Station Civic and Land Use Improvement Project
Capital Budget Plan FY 2020-21**

	Board Approved Budget FY 2019-20	Proposed Budget Plan FY 2020-21
Acquisition Costs	\$ 0	\$ 0
Design & Other Soft Costs	4,961,880	4,623,097
Legal Costs	250,000	490,710
Property Management/Maintenance Costs	0	0
Insurance	1,500,000	1,386,500
Demolition & Site Clearance	0	0
Construction Costs	474,665,400	459,540,400
Other Misc. Costs	500,000	250,000
TOTAL CAPITAL BUDGET	<u>\$ 481,877,280</u>	<u>\$ 466,290,707</u>

FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Annual Budgets for Certain Subsidiaries

REQUEST FOR: Authorization to Approve the Annual Budgets for Certain Subsidiaries for Fiscal Year (FY) 2020-21 and to Take Related Actions

I. BACKGROUND

The State Finance Law requires that prior to the commencement of each fiscal year on April 1 the Directors of the New York State Urban Development Corporation, doing business as Empire State Development (“ESD” or the “Corporation”) and its subsidiaries, adopt the annual budget(s).

This year, the consequences of the unprecedented COVID-19 pandemic limited the ability of each ESD subsidiary corporation listed of attached Schedule A (each a “Subsidiary” and collectively the “Subsidiaries”) to convene a timely meeting of the Subsidiary’s Board for the adoption of the Subsidiary’s annual FY2020-21 budget(s). ESD is the sole or controlling shareholder of each Subsidiary and ESD staff function as officers as and staff for the Subsidiaries. For each Subsidiary to present a timely annual budget(s), it is necessary that ESD approve the Subsidiary’s budget(s). At the Subsidiary Board meeting first occurring after the resumption of normal business, the budget will be brought to the Subsidiary’s Board for ratification and adoption.

Each Subsidiary’s FY2020-21 budget(s) includes annual operating expenditures, total personal services expenses, funding for non-personal services expenses and capital expenditures (where applicable).

The proposed FY2020-21 budget(s) for each Subsidiary is attached for your review.

II. REQUESTED ACTIONS

The Directors are requested to approve each Subsidiary’s FY2020-21 annual budget(s), set forth in the attachments and to delegate authority to the appropriate officers to take related actions.

ATTACHMENTS

Schedule A – List of Certain Subsidiaries of the Corporation

Resolution

Proposed FY2020-21 Annual Budgets for Each Subsidiary Listed on Schedule A

March 26, 2020

NEW YORK STATE URBAN DEVELOPMENT CORPORATION – Annual Budgets for Certain
Subsidiaries - Authorization to Approve the FY2020-21 Annual Budgets for Certain
Subsidiaries and to Take Related Actions

RESOLVED, based upon the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the “Materials”), that the Corporation hereby approves the FY2020-21 annual budget(s) for each of the Corporation’s subsidiaries listed on Schedule A to the Materials; and be it further

RESOLVED, that the proper corporate officers be, and they hereby are, authorized to take related actions as he or she may, in his or her sole discretion, deem necessary or proper to effectuate the foregoing.

* * *

SCHEDULE A

Subsidiaries of the Corporation Providing Budgets for Corporation Approval

Queens West Development Corporation (operating and capital budgets)

Harlem Community Development Corporation (capital budget)

Atlantic Yards Development Corporation (operating budget)

Empire State New Markets Corporation (operating budget)

PROPOSED FY2020-21 ANNUAL BUDGETS FOR EACH SUBSIDIARY LISTED ON SCHEDULE A

**Empire State Development
Atlantic Yards Comm Dev. Corp.
Operating Budget Plan FY 2020-21**

	Board Approved Budget FY 2019-20	Proposed Budget Plan FY 2020-21
<u>PERSONAL SERVICES (PS)</u>		
Salaries	\$ 147,824	\$ 159,733
Fringe Benefits	56,173	60,699
TOTAL PERSONAL SERVICES	\$ 203,997	\$ 220,432
HEADCOUNT	2	2
<u>NON-PERSONAL SERVICES (PS)</u>		
Professional Fees		
Legal / Accounting Fees	\$ 0	\$ 0
Consultant Fees	0	0
Total Professional Fees	\$ 0	\$ 0
Other Non-Personal Services		
Employee Travel & Meals	\$ 0	\$ 0
Online Services/Training/ Conferences/Subscriptions	0	0
Office Occupancy Expenses	11,750	12,250
Insurance	23,570	15,000
Outside Services and Expenses	10,683	2,318
Telephone/Fax/Internet	0	0
Office Supplies and Expenses	0	0
Computers/Software/Equipment	0	0
Total Other Non Personal Services	\$ 46,003	\$ 29,568
TOTAL NON-PERSONAL SERVICES (NPS)	\$ 46,003	\$ 29,568
TOTAL PS & NPS	\$ 250,000	\$ 250,000

**Empire State Development
Empire State New Market Corp
Operating Budget Plan FY 2020-21**

	Board Approved Budget FY 2019-20	Proposed Budget Plan FY 2020-21
<u>PERSONAL SERVICES</u>		
Salaries	\$ 0	\$ 0
Fringe Benefits	0	0
TOTAL PERSONAL SERVICES	\$ 0	\$ 0
HEADCOUNT	-	-
<u>NON-PERSONAL SERVICES</u>		
Professional Fees		
Legal / Accounting Fees	\$ 100,000	\$ 100,000
Consultant Fees	300,000	300,000
Total Professional Fees	\$ 400,000	\$ 400,000
Other Non-Personal Services		
Employee Travel & Meals	\$ 4,000	\$ 4,000
On-line Services/ Due & Subscriptions	3,500	3,500
Office Occupancy Expenses	0	0
Insurance	12,250	25,726
Other Outside Services	1,250	1,250
Telephone/Internet	1,000	1,000
Office Supplies and Expense	0	0
Computers/Software/Equipment	0	0
Total Other Non Personal Services	\$ 22,000	\$ 35,476
TOTAL NON-PERSONAL SERVICES	\$ 422,000	\$ 435,476
TOTAL OPERATING BUDGET	\$ 422,000	\$ 435,476

**Empire State Development
Harlem Community Development Corp
Capital Budget Plan FY 2020-21**

	Board Approved Budget FY 2019-20	Proposed Budget Plan FY 2020-21
Acquisition Costs	\$ 0	\$ 0
Design & Other Soft Costs	0	0
Legal Costs	0	250,000
Property Management/Maintenance Costs	0	0
Insurance	0	0
Demolition & Site Clearance	0	0
Construction Costs	250,000	625,000
Other Misc. Costs	0	0
TOTAL CAPITAL BUDGET	<u>\$ 250,000</u>	<u>\$ 875,000</u>

**Empire State Development
Queens West Development Corp
Operating Budget Plan FY 2020-21**

	Board Approved Budget FY 2019-20	Proposed Budget Plan FY 2020-21
<u>PERSONAL SERVICES</u>		
Salaries	\$ 44,363	\$ 49,207
Fringe Benefits	16,858	18,699
TOTAL PERSONAL SERVICES	\$ 61,221	\$ 67,906
HEADCOUNT	0.5	0.5
<u>NON-PERSONAL SERVICES</u>		
Professional Fees		
Legal / Accounting Fees	\$ 1,000	\$ 1,000
Consultant Fees	0	0
Total Professional Fees	\$ 1,000	\$ 1,000
Other Non-Personal Services		
Employee Travel & Meals	\$ 0	\$ 0
Online Services/Training/ Conferences/Subscriptions	0	0
Office Occupancy Expenses	15,000	15,000
Insurance	5,546	11,646
Outside Services and Expenses	0	0
Telephone/Fax/Internet	400	400
Office Supplies and Expenses	0	0
Computers/Software/Equipment	0	0
Total Other Non Personal Services	\$ 20,946	\$ 27,046
TOTAL NON-PERSONAL SERVICES	\$ 21,946	\$ 28,046
TOTAL OPERATING BUDGET	\$ 83,167	\$ 95,952

FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Delegation of Authority to Enter into Contracts – COVID-19 Pandemic Relief Assistance

REQUEST FOR: Delegation of Authority

I. Background

At their meeting held on April 21, 1983, the Directors delegated to the President and Chief Executive Officer or his or her designee(s) the authority to enter into contracts not to exceed \$50,000. Subsequently, at their meeting held on October 15, 2015, the Directors further delegated this authority to allow the President and Chief Executive officer or his or her designee(s) to enter into contracts not to exceed \$250,000.

The Coronavirus/COVID-19, which has been designated a global pandemic by the World Health Organization, is having a devastating impact on the State's economy. As the State and the country try to stem the spread of the virus and contain the outbreak, life in the State is rapidly grinding to a halt -- and with it much of the economy. All industries, and small businesses, in particular, have been affected by the COVID-19 pandemic. Hundreds of thousands of jobs will either be lost or severely impacted by the outbreak. Many workers throughout the State have already been laid off or furloughed, and more job cuts are likely as this crisis continues. As people start to socially distance themselves, those in white collar jobs will more easily be able to work from home, while hourly workers in sectors like hospitality and retail may be let go as their companies lose business. This further jeopardizes some of the least financially secure workers in the state -- jobs in these fields are often part-time and typically pay low wages.

II. Proposal

To enable the immediate response to this crisis, it is proposed that the Directors delegate to the President and Chief Executive Officer or his or her designee(s) the authority to enter into contracts for COVID-19 pandemic relief assistance (including grant disbursement agreements and loan documents) not to exceed One Million Dollars (\$1,000,000). Any designee(s) shall be one or more officers of the Corporation designated by the President and Chief Executive Officer.

With regard to contractual arrangements (including, without limitation, grant disbursement agreements and loan documents) resulting in the disbursement of funds or the incurrence of future liabilities, the following guidelines would be used:

1. Single contracts where the total expenditures are to exceed \$1,000,000 should be approved by the Directors, even though annual payments may be less than \$1,000,000.
2. Where a single project is expected to result in a disbursement of funds in excess of \$1,000,000, the transaction should be approved by the Directors, even if individual contractual agreements comprising the total project are under \$1,000,000.
3. Contract amendments or change orders which increase an original contract from an amount below \$1,000,000 to an amount in excess of \$1,000,000 should be approved by the Directors. Furthermore, all amendments to contracts originally over \$1,000,000 should be approved by the Directors unless their original authorization allowed for price adjustments.
4. Pursuant to New York State Public Authorities Law Section 2879, contracts involving services to be rendered over a period in excess of one year should be approved by the Directors, regardless of the amount of the contract.

Such delegation of authority shall last for a period of six (6) months commencing on the date hereof, unless extended by the Directors.

III. Recommendations and Requested Action

The Directors are requested to delegate authority to the President and Chief Executive Officer or his or her designee(s), who shall be officers of the Corporation, to enter into COVID-19 pandemic relief assistance contracts up to One Million Dollars (\$1,000,000), to make all findings required by the UDC Act and/or other applicable laws and to take all such other actions as may be necessary or appropriate in connection with the approval, execution and implementation of such contracts.

Attachment
Resolution

March 26, 2020

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE DEVELOPMENT –
Delegation of Authority to Enter into COVID-19 Pandemic Relief Assistance Contracts

BE IT RESOLVED, that in accordance with the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, the President and Chief Executive Officer or his or her designee(s), who shall be one or more officers of the Corporation, and each of them hereby is, authorized to enter into COVID-19 pandemic relief assistance contracts, including, without limitation, grant disbursement agreements and loan documents, in amounts not to exceed One Million Dollars (\$1,000,000), on behalf of the Corporation with such persons, firms and corporations as he or she may deem necessary to exercise the powers, duties and functions of the Corporation as prescribed by law and as they relate to COVID-19 pandemic relief assistance, and to make all findings required by the UDC Act and/or other applicable laws, and to take all such other actions as may be necessary or appropriate in connection with the approval, execution and implementation of such contracts for a period of six (6) months commencing on the date hereof, unless extended by the Directors; and be it further

RESOLVED, that the President and Chief Executive Officer shall, from time to time, advise the Directors of contracts which have been entered into pursuant to this authority.

* * *

FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Statewide – Entrepreneurship Assistance Centers, Small Business Development Centers - COVID-19 Disaster Relief Technical Assistance Grants

REQUEST FOR: Urban and Community Development Program - Findings and Determinations Pursuant to Sections 10(g) and 16-d of the Act; Authorization to Make Grants and to Take Related Actions; Minority and Women-Owned Business Development and Lending Program – Findings and Determinations Pursuant to Section 10(g) and 16-c of the Act; Authorization to Make Grants and to Take Related Actions; Empire State Economic Development Fund – Findings and Determinations Pursuant to Section 10(g) and 16-m of the Act; Authorization to Make Grants and to Take Related Actions

I. Project Summary

Grantees: Twenty-Four New York State Entrepreneurship Assistance Centers (“EAC”) and The Research Foundation for the State University of New York (“RF SUNY” or the “Foundation”) on behalf the Twenty-Three Small Business Development Centers (“SBDC”, EAC and SBDC, collectively, “Centers”), as listed in Schedules A1 and A2, attached hereto and made a part hereof.

ESD* Investment: It is here by requested that grants of up to \$110,000 to each of the EAC and SBDC be approved.

Project Locations: Locations within New York State regions are as follows: Capital District, New York City, Central New York, Finger Lakes, Long Island, Mid-Hudson, Mohawk Valley, North Country, Southern Tier and Western New York. The specific locations of each EAC and SBDC entity are included in the attached Appendix A.

Proposed Projects: To support the ongoing operations of the EAC and the SBDC in the effort to provide technical assistance to New York State small businesses in applying for COVID-19 assistance programs, including but not limited to SBA Disaster Loans.

Regional Council: The Regional Councils have been made aware of their respective items.

II. Funding Sources

The appropriation for the Urban and Community Development Program (“UCDP”) Community Development Financial Institution Assistance Program in the amount of \$570,000;

The Minority and Women-Owned Business Development and Lending Program (“MWBDLP”) in the amount of \$2,500,000; and

The Empire State Economic Development Fund (“EDF”) in the amount of \$1,930,000.

III. Project Descriptions

A. Background

The Coronavirus/COVID-19, which has been designated a global pandemic by the World Health Organization, is having a devastating impact on the State’s economy. As the State and the country try to stem the spread of the virus and contain the outbreak, life in the State is rapidly grinding to a halt -- and with it much of the economy. While all industries have been affected by the COVID-19 pandemic, small businesses are bearing the brunt of the downturn. Hundreds of thousands of small business jobs will either be lost or severely impacted by the outbreak. Many workers throughout the State have already been laid off or furloughed, and more job cuts are likely as this crisis continues. As people start to socially distance themselves, those in white collar jobs will more easily be able to work from home, while hourly workers in sectors like hospitality and retail may be let go as their companies lose business. This further jeopardizes some of the least financially secure workers in the state -- jobs in these fields are often part-time and typically pay low wages.

The United States Small Business Administration (SBA) is offering low interest federal disaster loans for working capital purposes to small businesses suffering substantial economic injury as a result of COVID-19. Eligible State businesses may qualify for loans up to \$2 million. Interest rates for SBA Disaster Assistance Loans are 3.75% for small businesses with terms up to 30 years. Eligibility for these working capital loans are based on size, credit worthiness and existing financial resources of the borrower company. Loans may be used to pay fixed debts, payroll, accounts payable and other bills that cannot be paid because of the disaster’s impact on small businesses with limited credit options.

In addition, other federal and state programs will become available to help small business survive the COVID-19 crisis.

To enhance the impact of the various federal and state programs that will become available, ESD will provide grants to the EAC and SBDCs to assist State small businesses in applying for the various COVID-19 assistance programs, including but not limited to SBA Disaster Loans.

B. The Grants

ESD will make grants to each EAC and The Research Foundation for the State University of New York ("RF SUNY" or the "Foundation") on behalf SBDC, as set forth in Schedule A1 and A2, in order to enhance each organization's capacity to provide technical assistance to State small businesses applying for the various federal and state COVID-19 assistance programs, including but not limited to SBA Disaster Loans. The businesses which will receive the technical assistance represent a significant segment of the State business community that finds application processes difficult to navigate and need access to traditional financial consulting services to help complete and submit acceptable applications. On March 30, 2020, it is anticipated that ESD will release a Request for Application for the New York State's Technical Assistance Program to the 24 EACs and 23 SBDCs. The deadline for application submission is scheduled for April 10, 2020 at 3pm. The funding will be made available from appropriations totaling \$5 million to ESD from the UCDP, MWBDLP and Empire State Economic Development Fund. Eligible applicants may receive grants up to \$110,000 for eligible project costs for small business technical assistance.

ESD will receive, review, and score up to a total of 47 applications. The selected EAC and SBDC will attempt to bridge this gap through the provision of intensive small business technical assistance. The Centers will use allocated funds for expenses related to technical assistance as outlined above.

The Centers are required to provide progress reports detailing the impact of technical assistance provided. In addition, each Center will provide ESD with financial reports and documentation of expenditures will be required for disbursement of funds. ESD will verify that each Center is in compliance with Program regulations and is following all contractual arrangements by reviewing, verifying and approving the required documentation.

ESD will enter into an agreement (no longer than 12 months) with each center that will stipulate the manner in which program funds will be disbursed.

ESD Project Nos.: TBD

Project Team:	Origination	Rafael Salaberrios
	Project Management	Beverly Bobb/Jovanna Miller
	Legal	Antovk Pidedjian
	Contractor & Supplier Diversity	Alejandra Villanueva
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial conditions prior to disbursement.

2. An advance of up to 50% of the grant will be disbursed to the Grantee up execution of the Grant Disbursement Agreement, assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed, as an advance upon submission of supporting documentation of eligible expenditures of 50% of initial advance, as well as the including an Interim/ Report, and provided Grantee is otherwise in compliance with program requirements; ESD may withhold the final 10% of the Grant until all of the tasks and reports have been completed to ESD's satisfaction.
3. ESD may reallocate the project funds to another form of assistance, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Organization and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis

The New York State Minority and Women-Owned Business Development and Lending Program

MWBDLP is authorized pursuant to Section 16-c of the New York State Urban Development Corporation Act ("Act"). No residential relocation is required as there are no families or individuals residing on the site.

The Urban and Community Development Program

UCDP is authorized pursuant to Section 16-d of the Act. No residential relocation is required as there are no families or individuals residing on the site.

Empire State Economic Development Fund

EDF is authorized pursuant to 16-m of the Act.

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of small businesses.

As a result of this Program, small businesses severely impacted by COVID-19 will be able to apply for federal and state COVID-19 assistance programs and continue their operations and retain employment in New York State.

2. The proposed project would be unlikely to take place in New York State without the requested assistance.

The loss incurred by small businesses in the affected communities is extensive. To enhance the impact of the federal and state COVID-19 assistance programs in the State, ESD will provide grants to selected EAC and SBDC to assist small businesses in applying for the various COVID-19 assistance programs, including but not limited to SBA Disaster Loans.

3. The project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.

For a relatively modest investment by the State, the Program is expected to prevent small businesses from shutting down entirely or downsizing in the face of extensive losses

4. The requirements of Section 10(g) of the Act are satisfied.

No residential relocation is required because there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the approval of the assistance does not constitute an action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the action.

VI. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Articles 15-A and 17-B, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority- and women-owned business enterprises ("MWBEs") and service-disabled veteran-owned businesses ("SDVOBs") in the performance of ESD projects. The Office of Contractor and Supplier Diversity has reviewed the project and, while specific goals will be established on a grant by grant basis, due to the emergency response needed for this unprecedented event and the activities to be covered, it is anticipated that there will be limited opportunities for MWBEs or SDVOBs. However, ESD still encourages grantees to utilize MWBEs and SDVOBs where possible.

VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions

Schedule A- 1 Entrepreneurial Assistance Program – Regional Listing

Schedule A-2 Small Business Development Center – Regional Listing

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE DEVELOPMENT - Statewide – Urban and Community Development Program - Findings and Determinations Pursuant to Sections 10(g) and 16-d of the UDC Act; Minority and Women-Owned Business Development and Lending Program – Findings and Determinations Pursuant to Section 10(g) and 16(c) of the Act; Empire State Economic Development Fund – Findings and Determinations Pursuant to Section 10(g) and 16-m of the Act; Authorization to make COVID-19 Disaster Relief Technical Assistance Grants to Entrepreneurship Assistance Centers, Small Business Development Centers and Take Related Actions

BE IT RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Empire State Development (“ESD”), relating to the Entrepreneurship Assistance Centers and Small Business Development Centers Technical Assistance Grants, (the “Project”), ESD hereby determines pursuant to Section 10 (g), 16-c, 16-d, and 16-m of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that with respect to the Programs, the Corporation makes the following findings pursuant to Sections 16-c, 16-d, 16-m and Section 10(g) of the Act:

1. As a result of this Program, small businesses severely impacted by COVID-19 will be able to apply for federal and state COVID-19 assistance programs and continue their operations and retain employment in New York State.
2. The loss incurred by small businesses in the affected communities is extensive. To enhance the impact of the various federal and state programs that will become available, ESD will provide grants to the EAC and SBDCs to assist State small businesses in applying for the various COVID-19 assistance programs, including but not limited to SBA Disaster Loans.
3. For a relatively modest investment by the State, the Program is expected to prevent small businesses from shutting down entirely or downsizing in the face of extensive losses.
4. No residential relocation is required because there are no families or individuals residing on the site.

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized to make grants for a total amount not to exceed Five Million (\$5,000,000) for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer or his

designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, subsequent to the making of the grants, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grants; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other applicable approvals; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of ESD to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

SCHEDULE A-1
Entrepreneurship Assistance Centers

Regional Listing

1. ACCORD Corporation (Western New York Region - Allegany County)
2. Adirondack Economic Development Corporation (North Country Region - Jefferson County)
3. Bedford Stuyvesant Restoration Corporation (New York City Region – Kings County)
4. Binghamton Local Development Corporation (Southern Tier Region - Broome County)
5. Business Outreach Center, Inc. (New York City Region - Queens County (Jamaica/Corona))
6. Business Training Institute, Inc. (Mohawk Valley Region - Oneida County)
7. CAMBA (New York City Region - Kings County)
8. Capital Region Chamber Foundation, Inc. of Albany-Colonie Regional Chamber of Commerce (Capital Region - Albany County)
9. Chinatown Manpower Project, Inc. (New York City Region - New York County)
10. Hofstra University (Long Island Region - Nassau County)
11. Hot Bread Kitchen, Ltd. (New York City Region – New York County)
12. IBERO American Action League – Medaille College Buffalo (Western New York Region - Erie/Niagara Counties)
13. IBERO American Action League - Waverly (Southern Tier Region – Chemung County)
14. Local Development Corporation of East New York (New York City Region - Kings County)
15. Queens Economic Development Corporation (New York City Region - Queens County)
16. Renaissance Economic Development Corporation (New York City Region - New York County)
17. South Bronx Overall Economic Development Corporation (New York City Region – Bronx County)
18. South Bronx Overall Economic Development Corporation [New York City Region – Bronx County (South Bronx)]
19. Suffolk County Community College (Long Island Region - Suffolk County)
20. Syracuse University (Central New York Region - Onondaga County)
21. Urban League of Rochester (Finger Lakes Region - Monroe County)
22. Washington Heights Inwood Development Corporation (New York City Region – New York County)
23. Women’s Enterprise Development Center Inc. (Mid-Hudson Region – Westchester County)
24. Women’s Enterprise Development Center Inc. (Mid-Hudson Region – Dutchess, Orange, Sullivan, Ulster and Putnam Counties)

SCHEDULE A-2

The Research Foundation for the State University of New York ("RF SUNY" or the "Foundation") on behalf of Small Business Development Centers

Regional Listing

1. Central Office
Small Business Development Center
State University of New York
10 North Pearl Street, 3rd Floor
Albany, New York 12246
Tel: (518) 944-2840
Toll Free: 1-800-732-7232
Fax: (518) 320-1593
Brian Goldstein, State Director

2. Albany
Small Business Development Center
University at Albany
6 Executive Park Drive
Entrance B
Albany, NY 12203
Tel: (518) 380-5077
Director: (518) 380-5076
Fax: (518) 380-5071
Kate Baker, Acting Director

3. Binghamton
Small Business Development Center
Physical address:
120 Hawley St.
Suite 294
Binghamton, NY 13901
Tel: (607) 777-4024
Fax: (607) 777-4029
E-mail: sbdc@binghamton.edu
Rochelle Layman, Director

Mailing address:
SBDC/Binghamton University
P.O. Box 6000
Binghamton, NY 13902-6000

4. Brockport/Rochester
Small Business Development Center
College of Brockport, Hartwell 101
350 New Campus Drive
Brockport, NY 14420-4420
Tel: (585) 395-8410
E-mail: sbdc@ brockport. edu
Jan Pisanczyn, Director
5. Bronx
Small Business Development Center
Lehman College School of Continuing & Professional Studies
250 Bedford Park Blvd. West
Carman Hall, Room 128
Bronx, NY 10468-1589
Tel: (718) 960-8806
Fax: (718) 960-7340
E-mail: SBDC.Bronx@ lehman. cuny. edu
Clarence Stanley, Director
6. Brooklyn
Small Business Development Center
Physical address:
NYC College of Technology
25 Chapel Street, 11th Floor
Howard Building
Brooklyn, NY 11201

Mailing Address:
Brooklyn Small Business Development Center
NYC College of Technology
300 Jay Street, 11th Floor
Howard Building
Brooklyn, NY 11201
Tel: (718) 797-0187
E-mail: sbdc@ citytech.cuny. edu
Miriam Colon, Interim Director
7. Buffalo
Small Business Development Center
SUNY Buffalo State
Grover Cleveland Hall, Room 206
1300 Elmwood Avenue
Buffalo, NY 14222-4222

Tel: (716) 878-4030
Fax: (716) 878-4067
E-mail: smallbus@buffalostate.edu
Susan McCartney, Director

8. Canton
SUNY Canton
34 Cornell Drive
French Hall, Small Business Suite 201
Canton, NY 13617
Tel: (315) 386-7312
Fax: (315) 379-3814
sbdcc@cantonn.edu
Dale Rice, Director
9. Columbia University - Harlem
Small Business Development Center
Interchurch Center
475 Riverside Drive, 3rd Floor
New York, NY 10115
Tel: (646) 745-8573
E-mail: SBDC@columbia.edu
Kaaryn Nailor Simmons, Director
10. Jamestown
Small Business Development Center
Jamestown Community College
P.O. Box 20
525 Falconer Street
Jamestown, NY 14702-0020
Tel: (716) 338-1024
E-mail: courtneycuratolo@mail.sunyjcc.edu
Courtney Curatolo, Director
11. Long Island – Farmingdale
Small Business Development Center
Farmingdale State College
Campus Commons
2350 Broadhollow Road
Farmingdale, NY 11735-1006
Tel: (934) 420-2765
Fax: (934) 420-8895
E-mail: chasee@farmingdale.edu
Erica Chase Gregory, Regional Director

12. Long Island - Stony Brook
Small Business Development Center
Stony Brook University
Research & Development Park
Resource & Support Service
Building 17, Room 146
Stony Brook, NY 11794-6016
Tel: (631) 632-9070
Fax: (631) 632-7176
E-mail: sbdc@ stonybrook. edu
Bernard Ryba, Director
13. Manhattan (PACE)
Small Business Development Center
Pace University
163 William Street, Room 328
New York, NY 10038
Tel: (212) 618-6655
E-mail: SBDC@ pace.edu
Andrew Flamm, Director
14. Mid-Hudson
Small Business Development Center
SUNY Ulster Kingston Center
94 Mary's Avenue
Kingston, NY 12401
Tel: (845) 802-9150
Fax: (845) 331-0371
E-mail: sbdc@ sunyulster. edu
Arnaldo Sehwerert, Director
15. Midtown Manhattan (BARUCH)
Small Business Development Center
Baruch College, Field Center
55 Lexington , Suite 2-140
New York, NY 10010-0010
Tel: (646) 312-4790
Tel: (646) 312-4787 (Director)
Fax: (646) 312-4781
E-mail: sbdc@ baruch.cuny. edu
Ulas Neftci, Director

16. Mohawk Valley
Small Business Development Center
Mohawk Valley Community College's ThIBCubator
326 Broad Street
Utica, NY 13501
Tel: (315) 731-5884
E-mail: sbdc@ mvcc. edu
Roxanne Mutchler, Director
17. Niagara #21
Small Business Development Center
Niagara County Community College
3111 Saunders Settlement Road
Sanborn, NY 14132
Tel: (716) 210-2515
Fax: (716) 210-2512
Lynn Oswald, Director
18. Onondaga
Small Business Development Center
Physical Address:
Onondaga Community College
Mulroy Hall, Room 407
4926 Onondaga Road
Syracuse, NY 13215-4585
Tel: (315) 498-6070
Fax: (315) 498-2147
E-mail: sbdc@ sunyocc. edu
Joan Powers, Director
19. Queens – LaGuardia
Small Business Development Center
Physical Address:
LaGuardia Community College
30-20 Thomson Avenue, B Building, Suite BA02
Long Island City, NY 11101-2940
- Mailing Address: Rosa Figueroa, Director
LaGuardia Community College
31-10 Thomson Avenue, B Building, Suite BA02
Long Island City, NY 11101-2940
Tel: (718) 482-5303
Fax: (718) 609-2091
E-mail: sbdc@ lagcc.cuny. edu

20. Queens – York

Small Business Development Center
York College
The City University of New York
94-50 159th Street,
Science Building, Room 107
Jamaica, NY 11451-9902
Tel: (718) 262-2880
Fax: (718) 262-2881
E-mail: sbdc@ york.cuny. edu
Harry Wells, Director

21. Rockland (Westchester)

Small Business Development Center
Rockland Community College
Brucker Hall, Room 6102
145 College Road
Suffern, NY 10901-3620
Tel: (845) 356-6065
Fax: (845) 356-6117
E-mail: sbdc@ sunyrockland. edu
Thomas Morley, Director

22. Staten Island

Small Business Development Center
College of Staten Island
2800 Victory Blvd., Building 3A, Room 105
Staten Island, NY 10314-9806
Tel: (718) 982-2560
Tel: (718) 982-2562 (Director)
Fax: (718) 982-2323
E-mail: sbdc@ csi.cuny. edu
Dean Balsamini, Director

23. Watertown

Small Business Development Center
Jefferson Community College
1220 Coffeen Street
Watertown, NY 13601-1897
Tel: (315) 782-9262
Fax: (315) 782-0901
E-mail: sbdc@ sunyjefferson.edu
Elizabeth Lonergan, Director

FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Statewide – Community Development Financial Institution
COVID-19 Disaster Relief Technical Assistance Grants

REQUEST FOR: Community Development Financial Institution Assistance Program –
Findings and Determinations Pursuant to Sections 10(g) of the Act;
Authorization to Make Grants and to Take Related Actions; Empire State
Economic Development Fund – Findings and Determinations Pursuant to
Sections 16-m and 10(g) of the Act; Authorization to Make Grants and to
Take Related Actions

I. Project Summary

Grantees: Federally certified Community Development Financial Institutions
("CDFI") - See Schedule A attached hereto and made a part hereof

ESD* Investment: It is hereby requested that the following Twenty-Three CDFI Program
grants, none of which will exceed \$100,000, be approved.

Project Locations: Locations within New York State regions are as follows: Capital District,
New York City, Central New York, Finger Lakes, Long Island, Mid-
Hudson, Mohawk Valley, North Country, Southern Tier and Western
New York. The specific locations of each entity are included in the
attached Schedule A

Proposed Projects: To support the ongoing operations of 23 CDFI in the effort to provide
technical assistance to New York State small businesses in applying for
COVID-19 assistance programs, including but not limited to SBA
Disaster Loans.

Regional Council: The Regional Councils have been made aware of this item.

II. Funding Sources

The appropriation for the Community Development Financial Institution (“CDFI”) Assistance Program in the amount of \$1,645,000; and

The Empire State Economic Development Fund in the amount of \$855,000.

III. Program Description

A. Background

The Coronavirus/COVID-19, which has been designated a global pandemic by the World Health Organization, is having a devastating impact on the State economy. While all industries have been affected by the COVID-19 pandemic, small businesses are bearing the brunt of the downturn. Hundreds of thousands of small business jobs will either be lost or severely impacted by the outbreak. Many workers throughout the State have already been laid off or furloughed, and more job cuts are likely as this crisis continues. As people start to socially distance themselves, those in white collar jobs will more easily be able to work from home, while hourly workers in sectors like hospitality and retail may be let go as their companies lose business. This further jeopardizes some of the least financially secure workers in the State -- jobs in these fields are often part-time and typically pay low wages.

The United States Small Business Administration (SBA) is offering low interest federal disaster loans for working capital purposes to small businesses suffering substantial economic injury as a result of COVID-19. Eligible State businesses may qualify for loans up to \$2 million. Interest rates for SBA Disaster Assistance Loans are 3.75% for small businesses with terms up to 30 years. Eligibility for these working capital loans are based on size, credit worthiness and existing financial resources of the borrower company. Loans may be used to pay fixed debts, payroll, accounts payable and other bills that cannot be paid because of the disaster’s impact on small businesses with limited credit options.

In addition, other federal and state programs will become available to help small business survive the COVID-19 crisis.

To enhance the impact of the various federal and state programs that will become available, ESD will provide grants to selected CDFIs to assist State small businesses in applying for the various COVID-19 assistance programs, including but not limited to SBA Disaster Loans.

B. The Grants

ESD will make grants to each CDFI as set forth in Schedule A, in order to enhance each organization's capacity to provide technical assistance to small businesses applying for the various federal and state COVID-19 assistance programs, including but not limited to SBA Disaster Loans. The businesses which will receive the technical assistance represent significant segment of the of the business community that finds the application processes difficult to navigate and need access to traditional financial consulting services to help complete and submit acceptable applications. The selected CDFIs will attempt to bridge this gap through the provision of intensive small business technical assistance.

The CDFIs are required to provide progress reports detailing the impact of technical assistance provided. In addition, each CDFI will provide ESD with financial reports and documentation of expenditures will be required for disbursement of funds. ESD will verify that each CDFI is in compliance with Program regulations and is following all contractual arrangements by reviewing, verifying and approving the required documentation.

ESD will enter into an agreement (no longer than 12 months) with each center that will stipulate the manner in which program funds will be disbursed.

ESD Project Nos.: TBD

Project Team:	Origination	Rafael Salaberrios
	Project Management	Beverly Bobb/Jovanna Miller
	Legal	Antovk Pidedjian
	Contractor & Supplier Diversity	Alejandra Villanueva
	Environmental	Soo Kang

D. Financial Terms and Conditions

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial conditions prior to disbursement.
2. An advance of up to 50% of the grant will be disbursed to the primary Grantee up execution of the Grant Disbursement Agreement, assuming that all project approvals have been completed and funds are available. 40% of the Grant will be disbursed, as an advance upon submission of supporting documentation of eligible expenditures of 50% of initial advance, as well as the including an Interim Report, and provided Grantee is otherwise in compliance with program requirements; ESD may withhold

the final 10% of the Grant until all of the tasks and reports have been completed to ESD's satisfaction.

3. ESD may reallocate the project funds to another form of assistance, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Corporation and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the CEO.

IV. Statutory Basis

The Community Development Financial Institutions Program is authorized pursuant to Section 16-o of the New York State Urban Development Corporation Act ("UDC Act") and is in the 2019-2020 New York State budgets. In accordance with UDC Act, Section 10(g), it is determined that no residential relocation is required as there are no families or individuals residing at the any project Locations.

Empire State Economic Development Fund

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of small businesses.

As a result of this Program, small businesses severely impacted by COVID-19 will be able to apply for federal and state COVID-19 assistance programs and continue their operations and retain employment in New York State.

2. The proposed project would be unlikely to take place in New York State without the requested assistance.

The loss incurred by small businesses in the affected communities is extensive. To enhance the impact of the federal and state COVID-19 assistance programs related in the State, ESD will provide grants to selected CDFIs to assist small businesses in applying for the various COVID- 19 assistance program, including but not limited to SBA Disaster Loans.

3. The project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.

For a relatively modest investment by the State, the Program is expected to prevent small businesses from shutting down entirely or downsizing in the face of extensive losses.

4. The requirements of Section 10(g) of the Act are satisfied.

No residential relocation is required because there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the authorization to make grants does not constitute an action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the authorization.

VI. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Articles 15-A and 17-B, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority-and women-owned business enterprises ("MWBEs") and service-disabled veteran-owned businesses ("SDVOBs") in the performance of ESD projects. The Office of Contractor and Supplier Diversity has reviewed the project and, while specific goals will be established on a grant by grant basis, due to the emergency response needed for this unprecedented event and the activities to be covered, it is anticipated that there will be limited opportunities for MWBEs or SDVOBs. However, ESD still encourages grantees to utilize MWBEs and SDVOBs where possible.

VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions

Schedule A – Community Development Financial Institution Assistance Program / Locations of CDFI

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE DEVELOPMENT - Statewide – Community Development Financial Institutions Assistance Program – Findings and Determinations Pursuant to Sections 10(g) of the Act; Empire State Economic Development Fund – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to make COVID-19 Disaster Relief Technical Assistance Grants to Community Development Financial Institutions and take related actions

RESOLVED, that with respect to the Programs, the Corporation makes the following findings pursuant to Section 16-m and Section 10(g) of the Act:

1. As a result of this Program, small businesses severely impacted by COVID-19 will be able to apply for federal and state COVID-19 assistance programs and continue their operations and retain employment in New York State.
2. The loss incurred by small businesses in the affected communities is extensive. To enhance the impact of the various federal and state COVID-19 assistance programs, ESD will provide grants to selected CDFIs to assist small businesses in applying for the various COVID-19 assistance programs, including but not limited to SBA Disaster Loans.
3. For a relatively modest investment by the State, the Program is expected to prevent small businesses from shutting down entirely or downsizing in the face of extensive losses.
4. There are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Empire State Development (“ESD”), relating to the Community Development Financial Assistance Program (the “Project”), ESD hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized to make grants for a total amount not to exceed One Million Six Hundred Forty-Five Thousand (\$1,645,000) from the Community Development Financial

Institutions and Eight Hundred Fifty-Five Thousand (\$855,000) from the Empire State Economic Development Fund for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the President and Chief Executive Officer or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of ESD to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Schedule A

Project Name	Grantee
Accion East 80 Maiden Lane, Ste. 903 New York, NY 10038	ACCION/UIDC CDFI 21
Adirondack Economic Development Corp 67 Main Street, Suite 300 Saranac Lake, NY 12983	AEDC CDFI 21
Alternatives Federal Credit Union 125 N. Fulton Street Ithaca, NY 14850	ALTERNATIVES FCU/COOP FED CDFI 21
BOC Capital Corp. 85 S. Oxford Street, 2nd Floor Brooklyn, NY 11217	BOC CDFI 21
Brooklyn Cooperative Federal Credit Union 1474 Myrtle Avenue Brooklyn, NY 11217	BCOOP CDFI 21
Business Center for New Americans 120 Broadway, Ste. 230 New York, NY 10271	BCNA CDFI 21
CAMBA Economic Development Corp 1720 Church Avenue, 2nd Floor Brooklyn, NY 11226	CAMBA CDFI 21

Chautauqua Opportunities for Development, Inc 10825 Bennett Road Dunkirk, NY 14048	CODI CDFI 21
Community Capital New York, Inc. 44 Executive Boulevard Elmsford, NY 10523	CCNY CDFI 21
Community Loan Fund of the Capital Region 255 Orange Street, Suite #103 Albany, NY 12210	CLFCR CDFI 21
Excelsior Growth Fund, Inc. 5 Hanover Sq Ste 1500 New York, NY 10004	EGF CDFI 21
Grameen America, Inc. 150 West 30 th Street, 8 th floor New York, NY 10001	GRAMEEN CDFI 21
Harlem Entrepreneurial Fund 361 W. 125th Street New York, NY 10027	HEF CDFI 21
La Fuerza Unida CDC 34 Muttontown Lane East Norwich, NY 11732	LA FUERZA CDFI 21
Launch 77 Goodell Street, Suite 201 Buffalo, NY 14203	LAUNCH CDFI 21
Neighborhood Trust Federal Credit Union	NTFCU CDFI 21

1112 St. Nicholas Ave New York, NY 10032	
Pathstone Enterprise Development Initiative 400 East Avenue Rochester, NY 14607	PATHSTONE CDFI 21
Renaissance Economic Development Corp. 2 Allen Street, 7th Floor New York, NY 10002	REDC CDFI 21
Sobro (Credit Inc) 555 Bergen Avenue Bronx, NY 10455	SOBRO
Syracuse Cooperative Federal Credit Union 723 Westcott Street Syracuse, NY 13210	SYRACUSE CDFI 21
TruFund Financial Services, Inc. 39 W. 37 th Street, 7 th Floor New York, NY 10018	TRUFUND CDFI 21
Westminster Economic Development Initiative 436 Grant Street, Buffalo, NY 14213	WEDI CDFI 21
Women's Venture Fund, Inc. 50 Broadway New York, NY 10023	WVF CDFI 21



FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Oswego (Central New York Region – Oswego County) – The Children's Museum of Oswego Capital – Downtown Revitalization Initiative (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

General Project Plan

I. Project Summary

Grantee: The Children's Museum of Oswego (“CMOO” or the “Museum”)

ESD* Investment: A grant of up to \$300,000 to be used for a portion of the cost of furniture, fixtures and equipment related to the installation of interactive exhibits

* The New York State Urban Development Corporation doing business as Empire State Development “ESD” or the “Corporation”)

Project Location: 7 West Bridge Street, Oswego, Oswego County

Proposed Project: The design, fabrication and installation of 10,000-square-feet of new interactive, educational exhibits focusing on areas of regional importance

Project Type: Downtown Revitalization

Regional Council: The Central New York Regional Economic Development Council (“CNYREDC”) has been made aware of this item. The project is consistent with the CNYREDC’s plan to expand tourism and regional visitation. This project was selected as part of the City of Oswego’s Downtown Revitalization Initiative (“DRI”) proposal.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Building Renovation	\$550,000
Furniture, Fixtures, Equipment	1,300,000
Soft Costs	<u>230,000</u>

Total Project Costs \$2,080,000

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
ESD-Grant	\$300,000	14%	
Pathfinder Bank Loan	915,628	44%	6%/5 yrs/first lien on RE
Foundation Grants	250,000	12%	
Organization's Equity	<u>614,372</u>	<u>30%</u>	

Total Project Financing \$2,080,000 100%

III. Project Description

A. Organization

Industry: Children's Museum

Organization

History: Incorporated in 2013, The Children's Museum of Oswego was founded by a group of Oswego residents desiring to expand the educational and recreational opportunities available to the children of Oswego County and surrounding communities. CMOO seeks to be a year-round place for fun, safe, and educational play, and houses a variety of interactive exhibits designed to promote physical and intellectual development. Exhibits focus on aspects of current and historical local significance, imaginative play, the arts, science, and mathematics.

Ownership: CMOO is a not-for-profit organization provisionally chartered by the New York State Board of Regents through the New York State Education Department.

Size: All facilities are located in Oswego, NY.

ESD Involvement: The City of Oswego (the "City") was awarded DRI funding in July 2016, and CMOO was included as part of the City's downtown revitalization plan. CMOO proposed a total renovation of the museum to expand capacity and add 10,000-square-feet of new interactive exhibits. This

project was selected for funding by the Central New York Regional Economic Development Council, and CMOO accepted ESD's offer in April 2018. Without financial assistance from ESD, this project would not have been feasible.

Past ESD Support: This is CMOO's first project with ESD.

B. The Project

Completion: June 2019

Activity: CMOO completed a total renovation of the museum, which addressed the following issues: masonry stabilization, HVAC installation, proper ventilation, ADA/handicap modifications, and various other upgrades. In addition to these structural upgrades, CMOO added 10,000-square-feet of new custom-designed and fabricated exhibits, including a 20-foot water table that mimics the waterways of Central New York, a multi-level climbing structure for children, a Novelis exhibit that shows how it processes and recycles aluminum while emphasizing safety, and an interactive arts area and art gallery.

Results: CMOO had a grand re-opening of the museum in July 2019. The renovation of CMOO provides Oswego families with a recreational experience that is educational and active, while also drawing visitors from throughout the region and beyond to downtown Oswego to experience the museum.

Economic Growth

Investment Project: No Benefit-Cost Analysis ("BCA") is required since these projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

Grantee Contact: Jillian Shaver, Executive Director
7 West Bridge Street
Oswego, NY 13126-2049
Phone: 315-216-6387
E-mail: info@cmoo.org

ESD Project No.: AC942

Project Team:	Origination	Bonnie Palmer
	Project Management	Scott Lamkin
	Contractor & Supplier Diversity	Jordan Lopez
	Finance	TBD

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Organization shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Organization will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Organization will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Organization's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Organization or by investors, and should be auditable through Organization financial statements or Organization accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Up to \$300,000 will be disbursed to Grantee in lump sum upon documentation of renovation, furniture/fixtures/equipment, and soft project costs totaling \$2,080,000, and upon completion of the project substantially as described in these materials as evidenced by a Certificate of Occupancy, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after July 6, 2016, to be considered eligible project costs. All disbursements must be requested by April 1, 2021.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$300,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Organization and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis – Downtown Revitalization Initiative

The funding was authorized in the 2016-2017 New York State budget and reappropriated in the 2017-2018, 2018-2019, and 2019-2020 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

Due to the building's inclusion in the New York State and National Registers of Historic Places, ESD has confirmed that the project sponsor consulted with the New York State Office of Parks, Recreation and Historic Preservation pursuant to the requirements of Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law. No further consultation is required.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprises (MWBES) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions
New York State Map
Project Finance Memorandum
Project Photographs

Oswego (Central New York Region – Oswego County) – The Children's Museum of Oswego Capital – Downtown Revitalization Initiative (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the The Children's Museum of Oswego Capital - Downtown Revitalization Initiative (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to The Children's Museum of Oswego a grant for a total amount not to exceed Three Hundred Thousand Dollars (\$300,000) from the Downtown Revitalization Initiative, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

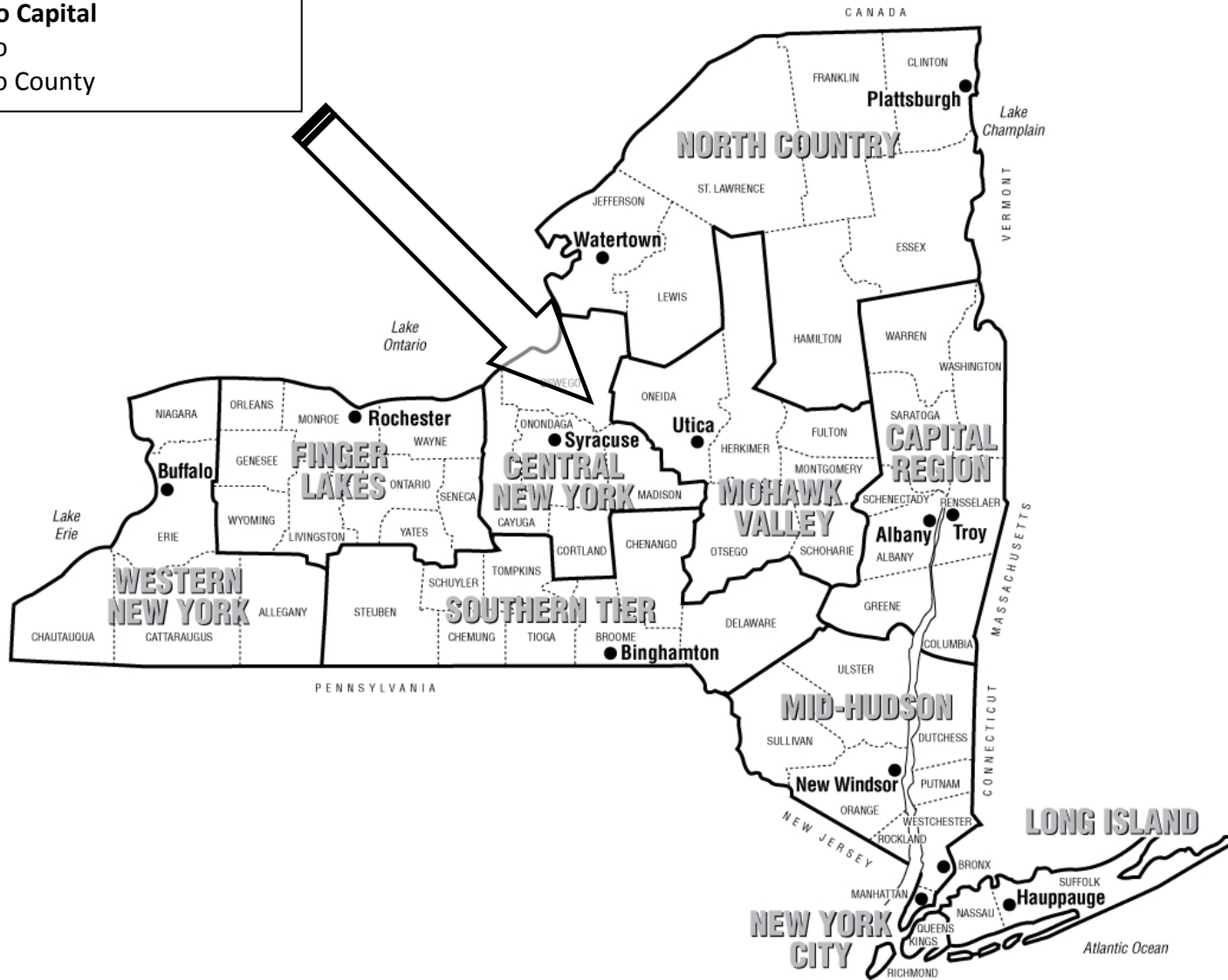
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and

each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

**The Children's Museum of
Oswego Capital**
Oswego
Oswego County



The Childrens Museum of Oswego







FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Buffalo (Western New York Region – Erie County) – TechBuffalo Talent Attraction Program Working Capital – Buffalo Regional Innovation Cluster (Working Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

I. Project Summary

Grantee: TechBuffalo, Inc. (“TechBuffalo” or the “Organization”)

ESD* Investment: A grant of up to \$2,000,000 to be used for a portion of the cost of working capital expenses associated with implementing a portfolio of programs targeting increasing the tech sector labor pool in collaboration with ESD

* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

Project Location: 247 Cayuga Road, Buffalo, Erie County

Proposed Project: Planning, implementation, and coordination of multiple initiatives targeting talent attraction and retention of tech sector workers and resulting in direct job placement. Programs are designed to help fill the shortage identified in the region’s labor pool, creating access to and helping fill higher paying jobs in the sector in coordination with higher ed institutions and companies.

Project Type: Working Capital

Regional Council: The Western New York Regional Economic Development Council (“WNYREDC”) has been made aware of this item. The project is consistent with the WNYREDC’s plan to attract talent and increase jobs in the technology sector.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Salaries and Benefits	\$1,543,475
Marketing and Web Services	284,600
Events and Programming	298,000
General Operating Expenses	<u>460,848</u>

Total Project Costs \$2,586,923

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$2,000,000	77%
Grantee Equity	<u>586,923</u>	<u>23%</u>
Total Project Financing	<u>\$2,586,923</u>	<u>100%</u>

III. Project Description

A. Organization

Industry: Economic Development and Talent Attraction, specifically in technology industries

Organization: TechBuffalo is a non-profit organization with the mission of producing new technology professionals for the Western New York (“WNY”) region and improving the region’s ability to retain, attract, and foster technology talent. In October 2017, TechBuffalo was formed under the entity of IT Buffalo by co-founders Duane Conners and Randy Harris, as well as established a Board of Directors comprised of regional technology leaders. In early 2020, TechBuffalo hired its first full-time Executive Director.

TechBuffalo will implement its tech-specific talent attraction, retention, and fostering agenda by connecting and coordinating existing program and increasing collaboration across all new ESD-funded talent attraction initiatives. This work will include partnering with lead organizations, avoiding duplicative efforts, and ensuring activities across ESD’s investment portfolio and complimenting and building off of each other to build the tech talent ecosystem.

Ownership: TechBuffalo is a not-for-profit organization.

Size: TechBuffalo currently has one employee with the goal of hiring up to six new employees by the end of 2020. TechBuffalo’s Board of Directors

consists of six volunteer members, a secretary and two co-founders.

Market: N/A

ESD Involvement: Since 2011, with the inception of Governor Andrew M. Cuomo's Regional Economic Development Councils and Buffalo Billion Investment Development Plan, WNY has been targeting investment in four core regional economic development strategies – placemaking, workforce, innovation, and tradable sectors. These targeted investments all play a role in the region's ability to attract new companies, private investment, and talent. While the WNY region continues to make investments in the strategy, it is also time to strategically build WNY's labor pool and take talent attraction and retention to the next level.

Driven by increased digitalization and automation across industries, companies around the globe are facing a technology talent shortage that will continue to expand in the coming years. Creating, attracting, and retaining talent with modern technology skills will be a key differentiator for the WNY region to be successful. WNY industry has identified an urgent need to fill a large number of vacant positions in the sector, in a labor pool that is already starved for participants. The WNY ESD Regional Office has developed a plan to outline funding of initiatives that target the ongoing challenge of growing the region's labor pool. TechBuffalo was identified as the organization that will be dedicated to the coordination between organizations seeking to fill vacant tech positions and the prospective employees; as well as develop and manage the new programs that seek to increase the tech talent pool and help WNY continue to play a part in rebuilding its economy. ESD's financial assistance is crucial to continued development of WNY region's economy and tech labor pool; without the assistance WNY's tech industry will not develop a key differentiator and further the region.

Competition: N/A

Past ESD Support: This is the Grantee's first project with ESD.

B. The Project

Completion: December 2023

Activity: Funding will be used to help produce new technology professionals in WNY through: (1) creating direct opportunities for post-graduate employment through the coordination of a formal, tech-specific internship program open to all area colleges and universities and companies with tech jobs; (2) coordination of programming and

development of new initiatives to build micro-communities and an ecosystem; (3) production of events designed to bring tech companies, program representatives and potential tech-focused employees together; (4) building out a website to create a comprehensive resource for the Buffalo-Niagara tech community; (5) working with tech training programs to connect community members to opportunities to upskill and reskill, and establish tech-focused career paths in higher paying jobs; and (6) hiring relevant personnel to administer these programs.

Results: TechBuffalo will implement tech-specific programs and provide coordination across all initiatives to strengthen partner connections and increase collaboration with the goal of producing new tech professionals in WNY. Specifically, project goals are to: (1) increase outreach to local college students and companies, improving student awareness of post-grad opportunities; (2) improve access of non-WNY residents to job opportunities in the region and leading them to consider WNY as a place to relocate; (3) increase access of companies to job seekers; and (4) grow the regional tech sector and average wages in WNY in the sector.

Economic Growth
Investment Projects

Project: No Benefit-Cost Analysis ("BCA") is required since these projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

Grantee Contact: Mr. James Partsch, Jr., Executive Director
247 Cayuga Rd, Suite 50
Buffalo, NY 14225
Phone: (716) 940-3823
E-mail: James.Partsch@TechBuffalo.org

ESD Project No.: 133,663

Project Team:	Origination	Amanda Mays
	Project Management	Kaitlin McGee Chmura
	Contractor & Supplier Diversity	Geraldine Ford
	Environmental	Soo Kang
	Finance	Timothy Anderson

C. Financial Terms and Conditions

1. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
2. Up to \$2,000,000 will be deposited into an account ("Imprest Account"), at a bank

mutually acceptable to ESD and the Grantee as set forth in writing by ESD. Funds in the Imprest Account, from the time of deposit and until disbursed from such account in accordance with terms to be approved by ESD Directors and will be invested in accordance with ESD's Investment Guidelines. Interest earned on the funds deposited in the Imprest Account must be returned to ESD quarterly along with copies of all bank statements, starting when the funds are deposited and continuing until all funds have been disbursed.

The Grantee may, no more frequently than monthly unless approved by ESD, seek authorization to release funds from the Imprest Account to pay for invoices due and payable for qualifying project expenses, assuming all project approvals have been completed and funds are available. For Years 2 and 3, ESD's funds will be approved on a pro rata share as defined below. Each subsequent payment requisition will include the current month's invoices and proof of payment for invoices submitted for the previous month.

Disbursements shall be made into the Imprest Account as follows:

- a) **Initial Advance** up to \$696,846 will be deposited into the Imprest Account upon execution of the Grant Disbursement Agreement (GDA) and production of a cash flow projection;
- b) **Second Advance** up to \$701,679 will be deposited into the Imprest Account for Year 2 funding upon documentation of 75% of eligible Operating Expense for Year 1 of the Initial Advance (\$522,750), and submission of Year 2 Operating Budget. ESD shall approve the release of funds for eligible project expenses in proportion to ESD's funding share for Year 2. ESD's funding share will be 75% of total expenses for Year 2, which will total at least \$935,572; and
- c) **Final Advance** up to \$601,475 will be deposited into the Imprest Account for Year 3 funding upon documentation of 100% of Year 1 Operating Expenses (\$696,846), 75% of Year 2 Operating Expenses (\$526,259) for a cumulative amount of \$1,223,105, submission of Year 3 Operating Budget, and following the review of reporting requirements by the Grantee to ESD and ESD's approval of measurable impact being achieved by the grant. ESD shall approve the release of funds for eligible project expenses in proportion to ESD's funding share for Year 3. ESD's funding share will be approximately 63% of total expenses for Year 3, which will total at least \$954,505;

Within 90 days of the final approval to the Grantee to draw from the Imprest Account, all outstanding documentation, including proof of payment for the cumulative total project cost of eligible expenses totaling at least \$2,586,923 will be required. All disbursements require compliance with program requirements and must be requested by no later than April 1, 2024. Expenditures incurred prior to January 1, 2020 are not eligible project costs and cannot be reimbursed by grant funds.

Any unused funds must be returned to ESD within 120 days of the final approval to the Grantee draw from the Imprest Account.

3. The Grantee will be required to submit a written Annual Report starting January 2021 through January 2026, that must demonstrate the impact of this funding on addressing the labor pool shortage in WNY for tech sector workers. The report should refer back to success in achieving project goals, steps implemented to achieve those goals, project results, project effectiveness, and challenges/unexpected events. The report must include:
 - a) The number of events held, attendance information, and its purpose in moving the needle for hiring/job placement;
 - b) Number of interns and companies participating in the internship program per cycle, as well as job placement outcomes and caliber of jobs (through including information on average salaries);
 - c) Website traffic data of users accessing information on the new programs and initiatives being led by TechBuffalo;
 - d) Grantee's role in placement of community members into the Tech Academy training programs, including the organizations through which individuals were referred and any assistance the Grantee provided with job placement following completion of the training program; and
 - e) Additional funding raised by the Grantee leveraging ESD's investment.
4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$2,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis – Buffalo Regional Innovation Cluster

The funding was authorized in the 2017-2018 New York State budget and reappropriated in the 2018-2019 and 2019-2020 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the authorization of funding to be used for working capital expenses does not constitute an action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the authorization.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise ("MWBEs") for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the eligible categories totaling approximately \$284,600. As such, the goal MWBE utilization shall be no less than \$85,380.

VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions
New York State Map
Project Finance Memorandum

Buffalo (Western New York Region – Erie County) – TechBuffalo Talent Attraction Program Working Capital – Buffalo Regional Innovation Cluster (Working Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the TechBuffalo Talent Attraction Program Working Capital – Buffalo Regional Innovation Cluster (Working Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

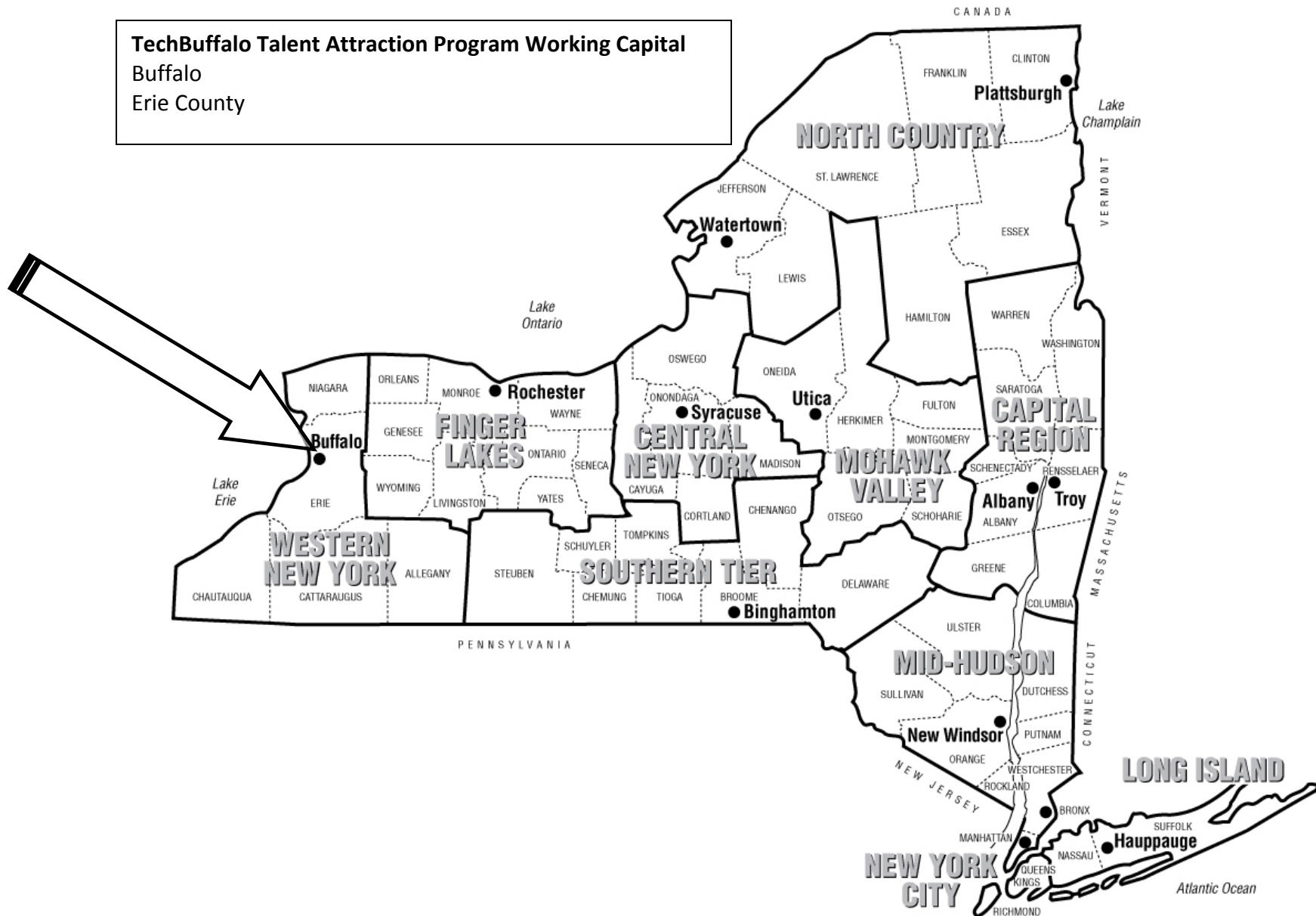
RESOLVED, that President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to TechBuffalo a grant for a total amount not to exceed Two Million Dollars (\$2,000,000) from the Buffalo Regional Innovation Cluster, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

TechBuffalo Talent Attraction Program Working Capital
 Buffalo
 Erie County



FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Wellsville (Western New York Region – Allegany County) – Burrous Building Stabilization Redevelopment Capital – Regional Council Capital Fund and Restore New York Communities Initiative – Mixed-Use Development (Capital Grants)

REQUEST FOR: Findings and Determinations Pursuant to Sections 10(g) and 16-n of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make Grants and to Take Related Actions; Determination of No Significant Effect on the Environment

General Project PlanI. Project Summary

Grantee: Village of Wellsville (the “Village” or “Wellsville”)

ESD* Investment: Grants of up to \$1,500,000 (\$1,000,000 – Regional Council Capital Fund and \$500,000 - Restore New York Communities Initiative) to be used for a portion of the cost of construction and renovation

* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

Project Locations: 23 N. Main Street, Wellsville, Allegany County

Proposed Project: Structural repair and construction/renovation of a mixed-use building in order to revitalize Wellsville’s downtown

Project Type: Neighborhood Revitalization

Regional Council: The Western New York Regional Economic Development Council (“WNYREDC”) has been made aware of this item. The project is consistent with the WNYREDC’s plan to rehabilitate and preserve historic buildings, fulfill the need for more downtown residential units, support

smart growth, create jobs, and spurs further economic development in the surrounding downtown district.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction/Renovation	\$7,699,972
Acquisition	98,000
Architectural/Engineering/ Soft Costs	<u>1,991,328</u>
Total Project Costs	<u>\$9,789,300</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD- Grant (#1 AB468)	\$1,000,000	5%
ESD-Grant (#2 AB803)	500,000	10%
NYS Main Street Program	500,000	5%
Rural and Urban Community Investment Fund	3,482,624	36%
Low Income Housing Tax Credits Equity	<u>4,306,676</u>	<u>44%</u>
Total Project Financing	<u>\$9,789,300</u>	<u>100%</u>

III. Project Description

A. Grantee

Industry: Municipality

Grantee History: Wellsville is a village in Allegany County, New York, United States. Located in south-central wooded and rural Allegany County, it is the largest population and business center in a 30-mile (48 km) radius. The population was 4,679 at the 2010 census. The village of Wellsville is circumscribed by the town of Wellsville, adding another approximately 3,000 people to the population (approx. 7,000 combined village and town).

Ownership: Municipality

ESD Involvement: The Burrous building was constructed in 1872 by local hotel magnate, Issac W. Fassett on the "Fassett Fireproof Block". As the last remaining Fassett building from that era; the Burrous Building is an iconic and visible three-story structure located in the heart of downtown Wellsville.

Spanning almost a full-city block, the building once housed six stores and a bank. The building was completely abandoned in 1990 and suffered from two decades of neglect. The years of abandonment led to major collapses occurring in the rear of the building, causing significant safety concerns and worry that this blighted building would need to be demolished, which would have led to an oversized vacant parcel in the heart of the downtown district. The Village stepped forward with a new comprehensive development plan which made the redevelopment of the Burrous Building a priority for the area. The Village of Wellsville formed an Urban Renewal Agency in late 2015 in order to take title to the property and proactively save the Building. After investing \$200,000 of Village funds to secure and stabilize the structure, the Village applied for an ESD Capital Grant in round 6 of the Consolidated Funding Application, and for a Restore New York Grant in Round 4 of the Restore New York program, with the intent of using the funds to improve the property to the point where a developer would be willing to undertake a complete redevelopment of the site.

Prior to the Village undertaking any further work on the building, Lakewood Development II, LLC, a company based in Syracuse which has successfully completed the redevelopment of properties across New York State to create affordable housing, expressed an interest in acquiring and redeveloping the property. The Village granted Lakewood an option to purchase the property. With assistance from the Alfred Housing Committee, Lakewood formed a new entity called 23 North L.P. to take ownership of the project. Given the deteriorated state of the structure, the availability of the \$1,000,000 ESD Capital Grant, the \$500,000 Restore NY Grant, and a \$500,000 New York Main Street Grant to partially offset the cost of rehabilitating the property was critical to 23 North L.P.'s decision to acquire the site. Working in conjunction with the Alfred Housing Committee, 23 North L.P. undertook the full redevelopment efforts in September 2018 after taking title to the property. Upon project completion, 23 North L.P. will continue to own the property, while Alfred Housing Committee will oversee the day-to-day operations.

Without these funds from ESD, the redevelopment of the property to create 16 affordable senior housing units and first floor commercial space would not have been economically feasible.

Past ESD Support: The Grantee has not received ESD funding in the past five years.

C. The Project

Completion: December 2019

Activity: The project consisted of partial demolition and rehabilitation of the long-vacant Burrous Building and construction of a three-story, 27,706 square-foot mixed-use, residential and commercial facility. The completed structure includes 16 affordable apartment units for senior citizens (12 one-bedroom units and 4 two-bedroom) on the 2nd and 3rd floors. The apartments units are reserved for adults 55 and up earning 60% or less of the area median income. The building is also outfitted with security and an elevator, a community room and kitchen, along with laundry facilities on the second and third floors. Approximately 5,800-square-feet of first floor has been built out for commercial space, which will be occupied by the Village's municipal offices and other tenants.

Results: The Project will be a major development for the target area, revitalizing downtown Wellsville, bringing new stores and residents to a blighted area, increasing retail sales in local establishments by residents as well as bringing a larger and more diverse residential population into the downtown. The Burrous Building currently has the 16 available apartments fully rented, the Village has moved its municipal offices into 3,292 square feet of the lower commercial space, Alfred Housing Committee is occupying 929 square feet of the first floor, and 550 square feet of additional commercial space is available for rent. The balance of the 5,280-square-feet of the commercial space is common corridors and restrooms. This renovation and investment was the first of its kind for the Village, and as such it has been a sign of public and private sector confidence and will catalyze future private investment.

Economic Growth

Investment Project: No Benefit-Cost Analysis ("BCA") is required since these projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

Grantee Contact: Earl Johnson, Village of Wellsville, Treasurer
23 N. Main Street
Wellsville, NY 14895
Phone: (585) 596-1759
E-mail: treasurer@wellsvilleny.com

ESD Project Nos.: AB468, AB803

Project Team:	Origination	Diego Sirianni
	Project Management	Nancy Burkhardt
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	Jonevan Hornsby
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of 1% of the \$1,000,000 capital grant (\$10,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Grantee will ensure the contribution of at least a 10% match of the grant amount to the Project. Equity is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Up to \$1,500,000 will be disbursed to the Grantee in a lump sum upon documentation of project costs totaling \$2,250,000 and completion of the project substantially as described in these materials as evidenced by a Certificate of Occupancy, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenditures associated with the Regional Council Capital Fund grant (AB468) must be incurred on or after December 8, 2016, to be considered reimbursable project costs. Expenditures associated with the Restore New York program (AB803) must be incurred on or after October 3, 2016 to be considered reimbursable project costs.

All disbursements require compliance with program requirements and must be requested by no later than April 1, 2021.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,500,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2016-2017 New York State budget and reappropriated in the 2017-2018, 2018-2019, and 2019-2020 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Statutory Basis – Restore NY Communities:

The funding was authorized in the 2016-2017 New York State budget and re-appropriated in the 2017-2018, 2018-2019, 2019-2020 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

VI. Environmental Review

The New York State Homes and Community Renewal, as lead agency, has completed an environmental review of the project pursuant to the requirements of the State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment.

ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment

VII. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

VIII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

IX. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

X. Additional Submissions to Directors

Resolutions

New York State Map

Project Finance Memorandum

Project Photographs

Wellsville (Western New York Region – Allegany County) – Burrous Building Stabilization Redevelopment Capital – Regional Council Capital Fund and Restore New York Communities Initiative (Capital Grants); Findings and Determinations Pursuant to Sections 10(g) and 16-n of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make Grants and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Burrous Building Stabilization Redevelopment Capital – Regional Council Capital Fund and Restore New York Communities Initiative Capital Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) and 16-n of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to the Village of Wellsville a grant for a total amount not to exceed One Million Dollars (\$1,000,000) from the Regional Council Capital Fund, and a grant for a total amount not to exceed Five Hundred Thousand Dollars (\$500,000) from the Restore New York Communities Initiative Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

March 26, 2020

Wellsville (Western New York Region – Allegany County) – Burrous Building Stabilization
Redevelopment Capital – Regional Council Capital Fund and Restore New York (Capital
Grants) – Determination of No Significant Effect on the Environment

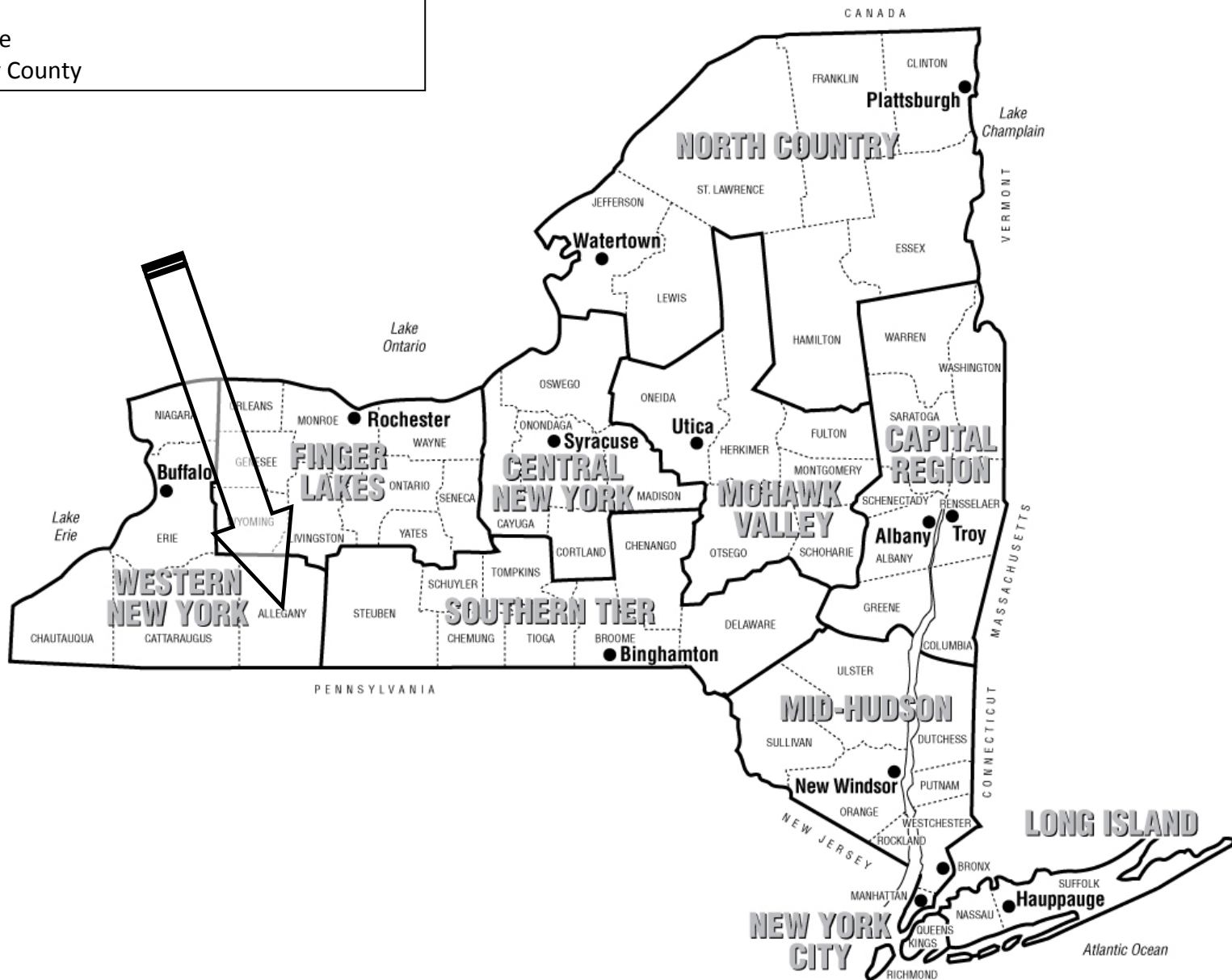
RESOLVED, that based on the material submitted to the Directors with respect to the Burrous
Building Redevelopment Capital Project, the Corporation hereby determines that the proposed
action will not have a significant effect on the environment.

* * *

**Burrous Building Stabilization Redevelopment
Capital**

Wellsville

Allegany County



Burrous Building Stabilization Redevelopment Capital

Front View of Building



View of the Burrous building from the back



Interior view



During and after the rehabilitation work:



Front view of the building after rehab work was completed:



Back view of the building upon completion





FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Batavia (Finger Lakes Region – Genesee County) – O-AT-KA Milk Products Cooperative Capital – Regional Council Capital Fund (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

General Project Plan

I. Project Summary

Grantee: O-AT-KA Milk Products Cooperative, Inc. (“O-AT-KA” or the “Company”)

ESD* Investment: A grant of up to \$750,000 to be used for a portion of the cost of machinery and equipment

* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

Project Location: 700 Ellicott Street, Batavia, Genesee County

Proposed Project: Construction of a 20,000 square-foot addition to a manufacturing facility, purchase and installation of a new Specialty Beverage retort filling and packaging line, and the modification of an existing beverage blending system to increase manufacturing capacity

Project Type: Business expansion involving job retention and creation

Regional Council: The Finger Lakes Regional Economic Development Council (“FLREDC”) has been made aware of this item. The project is consistent with the FLREDC’s Plan to drive job growth in agriculture and food production, one of the region’s industry pillars.

Employment:	Initial employment at time of ESD Incentive Proposal:	440
	Current employment level:	453
	Minimum employment on January 1, 2022:	460

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction/Renovation	\$3,413,754
Infrastructure/Site Work	7,370,919
Machinery & Equipment	22,618,070
Soft Costs	983,226
Other (IT Equipment)	<u>871,972</u>

Total Project Costs	<u>\$35,257,941</u>
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<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
ESD-Grant	\$750,000	2%	
Farm Credit – Equipment Lease	17,280,000	49%	3.0%/6 yrs/Equipment
Private Investor – Loan *	8,480,863	24%	
Company Equity	<u>8,747,078</u>	<u>25%</u>	
Total Project Financing	<u>\$35,257,941</u>	<u>100%</u>	

*Funded by key customer to reserve manufacturing capacity; fixed interest amount of \$650,000 to be paid back as customer volume commitment is realized within 5-10 year payback period

III. Project Description

A. Company

Industry: Dairy Manufacturing

Company History: Founded in 1959, O-AT-KA Milk Products Cooperative, Inc. is a manufacturer and co-packer of dairy-based products and ready-to-drink shelf-stable beverages. O-AT-KA is one of Genesee County's largest employers and a dairy industry leader. Headquartered in Batavia, the Company helps insure that there is a market for milk produced by more than 400 farms in New York's Western, Finger Lakes and Central regions.

Ownership: The Company is a private cooperative jointly owned by Upstate Niagara Cooperative, Inc. and Dairy Farmers of America.

Size: All facilities are located in Batavia, NY.

Market: O-AT-KA enjoys long-term business relationships with many Fortune 500 listed manufacturers, retailers and wholesalers. The Company's policy of strict confidentiality protects the proprietary nature of its customers' identities, manufacturing processes and formulations.

ESD Involvement: Due to rapid growth in the ready-to-drink beverage segment, the overall industry faced a capacity shortage in 2017. As customers began searching for additional capacity, O-AT-KA realized it would risk losing existing business if it didn't expand manufacturing operations. The Company needed to expand its existing facility to increase processing capacity, and O-AT-KA requested assistance from ESD to close a financing gap. The Company was offered \$750,000 from re-allocated Regional Economic Development Council funds from the Finger Lakes region in November 2017, and the Incentive Proposal was accepted the same month. Without ESD's assistance, the project would not have been economically feasible.

Competition: Key competitors in the beverage category are Berner Foods in Illinois, Trilliant Foods in Wisconsin, and Dairy Farmers of America in Missouri.

Past ESD Support: Funding for the past five years to the Grantee is summarized in the following chart. In addition, the Company is certified in the Genesee County Empire Zone ("EZ") and has received \$3,109,903 in Empire Zone credits between tax years 2006 and 2017.

Program	Project #	Amount	Date Start (ESD Directors' Approval date)	Date End (Project Completion: Contract Expiration)	Purpose
Empire State Economic Development Fund	AA179	\$400,000	October 20, 2016	December 31, 2022	Capital Grant - Expansion of a milk processing facility

B. The Project

Completion: December 2019

Activity: The Company completed a two-phase expansion to increase processing capacity at the manufacturing facility. The first phase included the construction of a 20,000 square-foot building to house a new Specialty Beverage Retort filling and packaging line. The second phase involved a modification of an existing beverage blending system to double the

processing capacity to support the additional filling capacity created in Phase One.

Results: This project enabled the Company to increase its production capacity and grow the specialty beverage business by 18% in 2019, and the Company is anticipating 19% growth in 2020. After 2020, the production line will be operating at an estimated 50% capacity, providing the opportunity for long-term growth.

As part of this project, the Company planned to retain 440 existing jobs and create 20 new jobs. The Company has already created 13 new jobs for a current total of 453 jobs.

Business Investment
Project:

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at \$3,500,236;
- Fiscal cost to NYS government is estimated at \$750,000;
- Project cost to NYS government per direct job is \$14,714;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$6,901;
- Ratio of project fiscal benefits to costs to NYS government is 4.67:1;
- Fiscal benefits to all governments (state and local) are estimated at \$6,075,537;
- Fiscal cost to all governments is \$750,000;
- All government cost per direct job is \$14,714;
- All government cost per total job is \$6,901;
- The fiscal benefit to cost ratio for all governments is 8.10:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$46,476,561, or \$427,677 per job (direct and indirect);
- The economic benefit to cost ratio is 61.97:1;

- Project construction cost is \$11,767,899, which is expected to generate 90 direct job years and 57 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 1.14 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is one year.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

Grantee Contact: Michael Fuchs, Chief Financial Officer
700 Ellicott Street
Batavia, NY 14020
Phone: (585) 815-4232
E-mail: mfuchs@oatkamilk.com

ESD Project No.: AC387

Project Team:	Origination	Gregory Albert
	Project Management	Lisa Smith
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	Timothy Anderson
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$750,000 capital grant (\$7,500) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project or grants from a government source.
4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by

Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

5. Up to \$750,000 will be disbursed to the Grantee in three installments as follows:
 - a) an Initial Disbursement of an amount equal to 50% of the grant (\$375,000) upon documentation of construction/renovation, machinery and equipment, design and planning, and other project costs totaling \$34,500,000, including the purchase and installation of \$20,000,000 in machinery and equipment, upon completion of the project substantially as described in these materials as evidenced by a Certificate of Occupancy, and documentation of the employment of at least 440 Full-time Permanent Employees at the Project Location, assuming that all project approvals have been completed and funds are available;
 - b) a Second Disbursement of an amount equal to 25% of the grant (\$187,500) will be disbursed upon documentation of the employment of at least 450 Full-time Permanent Employees at the Project Location (Employment Increment of 10), provided Grantee is otherwise in compliance with program requirements;
 - c) a Third Disbursement of an amount equal to 25% of the grant (\$187,500) will be disbursed upon documentation of the employment of at least 460 Full-time Permanent Employees at the Project Location (Employment Increment of 10), provided Grantee is otherwise in compliance with program requirements.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after October 26, 2017 to be considered eligible project costs. All disbursements must be requested by April 1, 2021.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$750,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
7. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the Employment Shortfall occurred. The Recapture

Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

- (i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
- (ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
- (iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
- (iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

Baseline Employment	440
A	B
Reporting Date	Employment Goals
February 1, 2021	440+X+Y
February 1, 2022	440+X+Y
February 1, 2023	440+X+Y
February 1, 2024	440+X+Y
February 1, 2025	440+X+Y

X = Grantee's Employment Increment that will be the basis of the Second Disbursement of the Grant as described in section C.5 above (i.e. X=10, and Employment Goals shall equal $[440 + X = 450]$ if the Second Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Second Disbursement has not yet been made then X=0.

Y = Grantee's Employment Increment that will be the basis of the Third Disbursement of the Grant as described in section C.5 above (i.e. Y=10, and Employment Goals shall equal $[440 + X + Y = 460]$ if the Third Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Third Disbursement has not yet been made then Y=0.

IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2017-2018 New York State budget and reappropriated in the 2018-2019 and 2019-2020 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

The City of Batavia Planning and Development Committee, as lead agency, has completed an environmental review of the project pursuant to the requirements of the State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on September 19, 2017. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

VII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VIII. Additional Submissions to Directors

Resolutions
New York State Map
Benefit-Cost Analysis
Project Finance Memorandum
Project Photographs

Batavia (Finger Lakes Region – Genesee County) – O-AT-KA Milk Products Cooperative Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the O-AT-KA Milk Products Cooperative Capital - Regional Council Capital Fund (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to O-AT-KA Milk Products Cooperative, Inc. a grant for a total amount not to exceed Seven Hundred Fifty Thousand Dollars (\$750,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and

deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

March 26, 2020

Batavia (Finger Lakes Region – Genesee County) – O-AT-KA Milk Products Cooperative Capital – Regional Council Capital Fund (Capital Grant) – Determination of No Significant Effect on the Environment

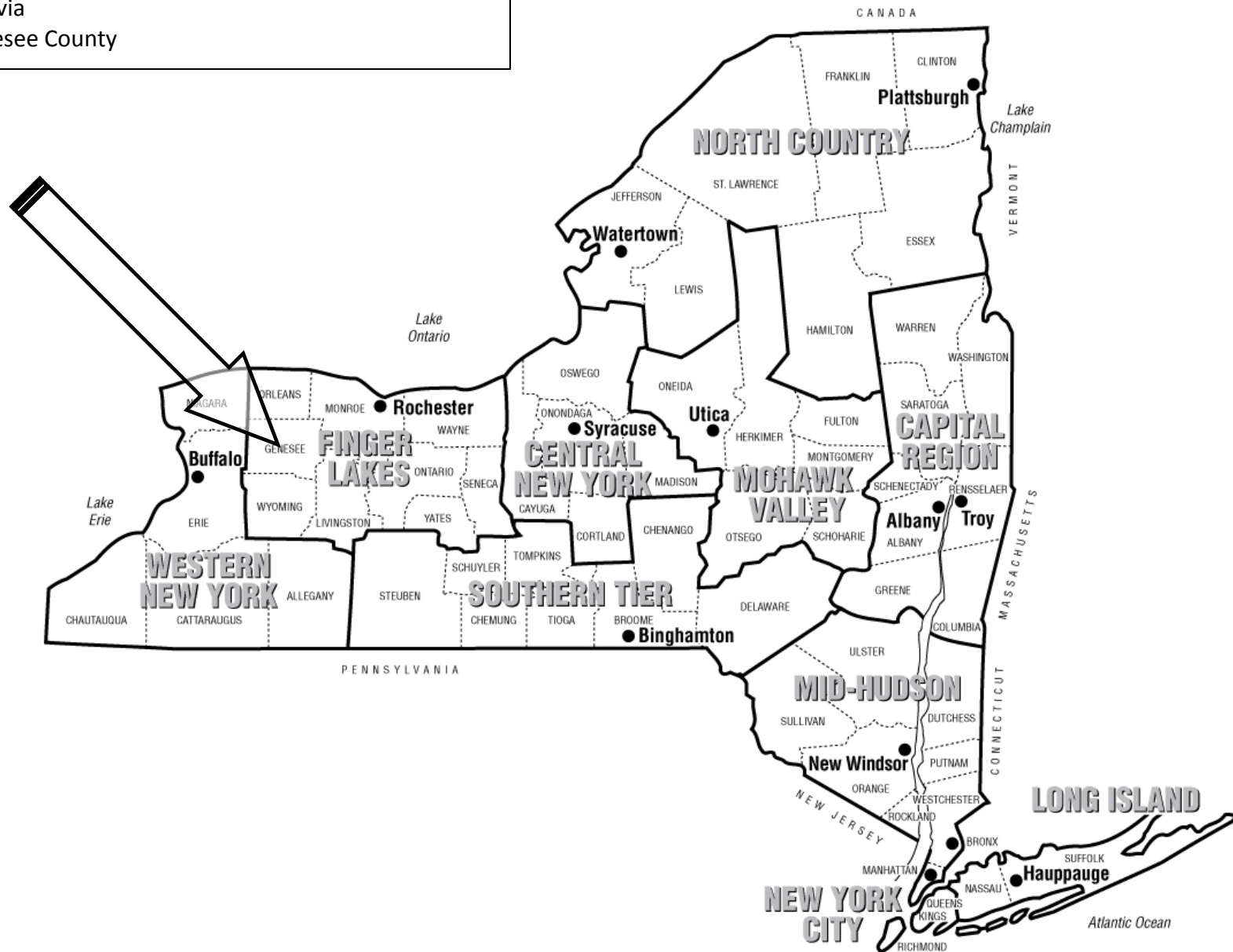
RESOLVED, that based on the material submitted to the Directors with respect to the O-AT-KA Milk Products Cooperative Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

O-AT-KA Milk Products Cooperative Capital

Batavia

Genesee County



Project Summary Benefit-Cost Evaluation¹

O-AT-KA Milk Products Cooperative, Inc. – Business Investment

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits reported in the table below typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the table typically reflects only construction-related activity. Benchmarks for each type of project are noted in the footnotes.

Initial Jobs:	440	Construction Job Years (Direct):	90
New Jobs:	20 jobs over three years	Construction Job Years (Indirect):	57

Evaluation Statistics	Project Results NYS Gov't.	NYS Gov't. Benchmarks ²	Project Results State & Local Government	State & Local Government Benchmarks
Fiscal Costs³	\$750,000	\$794,250	\$750,000	\$1,020,500
Fiscal Benefits⁴	\$3,500,236	\$2,085,600	\$6,075,537	\$4,271,980
Fiscal Cost /Direct Job	\$14,714	\$3,000	\$14,714	\$4,110
Fiscal Cost/Total Jobs	\$6,901	\$1,424	\$6,901	\$1,964
Fiscal B/C Ratio	4.67	7.00	8.10	10.60
Project Results		Benchmarks		
Economic Benefits⁵	\$46,476,561	\$119,468,000		
Econ. Benefits/Total Jobs	\$427,677	\$147,600		
Economic B/C Ratio	61.97	75.00		

¹ Dollar values are present value calculated over a seven-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

² The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Business Investment project benchmarks are 7.00 (Fiscal) and 75.00 (Economic). Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 30.00 (Economic).

³ Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

⁴ Fiscal benefits are the loan repayments and tax revenues to New York State and Local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

⁵ Economic benefits are estimated project benefits measuring fiscal flows to government plus net resident disposable income from project direct and indirect employment net of transfers, without adjusting for individual income earners' opportunity cost of employment.

O-AT-KA Milk Products Cooperative Capital

During Construction



Completed Facility



New Machinery & Equipment



FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Regional Council Award – Canandaigua (Finger Lakes Region – Ontario County) – Friends of CMAC Capital & Market NY Capital – Regional Council Capital Fund & Market NY – ESD Capital Appropriation (Capital Grants)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make Grants and to Take Related Actions; Determination of No Significant Effect on the Environment

General Project PlanI. Project Summary

Grantee: Friends of Constellation Brands-Marvin Sands Performing Arts Center, Inc. (the “Grantee,” or “Friends of CMAC”)

ESD Investment: Two grants of up to \$2,000,000 to be used for a portion of the cost of construction/renovation and site/infrastructure expenses

Project Location: 3355 Marvin Sands Drive, Canandaigua, Ontario County

Proposed Project: Renovation to the Constellation Brands-Marvin Sands Performing Arts Center (the “Center”), including addition of covered seating for the Center, demolition of former Food & Beverage Building and construction of a new Food & Beverage Building, as well as repaving of parking lot

Project Type: Capital

Regional Council: The Finger Lakes Regional Economic Development Council has been made aware of this item. The project is consistent with the Finger Lakes Regional Economic Development Council’s Plan to enhance tourism destinations.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction/Renovation	\$2,016,938
Infrastructure/Site Work	2,608,493
Furniture, Fixtures, and Equipment	305,636
Architectural/Engineering	219,868
Contingency	<u>220,888</u>

Total Project Costs \$5,371,823

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant (#AB582)	\$1,260,000	23%
ESD-Grant (#AB583)	740,000	14%
Grantee Equity	763,330	14%
Ontario County Equity	<u>2,608,493</u>	49%
Total Project Financing	<u>\$5,371,823</u>	<u>100%</u>

III. Project Description

A. Grantee

Industry: Performing Arts

Grantee History: Friends of CMAC was formed in 2005 to save the Constellation Brands-Marvin Sands Performing Arts Center and transform it into a premier performing arts center in the region. The Center accommodates 15,000 people, holds about 20 shows a year, and draws over 100,000 in attendance. Strong management by Friends of CMAC has resulted in increased operational efficiencies and private sector support. The Center has no overhead costs with staff donating their time for overall management, allowing the Center to invest all its revenues back into operations.

Ownership: Friends of CMAC is a privately-owned not-for-profit organization.

Size: All facilities are located in Canandaigua, NY.

ESD Involvement: The Grantee applied through Round 6 of the Consolidated Funding Application for financial assistance to renovate the Constellation Brands-Marvin Sands Performing Arts Center. Since its \$13MM facility rebuild in 2006, Friends of CMAC had struggled to maintain its facilities despite spending approximately \$200,000 annually. The result had been deterioration of its facilities, including the amphitheater, backstage areas, public restrooms, and parking lots. This project was selected by the

Finger Lakes Regional Economic Development Council for funding in April 2017, and the Grantee accepted ESD's offer for grants totaling \$2,000,000 in June 2017. Without financial assistance from ESD, this project would not have been feasible.

Past ESD Support: This is the Grantee's first project with ESD.

B. The Project

Completion: October 2019

Activity: The Grantee constructed a new general entrance to the Center with enhanced lighting for safety purposes, re-paved their general parking lot, and conducted general maintenance on the Center, including painting, paving, and replacing shingles. Additionally, Friends of CMAC demolished their former Food & Beverage Building and constructed a new one, located between the general entrance and the Center. Finally, grantee constructed new covered seating areas for the Center, which also provide an opportunity for additional naming sponsorship.

Results: The construction of the new general entrance to the Center has allowed for easier ingress and egress at the venue. The re-paving of the general parking lot has allowed for more efficient use of the space, thus creating more parking spaces for patrons and creating a safer environment when parking and leaving the venue. The addition of the new Food & Beverage Building has allowed the Grantee to undertake approximately 90% of the food operations in-house, increasing revenue and controls. It has also created the opportunity for additional community events to be held at the Center. Finally, the general maintenance has kept the Center safe and in great condition for patrons.

Economic Growth

Investment Projects: No Benefit-Cost Analysis ("BCA") is required since these projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

Grantee Contact: Virginia Clark, President and Executive Director
207 High Point Drive, Bldg. 100
Victor, NY, 14564
Phone: 585-678-7157
E-mail: ginny.clark@wildstarparkers.com

ESD Project Nos.: AB582 & AB583

Project Team:	Origination	Stephen Golding & Kelly Baquerizo
	Project Management	Jay Vido
	Contractor & Supplier Diversity	Geraldine Ford
	Finance	Kathleen Uckert
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of 1% of the \$2,000,000 capital grants (\$20,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Grantee or by investors, and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Up to \$2,000,000 will be disbursed to Grantee upon completion of the project substantially as described in these materials, as evidenced by a certificate of occupancy, and documentation of total project costs totaling \$5,250,000, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after December 8, 2016, to be considered eligible project costs. All disbursements must be requested by April 1, 2021.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$2,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
6. Grant funds will be subject to pro rata recapture if the property at the Project Location is sold within five years of disbursement of funds. The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the transfer occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:
 - (i) 100% of the disbursed amount if the transfer occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;

- (ii) 80% of the disbursed amount if the transfer occurred in the second full calendar year after the disbursement was made;
- (iii) 60% of the disbursed amount if the transfer occurred in the third full calendar year after the disbursement was made;
- (iv) 40% of the disbursed amount if the transfer occurred in the fourth full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the transfer occurred in the fifth full calendar year after the disbursement was made.

IV. Statutory Basis – Regional Council Capital Fund & Market New York Program

The funding was authorized in the 2016-2017, New York State budget and reappropriated in the 2017-2018, 2018-2019 and 2019-2020 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

The Ontario County Board of Supervisors, as lead agency, has completed an environmental review of the project pursuant to the requirements of the State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on September 19, 2017. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise ("MWBEs") for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the eligible categories totaling approximately \$600,000. As such, the goal MWBE utilization shall be no less than \$180,000.

VII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VIII. Additional Submissions to Directors

Resolutions

New York State Map

Project Finance Memorandum

Project Photographs

Regional Council Award – Canandaigua (Finger Lakes Region – Ontario County) – Friends of CMAC Capital & Market NY Capital – Regional Council Capital Fund – & Market NY – ESD Capital Appropriation (Capital Grants) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Friends of CMAC Capital & Market NY Capital -- Regional Council Capital Fund & Market NY - ESD Capital Appropriation (Capital Grants) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Friends of Constellation Brands-Marvin Sands Performing Arts Center, Inc. two grants for a total amount not to exceed Two Million Dollars (\$2,000,000) from the Regional Council Capital Fund –& Market NY –ESD Capital Appropriation, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

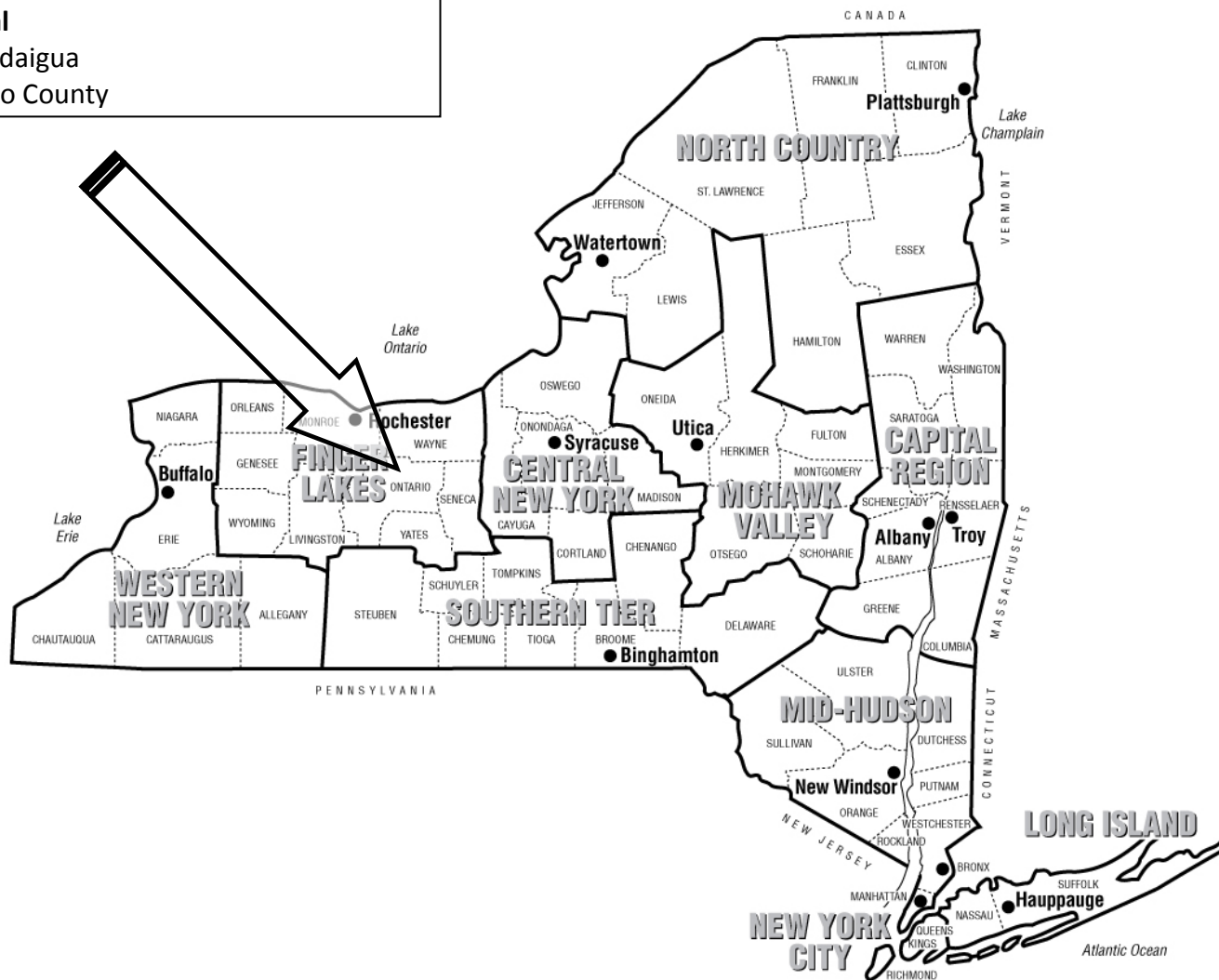
March 26, 2020

Regional Council Award – Canandaigua (Finger Lakes Region – Ontario County) – Friends of CMAC Capital & Market NY Capital – Regional Council Capital Fund –& Market NY – ESD Capital Appropriation (Capital Grants) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Friends of CMAC Capital & Market NY Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Friends of CMAC Capital & Market NY
Capital
 Canandaigua
 Ontario County



Friends of CMAC Capital & Market NY Capital





FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Geneva (Finger Lakes Region – Ontario County) – Cornell Industrial Hemp Phase II Working Capital – Empire State Economic Development Fund – General Development Financing (Working Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Sections 16-m and 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

I. Project Summary

Grantee: Cornell University (“Cornell” or the “University”)

ESD* Investment: A grant of up to \$400,000 to be used for working capital expenses associated with the Hemp Production Optimization project to study industrial hemp cultivars for New York State Farmers.

* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

Project Location: 630 West North Street, Geneva, Ontario County

Proposed Project: Cornell University will work with farmers across New York State to grow multiple cultivars of hemp to develop best practices in breeding, planting, and growing, and provide that information to New York hemp growers.

Project Type: Research and Development; Agricultural/Industrial Hemp Production

Regional Council: The Finger Lakes Regional Economic Development Council has been made aware of this item.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Personnel/Administration	\$273,976
Travel	8,175
Materials and Supplies	20,420
Subcontracts and Other Direct Costs	36,411
Indirect Costs	<u>61,018</u>

Total Project Costs \$400,000

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	<u>400,000</u>	<u>100%</u>
Total Project Financing	<u>\$400,000</u>	<u>100%</u>

III. Project Description

A. Grantee

Industry: Educational Institution/Research and Development/Agriculture

Grantee
History: Cornell was founded in 1865 by Ezra Cornell and Andrew Dickson White. In 1868, Morrill Hall was the first building constructed on the main Ithaca campus, which today includes 628 buildings on more than 2,000 acres. Cornell is the federal land-grant institution of New York State ("NYS"), a private endowed university, a member of the Ivy League/Ancient Eight, and a partner of the State University of New York. It has been described as the first truly American university because of its founders' revolutionary egalitarian and practical vision of higher education, and is dedicated to its land-grant mission of outreach and public service. Cornell has seven undergraduate units and four graduate and professional units in Ithaca, two medical graduate and professional units in New York City, and one in Doha, Qatar. The Cornell Tech campus in New York City is the latest addition.

Ownership: Cornell is a privately endowed research university and a partner of the State University of New York.

Size: Cornell has over 1,600 faculty members, over 8,000 staff and over 21,500 students with its primary campus located in Ithaca, New York.

ESD Involvement: Cornell seeks to support research, development and outreach efforts in hemp production in order to determine the utility of commercially available hemp cultivars and agronomic practices for cannabinoid, seed, oil and fiber production in the state; enhance stand establishment and disease management; optimize controlled environment production practices; identify key hemp pests and disease in the state; and develop and extend hemp resources to New York growers. The project will involve working with farmers across NYS to grow multiple cultivars of hemp to develop research that will help farmers successfully grow and bring hemp to market. To implement this transformative agribusiness initiative, in July 2019, ESD awarded \$400,000 to Cornell to develop best practices, and expand industrial hemp seed research and development in NYS.

Competition: N/A

Past ESD Support: Funding for the past five years, totaling \$19,697,778, to the Grantee is summarized in the following chart:

Program	Project #	Amount	Date Start (ESD Directors' Approval date)	Date End (Project Completion: Contract Expiration)	Purpose
Regional Council Capital Fund	Y364	\$350,000	August 20, 2015	March 2015	Capital – construct research-grade greenhouse
Regional Council Capital Fund	Y345	\$500,000	September 17, 2015	April 2015	Capital – Renovations at the Food Processing & Development Laboratory
Economic Development Purpose Fund	Y608	\$557,570	July 18, 2013	April 2017	Working Capital – Initiative to export agricultural and food products to China's emerging middle class.
NYPA OFB Craft Bev Marketing	AB101	\$40,208	June 29, 2017	December 2019	Working Capital

Empire State Economic Development Fund	AC144	\$900,000	July 27, 2017	June 2018	Working Capital
Upstate Revitalization Initiative Round 1	AA737	\$15,000,000	November 16, 2017	October 2019	Capital
Empire State Economic Development Fund	AC477	\$2,000,000	July 19, 2018	December 2021	Capital and Working Capital
Empire State Economic Development Fund	AC483	\$350,000	September 19, 2019	December 2021	Capital and Working Capital

B. The Project

Completion: May 2021

Activity: Cornell will grow multiple cultivars of hemp with farmers across New York State and collect and analyze data about the success of each cultivar.

Results: Measurable results include the production of basic yield data from hemp cultivar trials, an understanding of the best cultivars to grow in New York State conditions, and initiation of breeding to improve on those cultivars. Additionally, the project will include agronomic assessments including planting in different soil types and micro-climates in New York, producing data on the cultivation of hemp in greenhouse conditions. Overall, the project will assist farmers in gaining the information needed to assess the potential of this emerging crop. Cornell will regularly issue reports through the College of Agriculture & Life Sciences Industrial Hemp project site to share and disseminate knowledge to the farm community. Cornell Cooperative Extension, Cornell's community education arm, will deliver seminars throughout NYS on the research done as part of this project, and Cornell will continue to offer its Field Days program on a variety of farming topics, including industrial hemp farming.

Economic Growth
Investment

Project: No Benefit-Cost Analysis ("BCA") is required since these projects generate long-term benefits not captured in the short-term period used for the

BCA and may involve no permanent job commitments.

Grantee Contact: Eric Van Ostenbridge, Grant and Contract Officer
373 Pine Tree Road
Ithaca, NY 14850
Phone: (607) 255-5337
E-mail: ecv25@cornell.edu

ESD Project No.: AC483

Project Team:	Origination	Stefan Fleming
	Project Management	Sarah Glose
	Contractor & Supplier Diversity	Jordan Lopez
	Finance	Timothy Anderson
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
2. Up to \$400,000 will be disbursed to Grantee in two installments as follows:
 - a. an Initial Disbursement of an amount equal to 50% of the grant (\$200,000) will be disbursed upon documentation of working capital project costs totaling \$200,000, assuming that all project approvals have been completed and funds are available;
 - b. a second Disbursement of an amount equal to 50% of the grant (\$200,000) will be disbursed upon documentation of additional working capital project costs totaling \$200,000 (cumulative project cost of \$400,000) and upon completion of the project substantially as described in these materials, assuming that all project approvals have been completed and funds are available.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses reimbursed by ESD's grant must be incurred on or after June 17, 2019, to be considered eligible project costs. All disbursements must be requested by April 1, 2022.

3. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$400,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms.

NYS' agricultural industry is strong and growing, annually adding approximately \$37 billion to the economy between direct production, distribution, and processing and retail activities. However, NYS farmers tend to have higher costs of production particularly when comparing farmland value property taxation rates with competitor states. Additionally, price volatility especially in the NYS' largest sector of agriculture – dairy – is a continual challenge necessitating a diversification of income streams for many farms. Industrial hemp should be explored as a means of further creating and retaining jobs and economic growth. As farms, particularly in the dairy sector, need to explore alternative means of realizing profitability, industrial hemp can become a higher value diversification strategy for NYS' farmers and provide a means of retaining land in farming.

2. The proposed project would be unlikely to take place in New York State without the requested assistance.

The proposed project is unlikely to occur without ESD assistance. Given the uncertainty of the agronomics of growing this new and emerging crop, it is unlikely that growers will be willing to risk planting a crop that still faces regulatory and agronomic uncertainty in NYS. ESD's assistance is needed to fill the risk gap in innovation for this new crop in NYS.

3. The project is reasonably likely to accomplish its stated objectives and the likely benefits of the project exceed costs.

This project is reasonably likely to meet the goals of gathering data on best practices in seed breeding and planting for hemp, which are necessary to help growers make an informed decision about entering the hemp market. Cornell's past success in breeding new cultivars provides confidence that this can be accomplished with hemp as well. Cornell's role as the Land Grant institution is to assist in taking the risk out of business ventures by conducting and implementing applied research trials that provide real-world information to farmers and processors and better enable them to assess profitable business ventures in the future. Much like experience in the craft-based beverage sector and the food manufacturing sector, if it is found that farmers can indeed grow this crop successfully in a price competitive manner, it is expected that growth in the processing and manufacturing sector for industrial hemp will also occur resulting in benefits that greatly exceed project cost.

4. The requirements of Section 10(g) of the Act are satisfied.

No residential relocation is required because there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

VI. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority-and women-owned business enterprises (MWBEs) in the performance of ESD projects and procurements. The ESD Office of Contractor and Supplier Diversity has reviewed the project and has determined that there exists no potential for MWBE participation. As such, participation goals will not be established or required for this project.

VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions

New York State Map

Project Finance Memorandum

Geneva (Finger Lakes Region – Ontario County) – Cornell Industrial Hemp Phase II Working Capital – Empire State Economic Development Fund – General Development Financing (Working Capital Grant) – Findings and Determinations Pursuant to Sections 16-m and 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Cornell Industrial Hemp Phase II Working Capital -- Empire State Economic Development Fund – General Development Financing (Working Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Sections 16-m and 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that

1. The proposed project would promote the economic health of New York State by facilitating the creation or retention of jobs or would increase activity within a municipality or region of the state or would enhance or help to maintain the economic viability of family farms;
2. The project would be unlikely to take place in New York State without the requested assistance;
3. The project is reasonably likely to accomplish its stated objectives and that the likely benefits of the project exceed costs;
4. There are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Cornell University a grant for a total amount not to exceed four-hundred thousand dollars (\$400,000) from the Empire State Economic Development Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

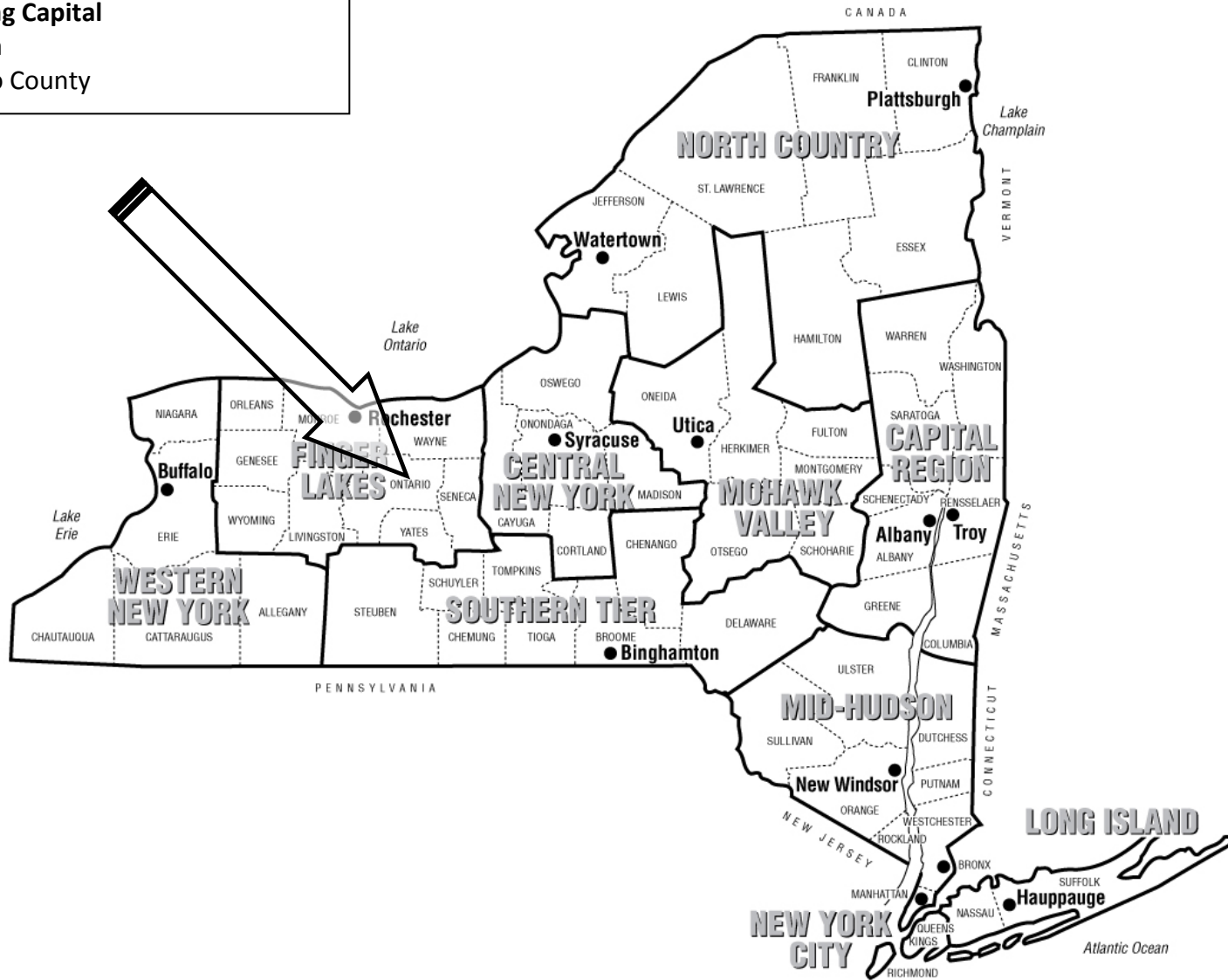
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and

each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Cornell Industrial Hemp Phase II
Working Capital
Geneva
Ontario County



FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Regional Council Award – Priority Project – Rome (Mohawk Valley Region – Oneida County) – Deployed Resources Capital – Regional Council Capital Fund (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

General Project Plan

I. Project Summary

Grantee: Deployed Resources, LLC (“Deployed Resources” or the “Company”)

ESD* Investment: A grant of up to \$1,380,000 to be used for a portion of the cost of construction and renovation, and machinery and equipment

* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

Project Location: 164 McPike Road, Rome, Oneida County

Proposed Project: The currently leased properties at Griffiss Business Park will be purchased for conversion into office space and production and fabrication facilities for standard and custom metals production and welding. Additionally, 9 new jobs will be created at the project location.

Project Type: Business expansion involving job retention and creation.

Regional Council: This project is consistent with the Mohawk Valley Regional Economic Development Council plan to invest in advanced manufacturing and agribusiness.

Employment: Initial employment	54
Current employment level:	59
Minimum employment on January 1, 2022:	63

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Real Estate Acquisition	\$217,000
Construction/Renovation	5,290,000
Machinery & Equipment	1,066,000
Furniture, Fixtures, and Equipment	76,200
Architectural, Engineering, and Soft	<u>250,000</u>

Total Project Costs	<u>\$6,899,200</u>
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<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$1,380,000	<u>20%</u>
Company Equity	<u>5,519,200</u>	<u>80%</u>
Total Project Financing	<u>\$6,899,200</u>	<u>100%</u>

III. Project Description

A. Company

Industry:	Manufacturing and specialized metal fabrication and purpose-built containerized solutions
Company History:	Established in 2001 by Richard Stapleton and Robert Napior, Deployed Resources is a veteran-owned business that leads the industry in manufacturing and delivering turnkey life support equipment, custom fabrications and facilities support services.
Ownership:	The Company is owned 50% by Richard Stapleton and 50% Robert Napior.
Size:	Deployed Resources has one facility and over 70 employees located in New York. The Company has smaller-scale storage yards in North Carolina and Mississippi.
Market:	Deployed Resources caters to the metal fabrication and life support equipment market. The Company's main customers include federal and state agencies.
ESD Involvement:	The funding being sought enabled Deployed Resources to increase efficiency by consolidating all of its manufacturing procedures into one

facility as opposed to its operations spread across three small buildings. The Company applied for assistance through Round 7 of the Consolidated Funding Application process and was awarded a \$1,380,000 grant to assist with the financing. ESD made the Company an offer of assistance in March 2018, which was accepted in April of the same year. The project would not be feasible without ESD assistance.

Competition: Currently the Company's biggest competitors are Disaster Management Group (DMG), Grainger, Mahaffey USA, Arena Americas.

Past ESD Support: This is the Company's first project with ESD.

B. The Project

Completion: December 2019

Activity: The Company has purchased the formerly leased properties on Griffiss Business Park (GBP), which includes building 832 (8,000 square-feet), building 917 (32,000 square-feet) and building 916 (8,000 square-feet). Deployed Resources purchased and installed metal manufacturing equipment and appurtenances to increase workstations and productivity.

Building 917 was converted into office space and a production manufacturing and purpose-built fabrication facility enabling standard and custom metals production, welding and assembly lines to operate safer, stronger, more sustainably, gain economic savings and increase job opportunities. A code compliant Paint Booth was installed externally adjacent to building 917 Manufacturing Center. Building 916 became an equipment warehouse and building 832 (current fabrication facility) will comprise R&D and Custom Fabrication Laboratory and seasonal surges.

Results: The Company purchased much needed manufacturing equipment. These new tools allow Deployed Resources to perform work in its facility that often was outsourced to companies outside the local area. Currently, there is a fully functional machine shop, which allows the Company to complete, in-house, 95% of metal work that otherwise would have been outsourced. The machine shop supports more R&D/Prototype work in a tighter timeframe and gives a competitive advantage. The grant also helped to secure miscellaneous tools and equipment for welding and finish fabrication, improving overall service offerings.

Business Investment Project: Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or

creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at \$1,277,809;
- Fiscal cost to NYS government is estimated at \$1,380,000;
- Project cost to NYS government per direct job is \$88,139;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$43,392;
- Ratio of project fiscal benefits to costs to NYS government is 0.93:1;
- Fiscal benefits to all governments (state and local) are estimated at \$2,150,603;
- Fiscal cost to all governments is \$1,380,000;
- All government cost per direct job is \$88,139;
- All government cost per total job is \$43,392;
- The fiscal benefit to cost ratio for all governments is 1.56:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$16,588,620, or \$521,603 per job (direct and indirect);
- The economic benefit to cost ratio is 12.02:1;
- Project construction cost is \$5,540,000, which is expected to generate 57 direct job years and 26 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 1.04 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is not calculated.

See Project Summary Benefit-Cost Evaluation (attached) for detail and definitions.

Grantee Contact: William Michalski, Vice President of Finance
164 McPike Road
Rome, NY 13441
Phone: (315) 281-0039
E-mail: wmichalski@deployedresources.com

ESD Project No.: AC878

Project Team:	Origination	Mark Labuzzetta
	Project Management	Meghan Ferrelli
	Contractor & Supplier Diversity	Danah Alexander
	Finance	Timothy Anderson
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$1,380,000 capital grant (\$13,800) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project or grants from a government source.
4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.
5. Up to \$1,380,000 will be disbursed to the Grantee in three installments as follows:
 - a) an Initial Disbursement of an amount equal to 50% of the grant (\$690,000) upon documentation of \$4,000,000 of total project expenditures, including machinery and equipment project costs totaling \$1,066,000, upon completion of the project substantially as described in these materials, and documentation of the employment of at least 59 Full-time Permanent Employees at the Project Location (Employment Increment of 5), assuming that all project approvals have been completed and funds are available;
 - b) a Second Disbursement of an amount equal to 25% of the grant (\$345,000) will be disbursed upon documentation of the employment of at least 61 Full-time

Permanent Employees at the Project Location (Employment Increment of 2) and additional expenditures of \$1,500,000 (total cumulative project expenditures of \$5,500,000), provided Grantee is otherwise in compliance with program requirements;

- c) a Third Disbursement of an amount equal to 25% of the grant (\$345,000) will be disbursed upon documentation of the employment of at least 63 Full-time Permanent Employees at the Project Location (Employment Increment of 2) and additional expenditures of \$1,399,200 (total cumulative project expenditures of \$6,899,200), provided Grantee is otherwise in compliance with program requirements.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses reimbursed by ESD's grant must be incurred on or after December 13, 2017 to be considered eligible project costs. All disbursements must be requested by April 1, 2022.

- 6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,380,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
- 7. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the Employment Shortfall occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

- (i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
- (ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
- (iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
- (iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth

full calendar year after the disbursement was made.

The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12-month period computed by quarter.

Baseline Employment	54
A	B
Reporting Date	Employment Goals
February 1, 2021	$54+X+Y+Z$
February 1, 2022	$54+X+Y+Z$
February 1, 2023	$54+X+Y+Z$
February 1, 2024	$54+X+Y+Z$
February 1, 2025	$54+X+Y+Z$

X = Grantee's Employment Increment that will be the basis of the Initial Disbursement of the Grant as described in section C.5 above (i.e. $X=5$, and Employment Goals shall equal $[54 + X = 59]$ if the Initial Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Initial Disbursement has not yet been made then $X=0$.

Y = Grantee's Employment Increment that will be the basis of the Second Disbursement of the Grant as described in section C.5 above (i.e. $Y=2$, and Employment Goals shall equal $[54 + X + Y = 61]$ if the Second Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Second Disbursement has not yet been made then $Y=0$.

Z = Grantee's Employment Increment that will be the basis of the Third Disbursement of the Grant as described in section C.5 above (i.e. $Z=2$, and Employment Goals shall equal $[54 + X + Y + Z = 63]$ if the Third Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Third Disbursement has not yet been made then $Z=0$.

IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2017-2018 New York State budget and reappropriated in the 2018-2019 and 2019-2020 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize certified Minority-and Women-owned Business Enterprises ("MWBEs") for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

VII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VIII. Additional Submissions to Directors

Resolutions

New York State Map

Benefit-Cost Analysis

Project Finance Memorandum

Project Photographs

Regional Council Award – Priority Project – Rome (Mohawk Valley Region – Oneida County) – Deployed Resources Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Sections 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Deployed Resources Capital -- Regional Council Capital Fund (Capital Grant) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Deployed Resources, LLC a grant for a total amount not to exceed One Million Three Hundred and Eighty Thousand Dollars (\$1,380,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

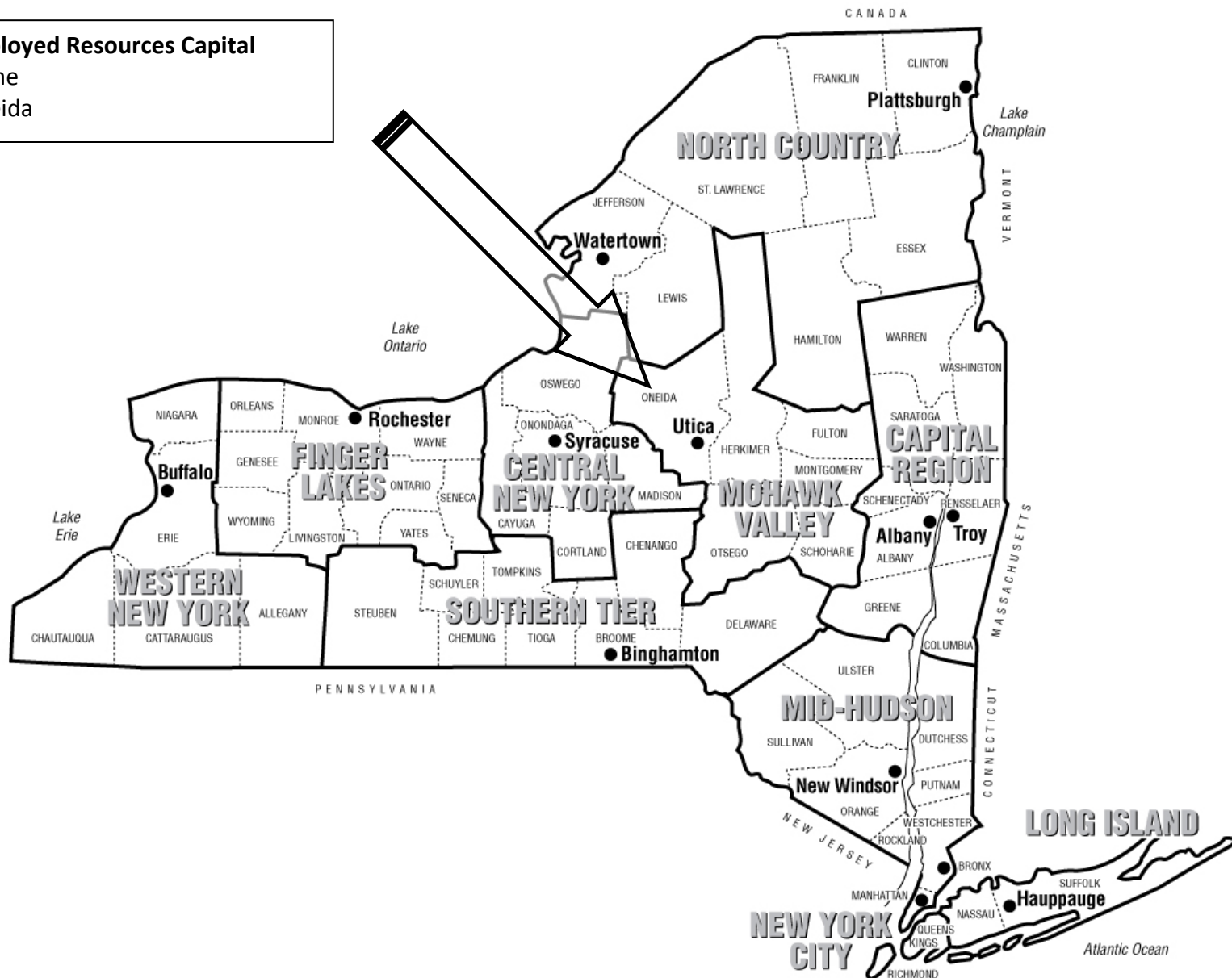
RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and

each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Deployed Resources Capital

Rome
Oneida



Project Summary Benefit-Cost Evaluation¹

Deployed Resources, LLC – Business Investment

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits reported in the table below typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the table typically reflects only construction-related activity. Benchmarks for each type of project are noted in the footnotes.

Initial Jobs:	54	Construction Job Years (Direct):	57
New Jobs:	9 jobs over four years	Construction Job Years (Indirect):	26

Evaluation Statistics	Project Results NYS Gov't.	NYS Gov't. Benchmarks ²	Project Results State & Local Government	State & Local Government Benchmarks
Fiscal Costs³	\$1,380,000	\$794,250	\$1,380,000	\$1,020,500
Fiscal Benefits⁴	\$1,277,809	\$2,085,600	\$2,150,603	\$4,271,980
Fiscal Cost /Direct Job	\$88,139	\$3,000	\$88,139	\$4,110
Fiscal Cost/Total Jobs	\$43,392	\$1,424	\$43,392	\$1,964
Fiscal B/C Ratio	0.93	3.00	1.56	10.60
Project Results				
Economic Benefits⁵	\$16,588,620	\$119,468,000		
Econ. Benefits/Total Jobs	\$521,603	\$147,600		
Economic B/C Ratio	12.02	30.00		

¹ Dollar values are present value calculated over a seven-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

² The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Business Investment project benchmarks are 7.00 (Fiscal) and 75.00 (Economic). Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 30.00 (Economic).

³ Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

⁴ Fiscal benefits are the loan repayments and tax revenues to New York State and Local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

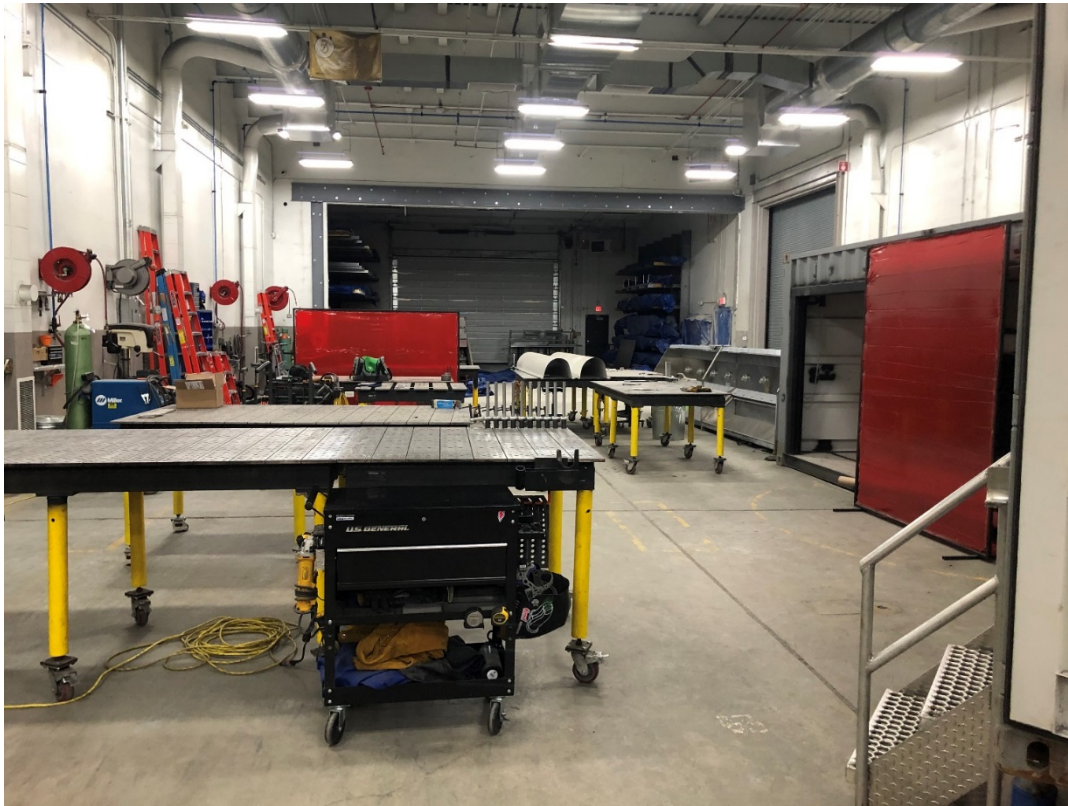
⁵ Economic benefits are estimated project benefits measuring fiscal flows to government plus net resident disposable income from project direct and indirect employment net of transfers, without adjusting for individual income earners' opportunity cost of employment.

Deployed Resources Capital

Interior before



Interior after



FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Regional Council Award - Priority Project - Utica (Mohawk Valley Region – Oneida County) – Baggs Square - Mixed Use Capital – Regional Council Capital Fund - RC 5 – Neighborhood Revitalization (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

General Project Plan

I. Project Summary

Grantee: Baggs Square Partners, LLC (“Baggs Square” or the “Company”)

ESD* Investment: A grant of up to \$900,000 to be used for a portion of the cost of construction and renovation of a building to create mixed-use, commercial and residential space.

* The New York State Urban Development Corporation doing business as Empire State Development “ESD” or the “Corporation”)

Project Locations: 310 Broad Street, Utica, Oneida County

Proposed Project: Renovate a vacant building in the Baggs Square section of Utica into a mixed-use commercial and residential space

Project Type: Neighborhood Revitalization

Regional Council: The project is consistent with the Mohawk Valley Region Regional Economic Development Council’s Plan to support placemaking and downtown revitalization.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Real Estate Acquisition	\$76,000
Construction/Renovation	6,065,884
Machinery & Equipment	70,283
Soft Costs	<u>1,133,898</u>
 Total Project Costs	 <u>\$7,346,065</u>

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
ESD-Grant	\$900,000	12%	
National Grid - Grant	250,000	3%	
M&T Bank – Mortgage Loan	3,525,000	49%	5.2%/25 yrs.
Deferred Developer Fee	565,000	8%	
Company Equity	<u>2,106,065</u>	<u>28%</u>	
 Total Project Financing	 <u>\$7,346,065</u>	 <u>100%</u>	

III. Project Description

A. Company

Industry: Real Estate Development

Company History: Baggs Square Partners, LLC was formed in 2015 to transform the Baggs Square District in Utica. The neighborhood was identified as a priority for the Mohawk Valley region and a vital part of the resurgence of the downtown area. The Company is wholly managed by Gary Thurston who has over 45 years of experience in construction management.

Ownership: The Company is owned by Gary Thurston.

Size: All facilities are located in Utica, NY.

Market: Residents of Utica, New York and the surrounding region

ESD Involvement: In July 2015, Baggs Square applied under Round 5 of the Mohawk Valley Regional Economic Development Council's Consolidated Funding Application to close a gap in their Baggs Square Lofts project, which involved the renovation of a formerly vacant building on Broad Street in Utica in the historic Baggs Square neighborhood. The plan was to redevelop the property creating 10,000-square-feet of commercial space and 24 market-rate, one and two-bedroom apartments in response to

the need outlined in the Downtown Improvement Development and Main Street Corridor Investments initiative; the building was also located in a Utica Brownfield Opportunity Area.

In April 2015, ESD made the Company an offer of assistance that would help it reach its goal, and Baggs Square accepted the offer in May 2016. Without ESD's assistance the project could not have moved forward.

Past ESD Support: This is the Company's first project with ESD.

B. The Project

Completion: November 2019

Activity: The project involved the reconstruction and repurposing of a vacant, former ConMed building on 310 Broad Street in the Baggs Square East section of downtown Utica. The Company acquired the abandoned project property at 310 Broad Street in August 2015 and began demolition, renovation and construction in early 2019.

The interior of the building was gutted, new windows were installed on all four elevations, a new roof was installed, and new plumbing, electric heating and air conditioning was installed. Repairs were made to the wood floors, and other historically significant features of the building were preserved.

The result is a building with 10,000 square feet of commercial and/or office space on the first floor and 24 market-rate, one and two-bedroom apartments on the second, third and fourth floors.

Results: As part of the rebirth of downtown Utica's historic Baggs Square neighborhood, Baggs Square Lofts will serve as an anchor in the neighborhood's resurgence. To date, three of the apartments have been leased with the remaining expected to be occupied by July 2020. The commercial space is partially occupied by a branch of the construction company Hayner Hoyt, and the Advanced Institute for Manufacturing, associated with Mohawk Valley Community College, currently occupies 2,300 square-feet.

A portion of the overall redevelopment includes the relocation of the thINCubator, a regional innovative hotspot which will encourage development of entrepreneurial and business ecosystem in the region. In addition, the project will provide new space for the relocation of the Mohawk Valley's Community College's trades program at a more

centralized location for students. The program will run concurrent classes to accommodate the growing need for skilled labor force in the region.

No Benefit-Cost Analysis (“BCA”) is required since these projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

Grantee Contact: Gary Thurston, CEO
625 Erie Boulevard West
Syracuse, New York, 13204
Phone: (315) 455-5941
E-mail: gthurston@haynerhoyt.com

ESD Project No.: AA559

Project Team:	Origination	Joseph Falcone
	Project Management	Simone Bethune
	Contractor & Supplier Diversity	Danah Alexander
	Finance	Christina Choi
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$900,000 capital grant (\$9,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company’s acceptance of ESD’s offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project or grants from a government source.
4. Up to \$900,000 will be disbursed to Grantee, in a lump sum, upon documentation of real estate acquisition, construction/renovation, machinery and equipment, and soft project costs totaling \$4,500,000, and upon completion of the project substantially as described in these materials as evidenced by a certificate of occupancy. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after January 1, 2016, to be

considered eligible project costs. All disbursements must be requested by April 1, 2021.

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$900,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2015-2016 New York State budget and reappropriated in the 2016-2017, 2017-2018, 2018-2019, and 2019-2020 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

Due to the building's status as a contributing building within the Baggs Square East Historic District, which is listed in the New York State and National Registers of Historic Places, ESD has confirmed that the project sponsor consulted with the New York State Office of Parks, Recreation and Historic Preservation pursuant to the requirements of Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law. No further consultation is required.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize certified Minority- and Women-owned Business Enterprises ("MWBEs") for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the

approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions

New York State Map

Project Finance Memorandum

Regional Council Award –Utica (Mohawk Valley Region – Oneida County) – Baggs Square - Mixed Use Capital – Regional Council Capital Fund - RC 5 Neighborhood Revitalization (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Baggs Square - Mixed Use Capital -- Regional Council Capital Fund - RC 5 Neighborhood Revitalization Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Baggs Square Partners, LLC a grant for a total amount not to exceed Nine Hundred Thousand Dollars (\$900,000) from the Regional Council Capital Fund - RC 5, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

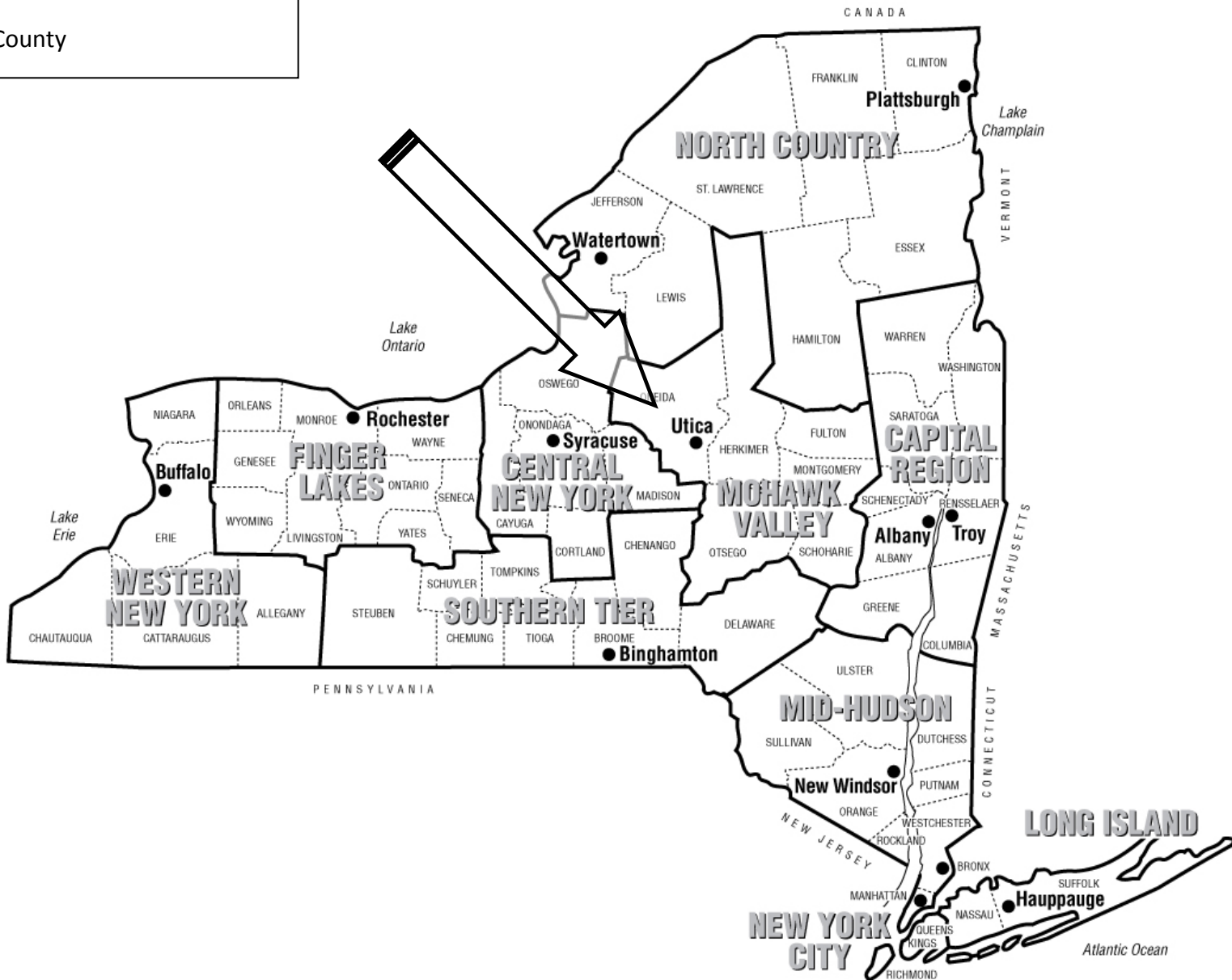
RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Baggs Square - Mixed Use Capital

Utica

Oneida County



FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Regional Council Award – Priority Project – Yorkville (Mohawk Valley Region – Oneida County) – O.W. Hubbell & Sons Capital – Regional Council Capital Fund (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

General Project PlanI. Project Summary

Grantee: O.W. Hubbell & Sons, Inc. (“Hubbell” or the “Company”)

ESD* Investment: A grant of up to \$300,000 to be used for a portion of the cost of renovations and construction

* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

Project Location: 5124 Commercial Drive East, Yorkville, Oneida County

Proposed Project: Process tank expansion within the existing plant footprint to move large material through the galvanizing process more efficiently

Project Type: Business expansion involving job retention and creation

Regional Council: The Mohawk Regional Economic Development Council (“MREDC”) has been made aware of this item. The project is consistent with the MREDC’s plan to expand businesses to help create jobs and rebuild neighborhoods and infrastructure.

Employment: Initial employment at time of ESD Incentive Proposal:	82
Current employment level:	82
Minimum employment through January 1, 2023:	88

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>	
Construction/Renovation	<u>\$1,500,000</u>	
Total Project Costs	<u>\$1,500,000</u>	
<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$300,000	20%
Company Equity	<u>\$1,200,000</u>	<u>80%</u>
Total Project Financing	<u>\$1,500,000</u>	<u>100%</u>

III. Project Description

A. Company

Industry: Manufacturing

Company History: In 1925, Orville W. Hubbell founded O.W. Hubbell & Sons, Inc. He developed a highway safety company, fabricating and installing highway guardrail and signs. The steel portions of these products had to be galvanized. In 1968, to meet production needs, the Company built their own hot dip galvanizing plant. Hubbell Galvanizing specializes in hot dipped galvanizing and powder coatings on steel and aluminum for corrosion protection. The company prides itself on high quality work and superior customer service.

Ownership: Hubbell is privately-owned.

Size: All facilities located in Yorkville, NY

Market: Steel fabricator – provides services to government, institutional, educational and industrial clients

ESD Involvement: The project will create the capacity for Hubbell to compete with larger, out of state galvanizers and secure larger steel fabrications from the existing customers who are now sending their larger material out of state to be galvanized. It would take 6 years to complete the project without funding assistance and it could result in an uncompetitive position for Hubbell, putting jobs and the viability of the Company at risk. With the

ESD assistance, the project would be completed within 3 years and Hubbell would remain competitive with the out-of-state galvanizers.

In July 2017, Hubbell applied for funding assistance through Round 8 of the Consolidated Funding Application. ESD offered the Company a grant of \$300,000 in April 2018 and the Company accepted the offer in May 2018.

Competition: Within New York State: Elderlee and Frontier Galvanizing
Outside New York State: V&S Galvanizing, AZZ Coatings, Valmont Coatings, Connecticut Galvanizing and Duncan Galvanizing

Past ESD Support: This is the Company's first project with ESD.

B. The Project

Completion: June 2020

Activity: Hubbell has completed phase 1-move the replacement of the galvanizing kettle; Hubbell will complete phase 2 by end the of January 2020-install the acid tanks; and will complete phase 3 by the end of June 2020-install the degreasing tanks.

Results: Retain 82 existing jobs and create 6 new jobs.

Economic Growth

Investment Projects: Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at \$1,539,045;
- Fiscal cost to NYS government is estimated at \$300,000;
- Project cost to NYS government per direct job is \$11,413;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$5,619;

- Ratio of project fiscal benefits to costs to NYS government is 5.13:1;
- Fiscal benefits to all governments (state and local) are estimated at \$2,573,262;
- Fiscal cost to all governments is \$300,000;
- All government cost per direct job is \$11,413;
- All government cost per total job is \$5,619;
- The fiscal benefit to cost ratio for all governments is 8.58:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$20,370,971, or \$381,535 per job (direct and indirect);
- The economic benefit to cost ratio is 67.90:1;
- Project construction cost is \$1,500,000, which is expected to generate 15 direct job years and 7 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 1.04 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is one year.

Grantee Contact: Francis Gerace, Market Development
 5124 Commercial Drive East
 Yorkville, NY 13495
 Phone: (315) 796-2221
 E-mail: geracefp@whyrust. com

ESD Project No.: 131,630

<u>Project Team</u> -	Origination Project Management Contractor & Supplier Diversity Finance Environmental	Mark Labuzzetta Arlinda Eggleston Danielle Adams Robert Kwon Soo Kang
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C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$300,000 (\$3,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Company will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Company will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Company's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Company or by investors, and should be auditable through Company financial statements or Company accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the

project or grants from a government source

4. Prior to disbursement, the Company must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent, private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.
5. Up to \$300,000 will be disbursed to the Grantee in three installments as follows:
 - a) an Initial Disbursement of an amount equal to \$100,000 upon documentation of the construction and renovation project costs totaling \$500,000, documentation verifying project completion of phase 1, and documentation of the employment of at least 84 Full-time Permanent Employees at the Project Location, assuming that all project approvals have been completed and funds are available;
 - b) a Second Disbursement of an amount equal to \$100,000 will be disbursed upon documentation of the construction and renovation project costs of an additional \$500,000 in eligible project expenditures (\$1,000,000 cumulatively), documentation verifying project completion of phase 2, and documentation of the employment of at least 86 Full-time Permanent Employees at the Project Location (Employment Increment of 2), provided Grantee is otherwise in compliance with program requirements;
 - c) a Third Disbursement of an amount equal to \$100,000 will be disbursed upon documentation of the construction and renovation project costs of an additional \$500,000 in eligible project expenditures (\$1,500,000 cumulatively), documentation verifying project completion of phase 3, and documentation of the employment of at least 88 Full-time Permanent Employees at the Project Location (Employment Increment of 2), provided Grantee is otherwise in compliance with program requirements.

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after May 21, 2018 to be considered eligible project costs. All disbursements must be requested by April 1, 2023.

6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$300,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

7. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the Employment Shortfall occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

- (i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
- (ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
- (iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
- (iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12 month period computed by quarter.

Baseline Employment	82
A	B
Reporting Date	Employment Goals
February 1, 2021	$82+X+Y+Z$
February 1, 2022	$82+X+Y+Z$
February 1, 2023	$82+X+Y+Z$

X = Grantee's Employment Increment that will be the basis of the First Disbursement of the Grant as described in section 5 above (i.e. $X=2$, and Employment Goals shall equal $[82 + X = 84]$ if the First Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Second Disbursement has not yet been made then $X=0$.

Y = Grantee's Employment Increment that will be the basis of the Second Disbursement of the Grant as

described in section 5 above (i.e. $Y=2$, and Employment Goals shall equal $[82 + X + Y = 86]$ if the Second Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Third Disbursement has not yet been made then $Y=0$.

Y = Grantee's Employment Increment that will be the basis of the Third Disbursement of the Grant as described in section 5 above (i.e. $Z=2$, and Employment Goals shall equal $[82 + X + Y + Z = 88]$ if the Third Disbursement is made, in the year such disbursement is made and for each year thereafter). If the Third Disbursement has not yet been made then $Z=0$.

IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2018-2019 New York State budget and reappropriated in the 2019-2020 New York State budget(s). No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize certified Minority- and Women-owned Business Enterprises ("MWBEs") for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

VII. Financial Review

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VIII. Additional Submissions to Directors

Resolutions

New York State Map

Benefit-Cost Analysis

Project Finance Memorandum

Project Photographs

Regional Council Award – Priority Project – Yorkville (Mohawk Valley Region – Oneida County) – O.W. Hubbell & Sons Capital – Regional Council Capital Fund Capital – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the O.W. Hubbell & Sons Capital -- Regional Council Capital Fund Capital Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to O.W. Hubbell & Sons, Inc. a grant for a total amount not to exceed three hundred thousand Dollars (\$300,000) from the Regional Council Capital Fund , for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

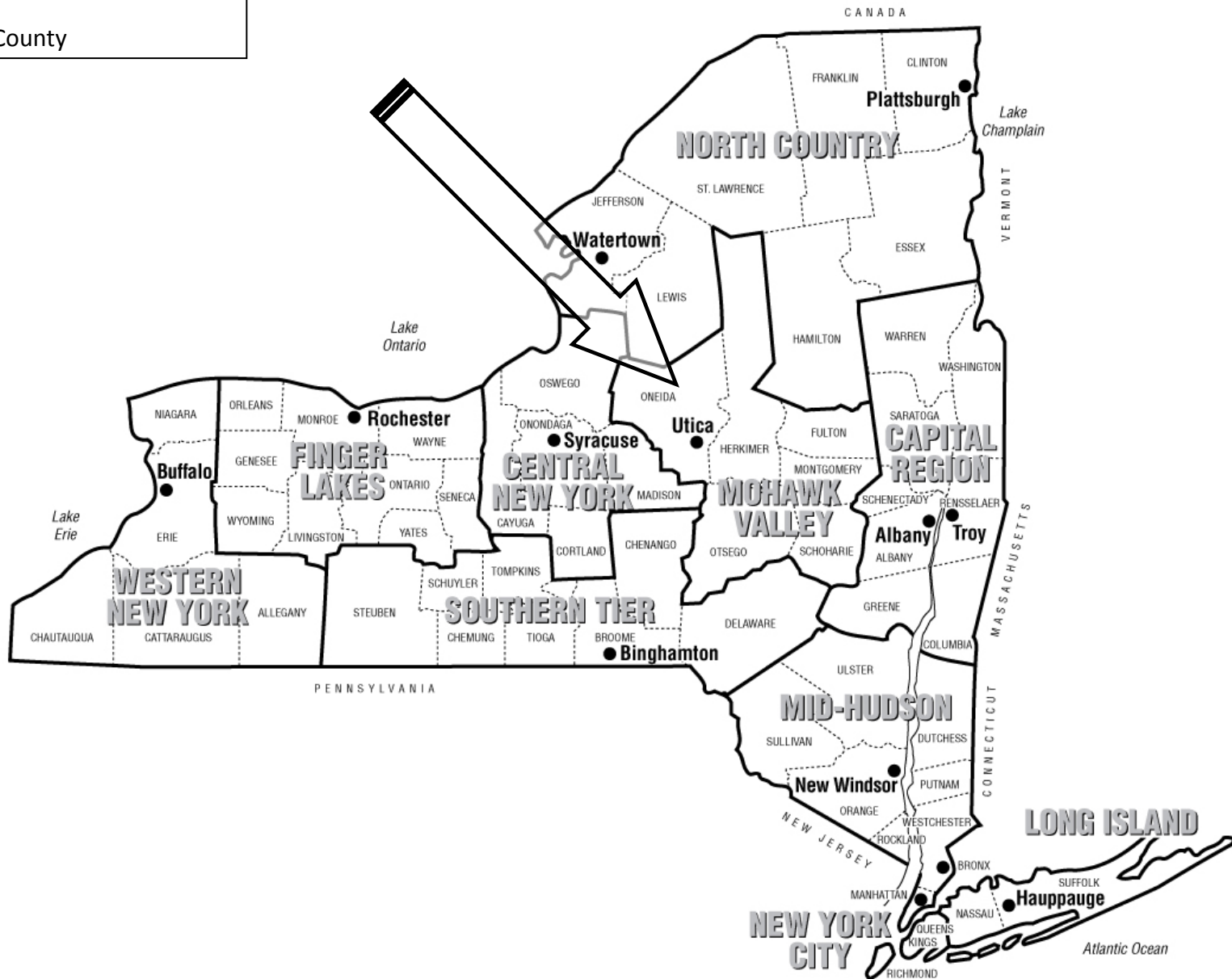
RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and

deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

O.W. Hubble & Sons Capital
Yorkville
Oneida County



Project Summary Benefit-Cost Evaluation¹

O.W. Hubbell & Sons, Inc. – Business Investment

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits reported in the table below typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the table typically reflects only construction-related activity. Benchmarks for each type of project are noted in the footnotes.

Initial Jobs:	82	Construction Job Years (Direct):	15
New Jobs:	6 jobs over five years	Construction Job Years (Indirect):	7

Evaluation Statistics	Project Results NYS Gov't.	NYS Gov't. Benchmarks ²	Project Results State & Local Government	State & Local Government Benchmarks
Fiscal Costs³	\$300,000	\$794,250	\$300,000	\$1,020,500
Fiscal Benefits⁴	\$1,539,045	\$2,085,600	\$2,573,262	\$4,271,980
Fiscal Cost /Direct Job	\$11,413	\$3,000	\$11,413	\$4,110
Fiscal Cost/Total Jobs	\$5,619	\$1,424	\$5,619	\$1,964
Fiscal B/C Ratio	5.13	7.00	8.58	10.60
	Project Results	Benchmarks		
Economic Benefits⁵	\$20,370,971	\$119,468,000		
Econ. Benefits/Total Jobs	\$381,535	\$147,600		
Economic B/C Ratio	67.90	75.00		

¹ Dollar values are present value calculated over a seven-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

² The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Business Investment project benchmarks are 7.00 (Fiscal) and 75.00 (Economic). Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 30.00 (Economic).

³ Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

⁴ Fiscal benefits are the loan repayments and tax revenues to New York State and Local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

⁵ Economic benefits are estimated project benefits measuring fiscal flows to government plus net resident disposable income from project direct and indirect employment net of transfers, without adjusting for individual income earners' opportunity cost of employment.





FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Regional Council Award – Priority Project – Saratoga Springs (Capital Region – Saratoga County) – Universal Preservation Hall Capital – Regional Council Capital Fund and Restore New York Communities Initiative (Capital Grants)

REQUEST FOR: Findings and Determinations Pursuant to Sections 10(g) and 16-n of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make Grants and to Take Related Actions

General Project Plan

I. Project Summary

Grantee: City of Saratoga Springs (the “City” or “Saratoga”)

Beneficiary
Organization: Saratoga Springs Universal Preservation Hall d/b/a Universal Preservation Hall (“UPH” or the “Organization”)

ESD* Investment: Two grants of up to \$1,550,000 to be used for a portion of the cost of construction and renovation

* The New York State Urban Development Corporation doing business as Empire State Development “ESD” or the “Corporation”

Project Location: 25 Washington Street, Saratoga Springs, Saratoga County

Proposed Project: The renovation of a historic building to create a multi-use performance space, administrative offices, and an elevator for increased accessibility

Project Type: Rehabilitation of a historic property to help revitalize a neighborhood

Regional Council: The Capital Region Regional Economic Development Council has been made aware of this item, and the project is consistent with the Capital Region Regional Economic Development Council Plan to rehabilitate and preserve historic buildings, bringing cities to life.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction/renovation	\$7,827,398
Infrastructure/site work	655,930
Machinery and equipment	200,000
Soft costs (architect/engineering)	<u>1,158,680</u>

Total Project Costs \$9,842,008

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant (#AA809)	\$800,000	8%
ESD-Grant (#131,730)	\$750,000	7%
Non-Government funding*	4,810,340	49%
NYS Parks EPF Grant	220,000	2%
City Equity	50,000	1%
UPH Equity**	<u>3,211,668</u>	<u>33%</u>

Total Project Financing \$9,842,008 100%

* Capital Campaign contributions

** Historic Tax Credit

III. Project Description

A. Grantee

Industry: Municipal Government

Grantee History: The City of Saratoga has a land area of 28.4 square miles and is situated in the eastern portion of upstate New York, approximately 30 miles north of the City of Albany. It is approximately equidistant (200 miles) from the Cities of New York and Montreal, Canada. The current population of the City is approximately 28,000.

The City has traditionally been a prime summer resort community due to the influx of tourists to the Saratoga Race Track and the Saratoga Performing Arts Center. The City has two colleges, Skidmore College and Empire State College, and has experienced considerable retail and commercial growth in recent years. Major employers in the City include

Saratoga Hospital, Skidmore College, Stewarts, and Quad Graphics.

Beneficiary History: Universal Preservation Hall is a non-profit organization founded in 1999, dedicated to the preservation and eventual restoration of the historic landmark (also called Universal Preservation Hall). UPH owns the historic building and for over a decade, the Organization has worked with the city and public and private organizations to support the stabilization of the structure, holding occasional events in the space to fundraise and raise awareness of the project. The board and staff of UPH know the building intimately and have unique experience with its challenges and opportunities. A track record of incremental progress and success in engineering and building stabilization combined with several years of due diligence in consultation with historic preservation experts, theatre business planning and philanthropic feasibility analysis demonstrated the likelihood of project success and long-term sustainability.

Ownership: The Saratoga Springs charter specifies a commission form of city government, led by a mayor. The City has 414 active employees, 338 full time employees and 76 part time employees.

Size: All facilities are located in Saratoga Springs, NY.

Market: N/A

ESD Involvement: The City of Saratoga Springs has a history of investing in its historic resources, with pioneering work over many years in prioritizing the restoration and preservation of heritage buildings. Universal Preservation Hall is adjacent to the main downtown corridor and has long been a priority for stabilization and redevelopment. Decades ago, it was deemed unstable and proposed for demolition. Working with the City, a group of community activists raised funds to stabilize the structure and save it from destruction. UPH owns the building and approached the City to maximize grant funding potential.

UPH was awarded \$800,000 in December 2016 through Round 5 of the Consolidated Funding Application to fill a financing gap. However, to make the project more viable, this grant from the Regional Council Capital Fund was transferred to the City of Saratoga Springs in January 2019

In 2017, the City applied under Round 5 of the Restore New York program for funding on behalf of UPH, in order to leverage the existing Regional Council award and to support the final fundraising required to undertake the project. The City was awarded \$750,000 in April 2018 through Restore NY for a total of \$1,550,000 in grants.

Competition: N/A

Past ESD Support: This is the City's first project with ESD in 8 years.

B. The Project

Completion: February 2020

Activity: This project renovated a vacant former church into a 700-seat theatre in the round, for year-round use as a performing arts facility in downtown Saratoga Springs.

While the neighborhood surrounding UPH is not directly distressed, the dilapidated state of the structure has been a cause of concern and encroaching blight for many years, the subject of several decades of community effort to reverse the fortunes of the crumbling facility.

This historic landmark has long been a focal point of the neighborhood, as well as a troubling eyesore contributing to urban blight. For decades, community activists have slowly but steadily worked to preserve this structure and restore it. With the affiliation with Proctors Collaborative in 2015, the project launched a fundraising campaign to complete the task. In September 2018, pre-construction meetings began, and the project team mobilized to begin work. Construction was overseen by UPH with support from the Proctors Collaborative and renowned preservation specialist and architect Mark Thaler. Bonacio Construction serves as General Contractor, with UPH directly overseeing theatrical specialties such as sound and theatrical lighting.

Results: The project directly created 6 full-time equivalent jobs and will continue to support the creation of additional jobs in the community through an increase of more than 65,000 visitors attending more than 200 events per year. The Americans for the Arts Economic Impact Calculator estimates that the increased activity will indirectly impact more than 100 jobs. The Capital District Regional Planning Commission estimates that the project will have a more than \$6M economic impact in the first year alone, with an estimated 30 construction jobs, 10 direct jobs, and 12 indirect jobs.

Economic Growth

Investment Project: No Benefit-Cost Analysis ("BCA") is required since these projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

Grantee Contact: Michele Madigan, Commissioner of Finance
474 Broadway
Saratoga Springs, New York 12866
Phone: (518) 587-3550
E-mail: Michele.Madigan@saratoga-springs. org

Beneficiary Contact: Philip Morris, CEO
Universal Preservation Hall – Administration
432 State Street
Schenectady, New York 12305
Phone: 518-382-3884 x113
E-mail: pmorris@proctors. org

ESD Project No.: AA809 and 131,730

Project Team:	Origination	Arnie Will
	Project Management	Chelsey Watroba
	Contractor & Supplier Diversity	Daneille Adams
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Grantee shall pay a commitment fee of 1% of the \$1,550,000 in capital grants (\$15,500) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Grantee will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Grantee's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Grantee y or by investors and should be auditable through Grantee financial statements or Grantee accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Up to \$1,550,000 will be disbursed to Grantee in lump sum upon documentation of construction/renovation, infrastructure/site work, machinery and equipment and soft costs project costs totaling \$9,842,008, upon completion of the project substantially as described in these materials, as evidenced by a certificate of occupancy, and assuming

that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses associated with the Restore New York program (131,730) must be incurred on or after December 15, 2017 to be considered reimbursable project costs. Previously expended funds may be applied toward match requirements retroactive to April 10, 2017, when the Restore V New York Legislation was enacted. Expenditures associated with the Regional Council Capital Fund award (AA809) must be incurred on or after December 10, 2015, to be considered eligible project costs. All disbursements must be requested by April 1, 2021.

Progress reports on the achievement of project goals and objectives must be submitted annually for three years following disbursement in order to monitor project results.

- Project goal: To establish a year-round community arts and event space serving downtown Saratoga Springs and the Capital Region
- Project metrics:
 - Report pre- and post-project events and attendance
 - Report economic increased activity leveraged by completion of the project

5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,550,000 for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Company and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2015-2016 New York State budget and reappropriated in the 2016-2017, 2017-2018, 2018-2019 and 2019-2020 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Statutory Basis – Restore NY Communities:

The funding was authorized in the 2017-2018 New York State budget and reappropriated in the 2018-2019, and 2019-2020 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

VI. Environmental Review

ESD staff has determined that the project constitutes a Type II action as defined by the New York State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the project.

Due to the building's inclusion in the New York State and National Registers of Historic Places,

ESD has confirmed that the project sponsor consulted with the New York State Office of Parks, Recreation and Historic Preservation pursuant to the requirements of Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law. No further consultation is required.

VII. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-discrimination & Contractor and Supplier Diversity policies will apply to the project. The Recipient shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall Minority and Women Business Enterprise (MWBE) participation goal of 30% related to the total value of the qualifying expenditures totaling \$1,550,000. The MWBE participation in relation to ESD funding shall be no less than \$465,000. Recipient is required to actively solicit and utilize MWBEs for any contractual opportunities generated in connection with the project.

The Recipient is encouraged to use "Good Faith Efforts," pursuant to 9 NYCRR §252.2(m), to utilize NYS-certified Service-Disabled-Veteran-owned Business Enterprises ("SDVOBs") in the execution of the grant. Any utilization of SDVOBs would be in addition to goals established pursuant to Article 15-A of the Executive Law with respect to MWBEs.

VIII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

IX. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

X. Additional Submissions to Directors

Resolutions
New York State Map
Project Photographs

Regional Council Award – Priority Project – Saratoga Springs (Capital Region – Saratoga County) – Universal Preservation Hall Capital – Regional Council Capital Fund and Restore New York Communities Initiative (Capital Grants) – Findings and Determinations Pursuant to Sections 10(g) and 16-n of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make Grants and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Universal Preservation Hall Capital -- Regional Council Capital Fund and Restore New York Communities Initiative (Capital Grants) Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) and 16-n of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to City of Saratoga Springs a grant for a total amount not to exceed Eight Hundred Thousand dollars (\$800,000) from the Regional Council Capital Fund, and a grant for a total amount not to exceed Seven Hundred and Fifty Thousand dollars (\$750,000) from the Restore New York Communities Initiative Program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

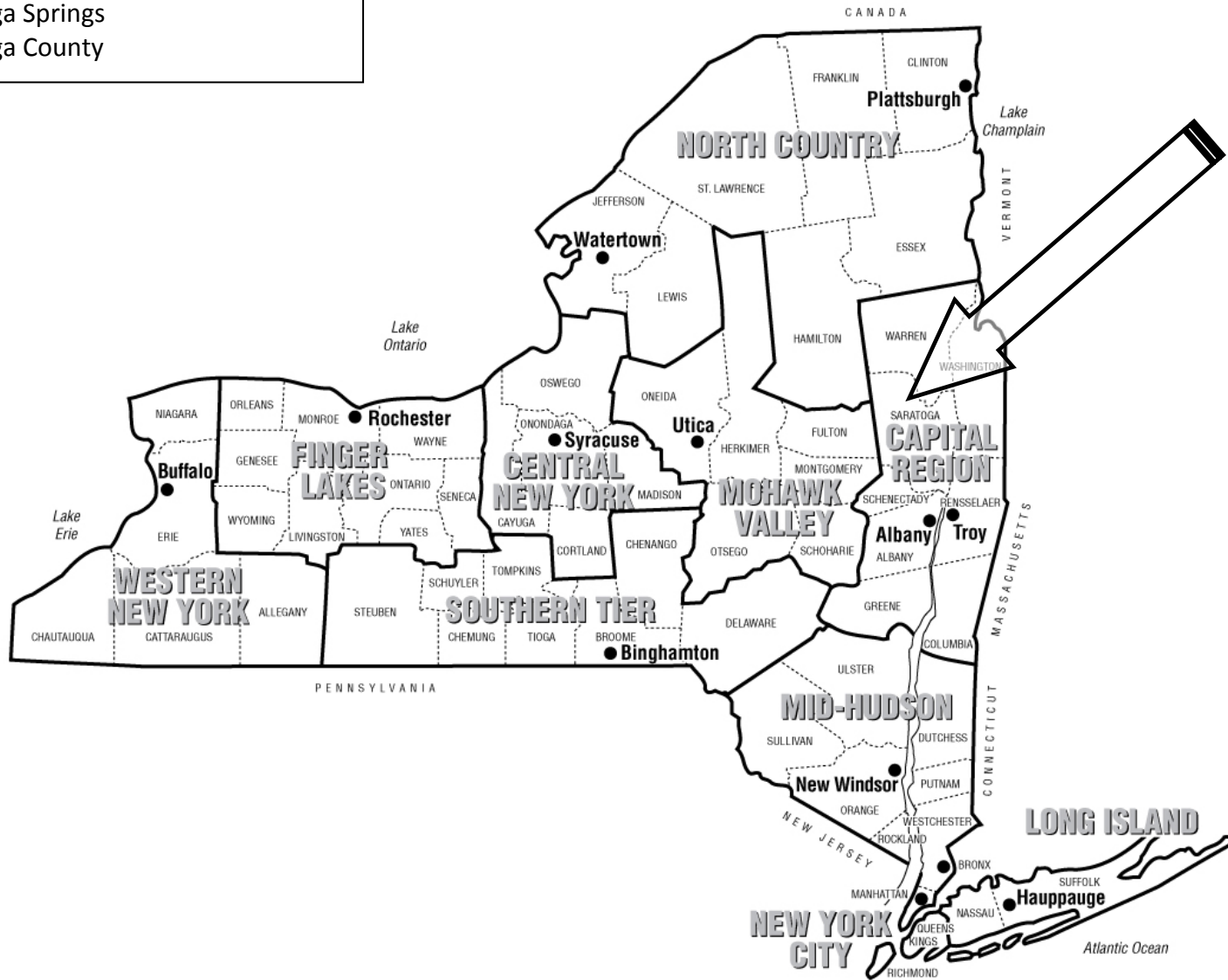
RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grants as he or she may deem necessary or appropriate in the administration of the grants; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

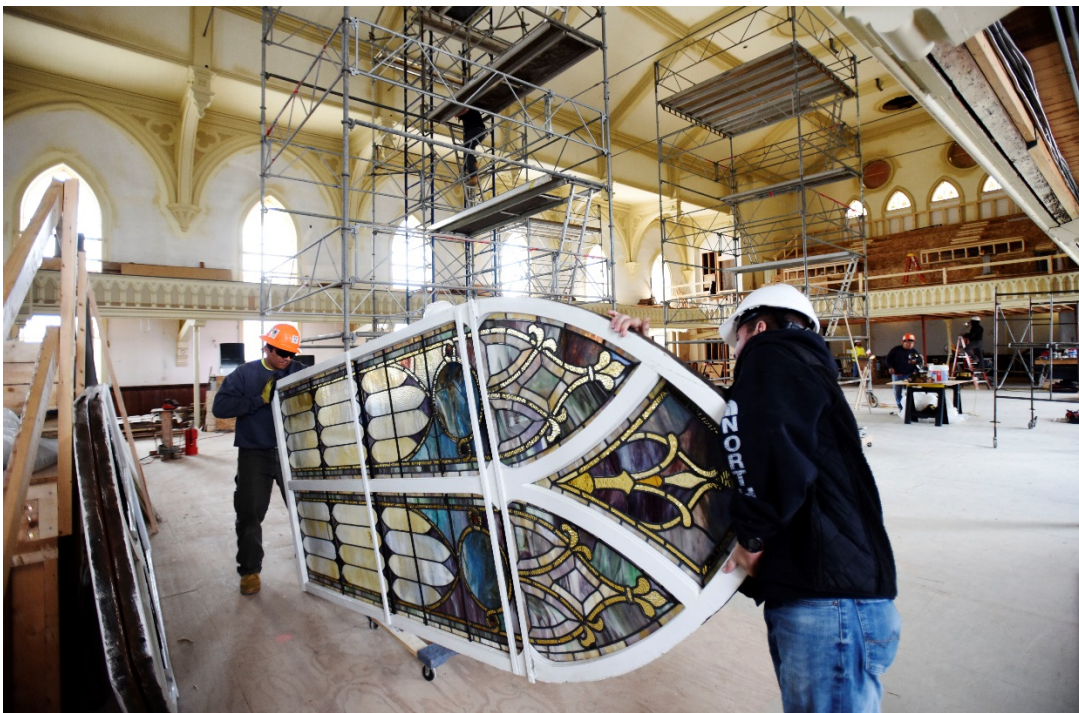
RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

Universal Hall Preservation Capital
Saratoga Springs
Saratoga County



Universal Hall Preservation Capital





FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Regional Council Award – Sag Harbor (Long Island Region – Suffolk County) – Sag Harbor Partnership Capital – Regional Council Capital Fund – Business Improvement (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

General Project Plan

I. Project Summary

Grantee: Sag Harbor Cinema Arts Center, Inc. ("SHCAC" or the "Organization")

ESD* Investment: A grant of up to \$1,400,000 used for a portion of the cost of construction and renovation of the Sag Harbor Cinema Arts Center

* The New York State Urban Development Corporation doing business as Empire State Development ("ESD" or the "Corporation")

Project Location: 90 Main Street, Sag Harbor, Suffolk County

Proposed Project: The Company will renovate Sag Harbor Cinema (the "Cinema") into a three-screen theatre with a concession and rental space for private events

Project Type: Business Investment

Regional Council: The project is consistent with the Long Island Regional Economic Development Council's Plan to foster local and regional relationships in the arts and cultural sector.

Employment: Initial employment (at time of ESD Incentive Proposal):	0
Current employment level:	2 Full-Time
Minimum employment through January 1, 2023:	18*

**Create 18 new employees (including 6 Full-Time and 12 Part-Time) New employees cannot be transferred from other NYS locations*

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Real Estate Acquisition	\$8,000,000
Construction/Renovation	8,310,875
Furniture, Fixtures & Equipment	1,182,650
Soft Costs	<u>910,677</u>

Total Project Costs	<u>\$18,404,202</u>
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<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>
ESD-Grant	\$1,400,000	8%
Town of Sag Harbor Community Preservation Fund - Grant	3,835,000	20%
Private Donations	10,641,909	58%
Grantee Equity	<u>2,527,293</u>	14%
Total Project Financing	<u>\$18,404,202</u>	<u>100%</u>

III. Project Description

A. Organization

Industry: Community Improvement, and Economic Development

Organization

History: Founded in 2017, the Sag Harbor Cinema Arts Center, Inc. is a not-for-profit organization created to ensure the restoration and transformation of the former Sag Harbor Cinema, which was destroyed by a fire in December 2016, into a center dedicated to film and the arts. The Organization also manages the project property. SHCAC has raised funds to support the historic, cultural, and economic vitality of downtown Sag Harbor through the Historic Waterfront Park project, the Main Street Traffic project and a number of historic building renovation projects

Ownership: SHCAC is a not-for-profit organization.

Size: All facilities are located in Sag Harbor, NY.

Market: Residents of Sag Harbor

ESD Involvement: In December 2016, Sag Harbor’s beloved, downtown anchor, the Sag Harbor Cinema (the “Cinema”) was destroyed by a fire. The building, which was adjacent to the Bay Street Theatre, a playhouse, and several local restaurants saw visitor traffic of approximately one million visitors annually.

SHCAC sought to rebuild the historic property and restore it to its previous glory in the community, however the Organization encountered a funding gap. In July 2017, SHCAC applied under Round 7 of the Long Island Regional Economic Development Council’s Consolidated Funding Application for financial assistance to complete its project.

In March 2017, ESD made the Organization an offer of assistance which SHCAC accepted in the same month. Without ESD’s assistance the project could not have moved forward.

Competition: N/A

Past ESD Support: This is the Organization’s first project with ESD.

B. The Project

Completion: February 2020

Activity: In April 2017, the Organization acquired the damaged structure and began renovations to create the Sag Harbor Cinema Arts Center (the Center”). The work included redesign of the Center’s interior, expanding the screening capacity by 30%. In addition, space was created to host community programs, workshops, film industry training, and mentorship opportunities. The unique design of the Center respects the historical nature of the building, including replacing the historic façade and repairing the landmark signage.

In total the new Center will feature 350 seats, including a 250-seat main theatre showing arthouse, independent and documentary films, and a 120-seat repertory screening room used for curated series, tributes and retrospectives focused on a particular filmmaker, or theme. Special historical programs will be geared to local schools and the SHCAC expects robust collaborations with local filmmakers, writers and other experts locally and from around the world.

Results: Create 6 new Full-Time employees and 12 Part-Time employees. The Organization has already created 2 full-time employees.

By maintaining the Cinema's original architectural character and identity the building can continue to remain an attraction and destination for a wide audience. In addition, local business revenue has increased through ancillary spending on the block and in the surrounding area. The Center will partner with local school districts, community organizations and local youth programs visitors to expose those who may not have the opportunity to a broad range of cinema and arts and cultural opportunities. The Center will officially open April 9, 2020.

Business Investment
Project:

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at \$504,710;
- Fiscal cost to NYS government is estimated at \$1,400,000;
- Project cost to NYS government per direct job is \$192,157;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$151,168;
- Ratio of project fiscal benefits to costs to NYS government is 0.36:1;
- Fiscal benefits to all governments (state and local) are estimated at \$953,462;
- Fiscal cost to all governments is \$1,400,000;
- All government cost per direct job is \$192,157;
- All government cost per total job is \$151,168;
- The fiscal benefit to cost ratio for all governments is 0.68:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$6,740,485, or \$727,817 per job (direct and indirect);

- The economic benefit to cost ratio is 4.81:1;
- Project construction cost is \$5,000,000, which is expected to generate 32 direct job years and 22 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 0.28 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is not calculated.

Grantee Contact: Susan Mead, Treasurer
P.O. Box 182
Sag Harbor, NY 11963
Phone: (214) 675-4991
E-mail: smeadtx@me. com

ESD Project No.: AC751

Project Team:	Origination	Jenna Jalbert-Di Marco
	Project Management	Simone Bethune
	Contractor & Supplier Diversity	Danah Alexander
	Finance	Jonevan Hornsby
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Organization shall pay a commitment fee of 1% of the \$1,400,000 capital grant (\$14,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Organization will demonstrate no materially adverse changes in its financial condition prior to disbursement.
3. The Organization will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Organization's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Organization or by investors, and should be auditable through Organization financial statements or Organization accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
4. Prior to disbursement, the Organization must employ at least the number of Full-time Permanent Employees set forth as the Baseline Employment in the table below. A Full-time Permanent Employee shall mean (a) a full-time, permanent, private-sector employee on the Grantee's payroll, who has worked at the Project Location for a minimum of thirty-five hours per week for not less than four consecutive weeks and who is entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties; or (b) two part-time, permanent,

private-sector employees on Grantee's payroll, who have worked at the Project Location for a combined minimum of thirty-five hours per week for not less than four consecutive weeks and who are entitled to receive the usual and customary fringe benefits extended by Grantee to other employees with comparable rank and duties.

5. Up to \$1,400,000 will be disbursed to the Grantee in two installments as follows:
 - a) an Initial Disbursement of an amount equal to 50% of the grant (\$700,000) upon documentation of real estate acquisition, construction and renovation project costs totaling \$12,000,000, including (\$5,000,000 in construction and renovations) and upon completion of the project substantially as described in these materials as evidenced by a certificate of occupancy, and documentation of the employment of at least 2 Full-time Permanent Employees at the Project Location, assuming that all project approvals have been completed and funds are available;
 - b) a Second Disbursement of an amount equal to 50% of the grant (\$700,000) will be disbursed upon documentation of the employment of at least 6 Full-time Permanent Employees and 12 Part-Time employees at the Project Location (Employment Increment of 4 Full-Time and 12 Part Time employees), and satisfactory evidence that the theatre is fully operational, provided Grantee is otherwise in compliance with program requirements;

Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses reimbursed by ESD's grant must be incurred on or after December 13, 2017, to be considered eligible project costs. All disbursements must be requested by April 1, 2021.

6. ESD will be entitled to recoup all or part of ESDs grant if the theatre is sold or usage changes, or Grantee fails to reach or retain employment as agreed upon at the Project Location and consistent with the disbursement installments mentioned above.
7. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,400,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Organization and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.
8. In consideration for the making of the Grant, Grantee will achieve the Employment Goals set forth in Column B of the table below. If the Full-time Permanent Employee Count for the year prior to the reporting date set forth in Column A of the table below is less than eighty-five percent (85%) of the Employment Goal set forth in Column B (an "Employment Shortfall"), then upon demand by ESD, Grantee shall be obligated to repay to ESD a portion of each disbursement of the Grant, as follows:

The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the Employment Shortfall occurred. The Recapture

Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

- (i) 100% of the disbursed amount if the Employment Shortfall occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
- (ii) 80% of the disbursed amount if the Employment Shortfall occurred in the second full calendar year after the disbursement was made;
- (iii) 60% of the disbursed amount if the Employment Shortfall occurred in the third full calendar year after the disbursement was made;
- (iv) 40% of the disbursed amount if the Employment Shortfall occurred in the fourth full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the Employment Shortfall occurred in the fifth full calendar year after the disbursement was made.

The Grantee's number of Full-time Permanent Employees shall be deemed to be the greater of the number as of the last payroll date in the month of December for such year or the average employment for the 12-month period computed by quarter.

Baseline Employment	0
A	B
Reporting Date	Employment Goals
February 1, 2021	0+X+Y
February 1, 2022	0+X+Y
February 1, 2023	0+X+Y
February 1, 2024	0+X+Y
February 1, 2025	0+X+Y
February 1, 2026	0+X+Y

X = Grantee's Employment Increment that will be the basis of the First Disbursement of the Grant as described in section C.5 above (i.e. X=2, and Employment Goals shall equal $[0 + X = 2]$ if the First Disbursement is made, in the year such disbursement is made and for each year thereafter). If the First Disbursement has not yet been made then X=0.

Y = Grantee's Employment Increment that will be the basis of the Second Disbursement of the Grant as described in section C.5 above (i.e. Y=10*, and Employment Goals shall equal $[0 + X + Y = 12]$ if the Second disbursement is made, in the year such disbursement is made and for each year thereafter). If the Second Disbursement has not yet been made then Y=0.*

***12 Part Time employees = 6 Full Time employees**

9. Grant funds will be subject to pro rata recapture if the property at the Project Location is sold within five years of disbursement of funds. The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the

transfer occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:

- (i) 100% of the disbursed amount if the transfer occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
- (ii) 80% of the disbursed amount if the transfer occurred in the second full calendar year after the disbursement was made;
- (iii) 60% of the disbursed amount if the transfer occurred in the third full calendar year after the disbursement was made;
- (iv) 40% of the disbursed amount if the transfer occurred in the fourth full calendar year after the disbursement was made;
- (v) 20% of the disbursed amount if the transfer occurred in the fifth full calendar year after the disbursement was made.

IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2017-2018 New York State budget and reappropriated in the 2018-2019, and 2019-2020 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

The Village of Sag Harbor Planning Board, as lead agency, has completed an environmental review of the project pursuant to the requirements of the State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be a Type I Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on November 27, 2018. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

Due to the building's listing in the New York State and National Registers of Historic Places as a contributing resource within the Sag Harbor Historic District, ESD has confirmed that the project sponsor consulted with the New York State Office of Parks, Recreation and Historic Preservation pursuant to the requirements of Section 14.09 of the New York State Parks, Recreation and Historic Preservation Law. No further consultation is required.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize certified Minority-and Women-owned Business Enterprises ("MWBEs") for any contractual opportunities generated in connection with the Project and

shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

VII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VIII. Additional Submissions to Directors

Resolutions

New York State Map

Benefit-Cost Analysis

Project Finance Memorandum

Regional Council Award – Sag Harbor (Long Island Region – Suffolk County) – Sag Harbor Partnership Capital (Capital Grant) – Regional Council Capital Fund - Business Improvement – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Sag Harbor Partnership Capital -- Regional Council Capital Fund Business Improvement Project (the "Project"), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the "Act"), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the "Plan") for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Sag Harbor Cinema Arts Center, Inc. a grant for a total amount not to exceed One Million Four Hundred Thousand Dollars (\$1,400,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and

each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

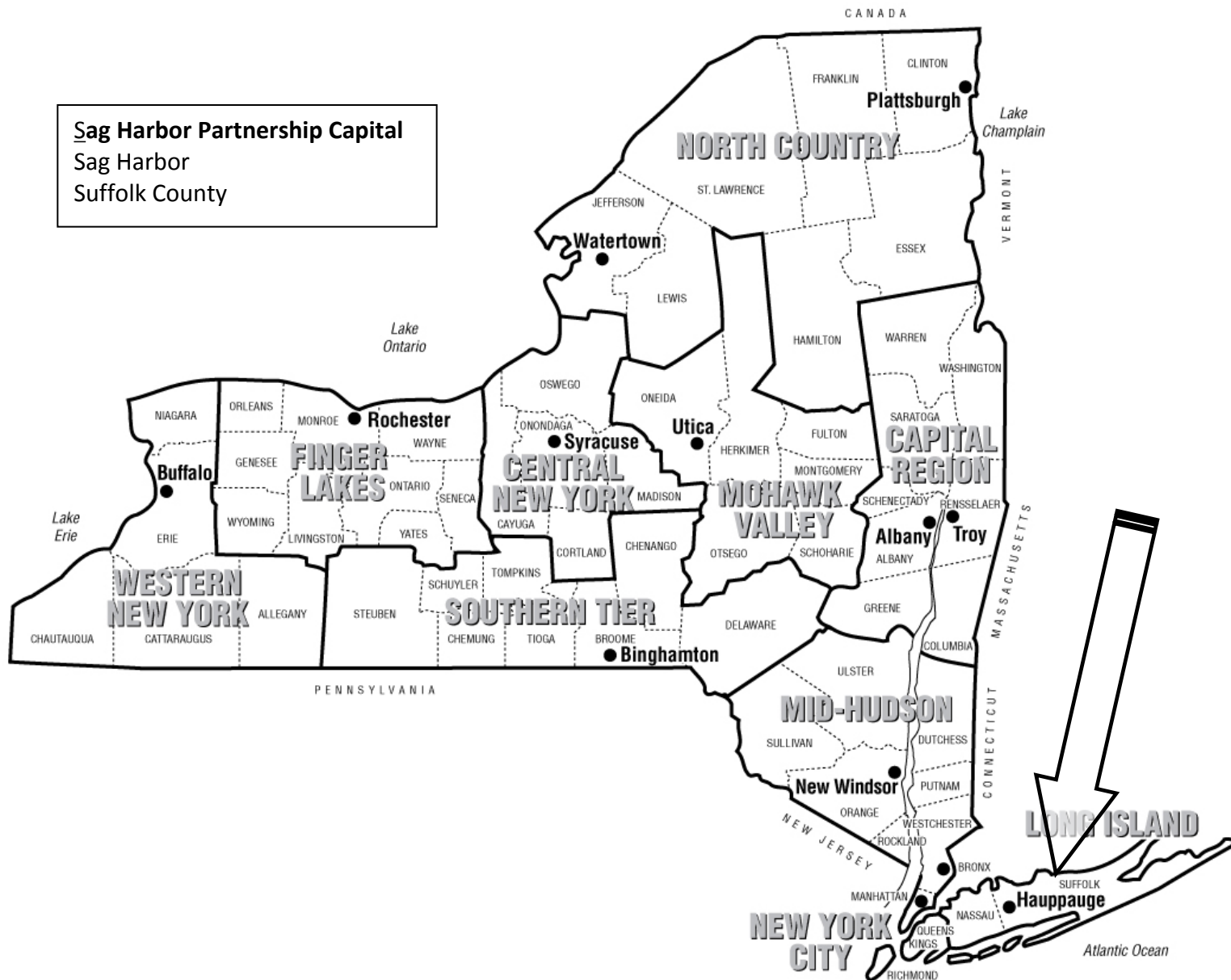
* * *

March 26, 2020

Regional Council Award – Sag Harbor (Long Island Region – Suffolk County) – Sag Harbor Partnership Capital – Regional Council Capital Fund – Business Improvement (Capital Grant) Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Sag Harbor Partnership Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *



Project Summary Benefit-Cost Evaluation¹

Sag Harbor Partnership – Business Investment

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits reported in the table below typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the table typically reflects only construction-related activity. Benchmarks for each type of project are noted in the footnotes.

Initial Jobs: 0 **Construction Job Years (Direct):** 32

New Jobs: 12 jobs over four years **Construction Job Years (Indirect):** 22

**Create 12 Full-time employees (including 6 Full-Time and 12 Part-Time)*

Evaluation Statistics	Project Results NYS Gov't.	NYS Gov't. Benchmarks ²	Project Results State & Local Government	State & Local Government Benchmarks
Fiscal Costs³	\$1,400,000	\$794,250	\$1,400,000	\$1,020,500
Fiscal Benefits⁴	\$504,710	\$2,085,600	\$953,462	\$4,271,980
Fiscal Cost /Direct Job	\$192,157	\$3,000	\$192,157	\$4,110
Fiscal Cost/Total Jobs	\$151,168	\$1,424	\$151,168	\$1,964
Fiscal B/C Ratio	0.36	7.00	0.68	10.60
	Project Results	Benchmarks		
Economic Benefits⁵	\$6,740,485	\$119,468,000		
Econ. Benefits/Total Jobs	\$727,817	\$147,600		
Economic B/C Ratio	4.81	75.00		

¹ Dollar values are present value calculated over a seven-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

² The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Business Investment project benchmarks are 7.00 (Fiscal) and 75.00 (Economic). Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 30.00 (Economic).

³ Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

⁴ Fiscal benefits are the loan repayments and tax revenues to New York State and Local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

⁵ Economic benefits are estimated project benefits measuring fiscal flows to government plus net resident disposable income from project direct and indirect employment net of transfers, without adjusting for individual income earners' opportunity cost of employment.

FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Howard A. Zemsky

SUBJECT: Regional Council Award – Hempstead (Long Island Region – Nassau County) – Frank G. Zarb Building Capital – Regional Council Capital Fund (Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

General Project Plan

I. Project Summary

Grantee: Hofstra University (“Hofstra” or the “University”)

ESD* Investment: A grant of up to \$700,000 to be used for a portion of the cost of construction and furniture, fixtures, and equipment.

* The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

Project Locations: Hofstra University, South Campus, Hempstead, Nassau County

Proposed Project: Creation of a 4,811-square-foot small business incubator on the Hofstra campus in Hempstead, Nassau County

Project Type: New Construction

Regional Council: The project is consistent with the Long Island Regional Economic Development Council’s plan to increase collaboration among academic, the private and public sectors.

II. Project Cost and Financing Sources

<u>Financing Uses</u>	<u>Amount</u>
Construction/Renovation	\$2,253,000
Furniture, Fixtures, and Equipment	\$47,000
Incubator Staff Salaries for Five Years	<u>\$500,000</u>

Total Project Costs \$2,800,000

<u>Financing Sources</u>	<u>Amount</u>	<u>Percent</u>	<u>Rate/Term/Lien</u>
ESD-Grant (#AA558)	\$700,000	25%	
Grantee Equity	<u>2,100,000</u>	<u>75%</u>	
Total Project Financing	<u>\$2,800,000</u>	<u>100%</u>	

III. Project Description

A. Company

Industry: Higher Education

Company History: Founded in 1935, Hofstra University is a private, nonsectarian, coeducational institution of higher learning located in Hempstead, Long Island. The university offers approximately 165 undergraduate and 175 graduate programs including PhD., Ed.D., Psy.D., Au.D., J.D. and M.D. degrees, advanced certificates and diplomas.

Ownership: The University is a private educational institution.

Size: Hofstra has 12 colleges and schools, with 29 academic and 33 total accreditations and a student body of nearly 11,000. The University consists of 117 buildings located on a 244-acre campus. Approximately 1,245 faculty members work at the University.

ESD Involvement: In July 2015, the University applied under Round 5 of the Long Island Regional Economic Development Council's Funding Application to close a gap in its project budget to construct a 4,811-square-foot small business incubator in the Frank G. Zarb Hofstra University School of Business building.

In March 2016, ESD made the University an offer of assistance which the University accepted in the same month. Without ESD's assistance, the project could not have moved forward.

Past ESD Support: Funding for the past five years to the Grantee totaling \$43,790,782, is summarized in the following chart:

Program	Project #	Amount	Date Start (ESD Directors' Approval date)	Date End (Project Completion: Contract Expiration)	Purpose
NYS Economic Development Assistance Entrepreneurial Assistance Program	Z219	\$88,000	November 20, 2014	November 6, 2015	Working Capital – Operating Expenses Training and Technical Assistance
	Z958	\$88,000	August 20, 2015	October 28, 2016	Working Capital – Training and Technical Assistance
	AA961	\$80,900	July 21, 2016	August 31, 2017	Working Capital – Training and Technical Assistance
	AC058	\$81,465	July 27, 2017	August 31, 2018	Working Capital – Training and Technical Assistance
Regional Council Capital Fund	X652	\$1,000,000	January 16, 2014	September 30, 2016	Working Capital - Training
	Y835	\$1,000,000	April 16, 2015	June 30, 2016	Capital – Construction to expand Hofstra School of Engineering.
	Y834	\$1,000,000	April 16 2015	October 18, 2015	Capital – Construct new laboratories and classrooms focusing on Big Data and Robotics curriculum.
	Y371	\$152,417	July 16, 2015	April 2015	Capital – Purchase of Furniture, Fixtures, Equipment for the School of Medicine
	AA574	\$800,000	April 17, 2017	December 31, 2023	Capital – Acquisition and renovation of Army Reserve Center to academic facility
	Z629	\$1,500,000	April 17, 2017	December 31, 2023	Capital – Renovation of teaching and research facilities in Gittleson Hall
	126,783	\$500,000	March 19, 2017	November 2018	Capital- Construction of a Consumer Behavior Market Research Lab at the Zarb School of Business
CFFAP 2009C-(S)	W205	\$12,500,000	May 20, 2011	June 10, 2015	Capital Grant – Capital costs associated with the construction of the Hofstra University School of Medicine

Transformative Investment Prog (\$400M)	AC314	\$25,000,000	January, 2016	December, 2023	Capital – Planning, designing and construction of a new, state-of-the art 65,000-square-foot building to house the School of Engineering and Applied Science
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B. The Project

Completion: November 2018

Activity: The project was the creation of incubator space (ideaHUB) within the recently completed school of Business building at the south campus of the University. The ideaHub incubator at Hofstra University cultivates early-stage, high growth companies and contributes to the development of the region’s innovation economy. The construction of this new facility has enabled the ideaHUB to expand its client base and the services provided to startups. Since moving into the new space, the ideaHub was designated a New York State Certified Business incubator through Empire State Development, and this has enabled it to retain an incubator coordinator, establish a mentor-in-residence program, and create a new professional services support program for client companies.

Results: The ideaHUB is currently incubating companies in sectors including artificial intelligence in healthcare, cybersecurity, e-commerce, and virtual reality. Students engage in hands-on learning with these companies.

The new space has enabled the School to engage companies who call the ideaHUB their 24-7 home, and also has enhanced their ability to provide virtual incubation services to regional companies. Additionally, BOC Capital Corp (BCC), a Community Development Financial Institution and financial mentorship organization for entrepreneurs that is headquartered in New York City has established its first Long Island presence at the ideaHUB.

Since the new ideaHUB opened in January 2019, the School has held over 50 events ranging from pitch competitions; multi-day bootcamps; topic-specific workshops with experts; panel discussions with entrepreneurs focusing on topics like careers in biotech to women in entrepreneurship; outreach events with government agencies, chambers of commerce, and other entrepreneurial organizations; visits from New York State officials including the Lieutenant Governor, President and CEO of Empire State Development, and New York State Senators. Lastly, they have facilitated

Business
Investment
Project:

over 300 mentor sessions since January.

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the estimated benefits typically reflect only construction-related activity.

Evaluated over a seven-year period, the following are anticipated project impacts (dollar values are present value):

- Fiscal benefits to NYS government from the project are estimated at \$402,641;
- Fiscal cost to NYS government is estimated at \$700,000;
- Project cost to NYS government per direct job is \$446,667;
- Project cost to NYS government per job (direct plus indirect) is estimated at \$291,918;
- Ratio of project fiscal benefits to costs to NYS government is 0.58:1;
- Fiscal benefits to all governments (state and local) are estimated at \$752,517;
- Fiscal cost to all governments is \$700,000;
- All government cost per direct job is \$466,667;
- All government cost per total job is \$291,918;
- The fiscal benefit to cost ratio for all governments is 1.08:1;
- Economic benefits (fiscal plus total net resident disposable income from project employment) are estimated at \$5,196,786, or \$2,167,192 per job (direct and indirect);
- The economic benefit to cost ratio is 7.42:1;
- Project construction cost is \$2,253,000, which is expected to generate 15 direct job years and 10 indirect job years of employment;
- For every permanent direct job generated by this project, an additional 0.62 indirect jobs are anticipated in the state's economy;
- The payback period for NYS costs is not calculated.

Grantee Contact: Herman A. Berliner, Ph.D.
Provost and Senior Vice President for Academic Affairs
144 Hofstra University, 200 West Library Wing
Hempstead, NY 11549-1440
Phone: 516-463-5402
E-mail: herman.a.berliner@ Hofstra. edu

ESD Project No.: AA750

Project Team:	Origination	Barry Greenspan
	Project Management	Jane Ji
	Contractor & Supplier Diversity	Danah Alexander
	Finance	TBD
	Environmental	Soo Kang

C. Financial Terms and Conditions

1. Upon execution of the grant disbursement agreement, the Organization shall pay a commitment fee of 1% of the \$700,000 (\$7,000) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Organization will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement. The Organization will be required to contribute a minimum of 10% of the total project cost in the form of equity contributed after the Organization's acceptance of ESD's offer. Equity is defined as cash injected into the project by the Organization or by investors, and should be auditable through Organizational financial statements or Organizational accounts, if so requested by ESD. Equity cannot be borrowed money secured by the assets in the project.
3. Up to \$700,000 will be disbursed to the Grantee in three installments:
 1. 50% of the grant (\$350,000) upon completion of the project as described in Sections II and III above, including documentation of the following:
 - Total project expenditures of approximately \$2,800,000 in building construction, incubator equipment and furnishings; and
 - A Certificate of Occupancy for a minimum of 2,500-square-feet of incubator space in the newly constructed School of Business or other documentation verifying project completion as ESD may require; and
 - Satisfactory evidence that at least 2 companies are occupying the incubator on a full-time basis.
 2. 25% of the grant (\$175,000) upon documentation of at least 4 companies are occupying the incubator on a Full-Time basis.
 3. 25% of the grant (\$175,000), no sooner than 12 months after initial funds disbursement and upon documentation at least 6 companies are occupying the incubator on a full-time basis.

ESD funds may only reimburse capital costs including construction, equipment and furnishings.

ESD will be entitled to recoup all or part of ESD's grant if the use of the facility changes as agreed upon at the Project Location, as described above, and consistent with the disbursement installments mentioned above.

All disbursements require compliance with program requirements and must be requested by no later than April 1, 2021. Expenditures incurred prior to December 10, 2015 are not eligible project costs and cannot be reimbursed by grant funds.

4. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$700,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis – Regional Council Capital Fund

The funding was authorized in the 2015-2016 New York State budget and appropriated in the 2016-2017, 2017-2018, 2018-2019, and 2019-2020 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

Pursuant to the State Environmental Quality Review Act, Article 8 of the Environmental Conservation Law and its implementing regulations (6 NYCRR Part 617), and in connection with the approval of funding for a project at the Frank G. Zarb of Hofstra University School of Business, the Directors made a Determination of No Significant Effect on the Environment at their meeting of December 19, 2019. This determination addressed all aspects of the project. Therefore, no further environmental review is required in connection with this action.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize New York State certified Minority - and Women-Owned Business Enterprises ("MWBEs") for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 35%. The overall MWBE participation goal shall consist of a Minority Business Enterprise ("MBE") Participation Goal of 15% and a Women Business Enterprise ("WBE") Participation Goal of 20 % related to the total value of ESD's funding.

VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the project will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Additional Submissions to Directors

Resolutions

New York State Map

Benefit-Cost Analysis

Project Finance Memorandum

Project Photographs

Regional Council Award – Hempstead (Long Island Region – Nassau County) – Frank G. Zarb Building Capital – Regional Council Capital Fund (Capital Grant) – Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Frank G. Zarb Building Capital Regional Council Capital Fund (Capital Grant) Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, is hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written finding of the President and Chief Executive Officer Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearing held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written finding being made, the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make to Hofstra University a grant for a total amount not to exceed Seven Hundred Thousand Dollars (\$700,000) from the Regional Council Capital Fund, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and

deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

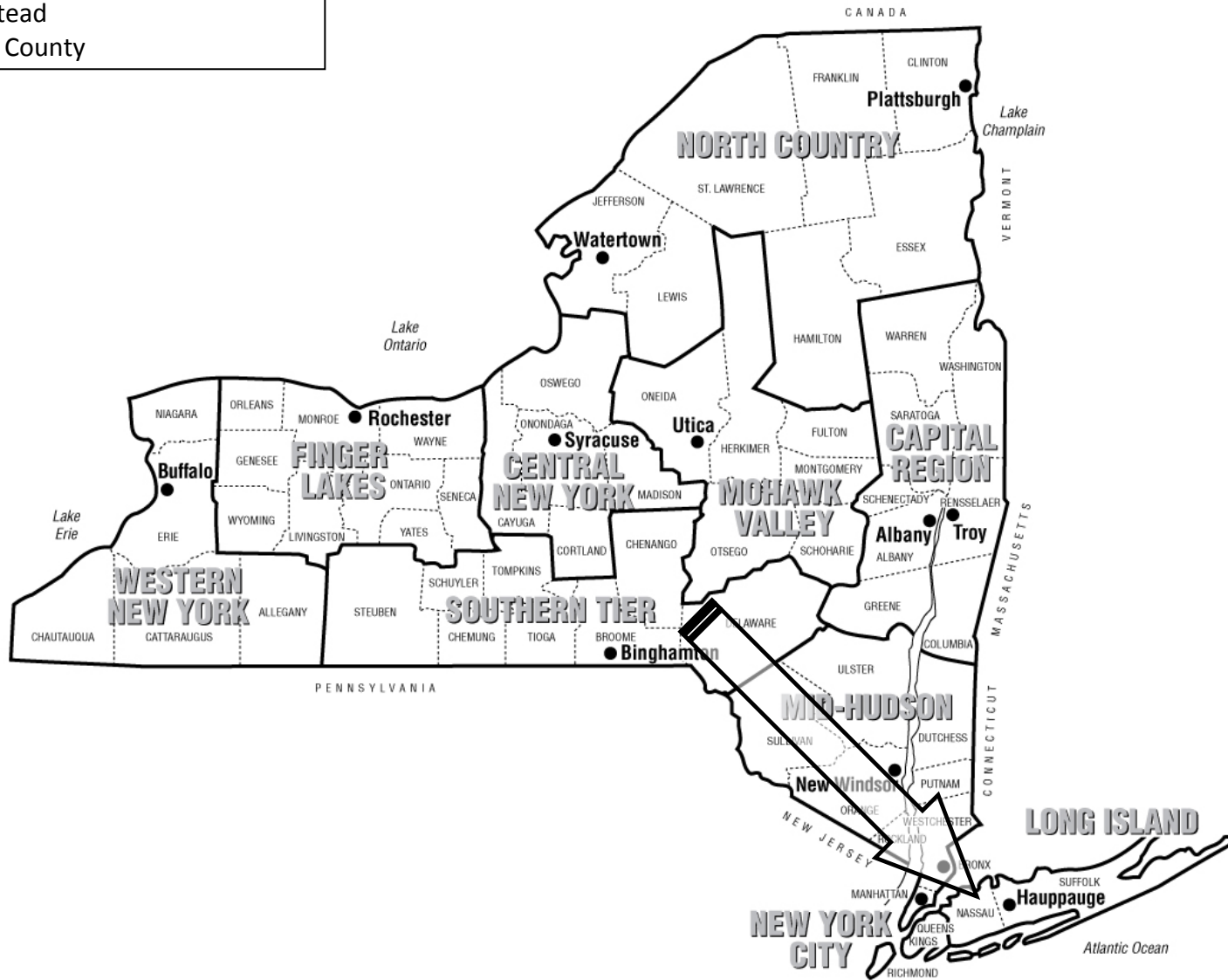
March 26, 2020

Regional Council Award – Hempstead (Long Island Region – Nassau County) – Frank G. Zarb Building Capital– Regional Council Capital Fund (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Frank G. Zarb Building Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

Frank G. Zarb Building Capital
Hempstead
Nassau County



Project Summary Benefit-Cost Evaluation¹

Hofstra University – Business Investment

Benefit-Costs Evaluations are used in evaluating projects that are categorized as Business Investment, Infrastructure Investment, and Economic Growth Investment and that involve 1) job retention and/or creation and/or 2) construction-related activity. For Business Investment projects, benefits reported in the table below typically reflect the impact of both jobs and construction-related activity. For Infrastructure Investment and Economic Growth Investment projects, which generate long-term benefits not captured in the period of analysis and may involve no permanent job commitments, the table typically reflects only construction-related activity. Benchmarks for each type of project are noted in the footnotes.

Initial Jobs:	0	Construction Job Years (Direct):	15
New Jobs:	2 jobs over year one	Construction Job Years (Indirect):	10

Evaluation Statistics	Project Results NYS Gov't.	NYS Gov't. Benchmarks ²	Project Results State & Local Government	State & Local Government Benchmarks
Fiscal Costs³	\$700,000	\$794,250	\$700,000	\$1,020,500
Fiscal Benefits⁴	\$402,641	\$2,085,600	\$752,517	\$4,271,980
Fiscal Cost /Direct Job	\$466,667	\$3,000	\$466,667	\$4,110
Fiscal Cost/Total Jobs	\$291,918	\$1,424	\$291,918	\$1,964
Fiscal B/C Ratio	0.58	7.00	1.08	10.60
Project Results		Benchmarks		
Economic Benefits⁵	\$5,196,786	\$119,468,000		
Econ. Benefits/Total Jobs	\$2,167,192	\$147,600		
Economic B/C Ratio	7.42	75.00		

¹ Dollar values are present value calculated over a seven-year period. Separate evaluations are made and reported for New York State government assistance alone and for State and Local government.

² The current project evaluation results (both fiscal and economic) are compared to performance measure benchmarks based on results of a sample of ESD non-retail projects. Business Investment project benchmarks are 7.00 (Fiscal) and 75.00 (Economic). Infrastructure Investment (or Economic Growth Investment) project benchmarks are 3.00 (Fiscal) and 30.00 (Economic).

³ Fiscal cost includes the value of grants, loans and associated default risks, and discretionary subsidies (such as tax exemptions or abatements on sales, property, and interest income).

⁴ Fiscal benefits are the loan repayments and tax revenues to New York State and Local governments generated by project activity. This includes estimated taxes on personal incomes from project direct and indirect employment, corporate and business incomes, excise and user taxes, property taxes, and other taxes.

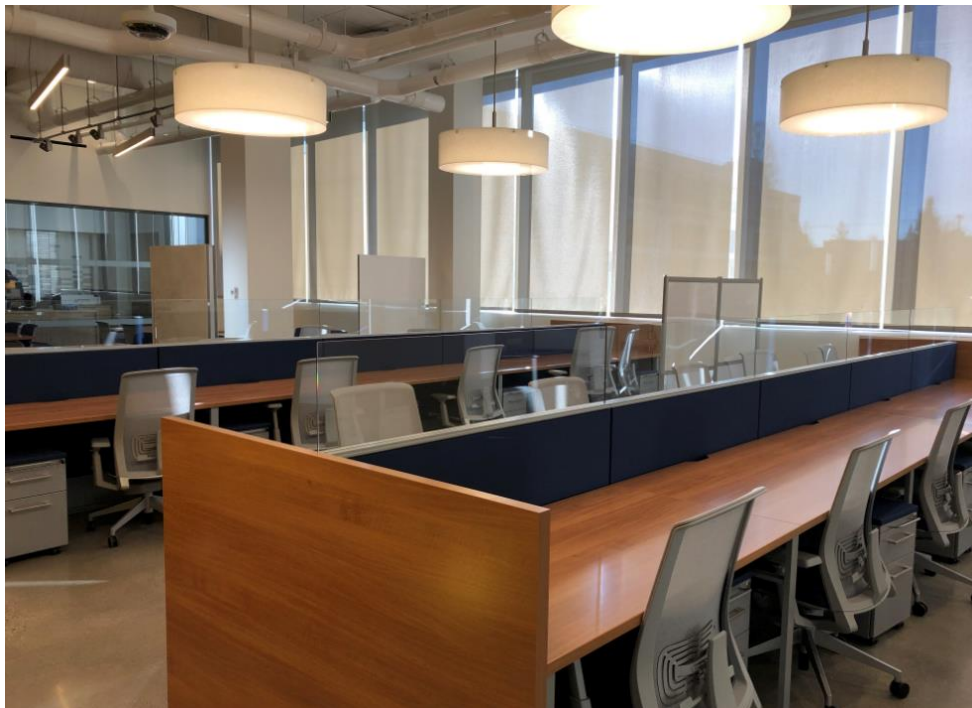
⁵ Economic benefits are estimated project benefits measuring fiscal flows to government plus net resident disposable income from project direct and indirect employment net of transfers, without adjusting for individual income earners' opportunity cost of employment.

Pictures of the Project

New Business School exterior



IdeaHub interior 1



IdeaHub interior 2



IdeaHub Maker Space



FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Market NY Grant Program – Market New York (Working and Capital Grant)

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions; Determination of No Significant Effect on the Environment

I. Project Summary

	Project Name	Project #	Grantee	Assistance up to
	Market New York Program			
A.	Arrowood Farms Brewery Expansion Capital	132,626	Arrowood Farms	\$360,000
	TOTAL MARKET NY PROJECT-1		TOTAL	\$360,000

ESD* Investment: Up to a total of \$360,000 from Market NY Round 8 to be used for a tourism capital project in the Mid-Hudson region of New York State

*The New York State Urban Development Corporation doing business as Empire State Development (“ESD” or the “Corporation”)

Project Locations: See Schedule A attached

Proposed Projects: See Schedule A attached

Regional Council: The Regional Economic Development Council has been made aware of, and has endorsed, the relevant proposed project.

Anticipated
Appropriation
Source(s): Market New York Program

II. Project Cost and Financing Sources

See Schedule A attached.

III. Project Description

A. Background

Rounds 7 & 8 of the Regional Council Consolidating Funding Application both included up to \$15 million for Market New York, Round 6 included \$13.5 million, Rounds 4 & 5 up to \$12 million and Round 3 had a total available of up to \$10 million for a program that will support regionally themed New York focused projects. Market New York will help to bolster tourism growth by promoting tourism destinations, attractions, and special events.

Funding is available for projects intended to increase tourism in a community or region. Grant funding will be allocated among the ten regions, each represented by a Regional Council, based on each Regional Council's development and implementation of a five-year strategic plan that sets out a comprehensive vision for economic development and specific strategies to implement that vision. Funding will be allocated to projects, including priority projects identified by the regional councils, identified as significant, regionally supported and capable of stimulating economic investment through attraction of tourists to the dedicated area.

B. The Project

ESD will make available \$360,000 from Round 8 to fund one capital project. The grantee has identified and prioritized Regional Marketing and Capital Tourism projects that support the Regional Economic Development Council's strategic plans for tourism and will coordinate with New York State's "I LOVE NEW YORK" tourism division to maximize the overall program impact statewide. The Market NY Grantee will carry out its Regional Marketing Tourism project as described in the individual project description as set forth in Schedule A attached.

ESD Project Nos.: 132,626

Project Team:	Project Management	Lisa Smith
	Program Director	Kelly Baquerizo
	Contractor & Supplier Diversity	Geraldine Ford
	Environmental	Soo Kang

Financial Terms and Conditions

ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$360,000 for the project, if ESD determines that reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

IV. Statutory Basis

Market New York Program - DED

The funding was authorized in the 2018-2019 New York State budget and reappropriated in the 2019-2020 New York State budget. No residential relocation is required as there are no families or individuals residing on the site.

V. Environmental Review

Unless otherwise noted on a project summary attached as Schedule A, ESD staff has determined that the projects described in Schedule A either constitute Type II actions or do not constitute actions as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the projects.

VI. Non-Discrimination and Contractor & Supplier Diversity

ESD's Non-discrimination and Contractor Diversity policies will apply to the projects. Each Grantee shall be required to use good faith efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal, each project has been assigned an individual goal by the Office of Contractor & Supplier Diversity based on the elements of the individual project and related to the total value of ESD's funding and to solicit and utilize MWBEs for any contractual opportunities generated in connection with the project.

VII. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since these projects will not directly create or retain jobs.

VIII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

IX. Requested Actions

The Directors are requested to: (1) make the findings and determination required by Section 10(g) of the UDC Act; and (2) authorize the making of a grant which is the subject of these materials.

Recommendation

Based on the foregoing, I recommend approval of the requested actions.

Additional Submissions to Directors

Resolutions
Schedule A

Statewide – Market New York Program (Capital Grant) – Findings and Determinations
Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project
Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Market New York Program Project identified below (the “Project”), the Corporation hereby determines pursuant to Section 10 (g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, are hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written findings of the President and Chief Executive Officer Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearings held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written findings being made, the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a to grant to the party and for the amount listed below from Market New York Program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable; (2) receipt of all other necessary approvals; and (3) receipt of funds; and be it further

Market New York Program

	Project Name	Project #	Grantee	Assistance up to
	Market New York Program			
A.	Arrowood Farms Brewery Expansion Capital	132,626	Arrowood Farms	\$360,000
	TOTAL MARKET NY PROJECT-1		TOTAL	\$360,000

and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

A. Arrowood Farms Brewery Expansion Capital (132,626)

March 26, 2020

General Project Plan

- Grantee:** Arrowood Farms (“Arrowood” or the “Company”)
- ESD Investment:** A grant of up to \$360,000 to be used for a portion of the cost of construction, renovation, and the purchase of machinery and equipment
- Project Location:** 236 Lower Whitfield Road, Accord, Ulster County
- Proposed Project:** Arrowood Farms will renovate an existing craft brewery, expand production capacity, and implement a marketing program to increase visitation and tourism
- Regional Council:** The Mid-Hudson Regional Economic Development Council has been made aware of this project. The Incentive Offer was accepted in July 2019. The project is consistent with the Regional Plan to promote tourism within the Mid-Hudson Region and across New York State.

Background:

Industry - Brewery

Organizational History – Initially established as a hop farm in 2013, Arrowood Farms has since expanded by opening a craft brewery in 2016, and constructing an 1,800 square-foot outdoor pavilion in 2017. Arrowood prides itself on utilizing local resources to produce a variety of seasonal and specialty craft beers, which are primarily sold in Arrowood’s tasting rooms from May through October. The Company utilizes homegrown ingredients including hops, rye, wheat, barley, and 15 different varieties of fruit, and powers the facility from solar panels. Today, Arrowood is New York’s only farm brewery growing Northeast Organic Farming Association of New York certified organic hops and grains.

Arrowood currently attracts 45,000 visitors per year. In addition to attracting craft beer enthusiasts with its restaurant and tasting rooms, Arrowood also hosts concerts, weddings, and community events.

Ownership – Arrowood Farms is a privately-owned company.

ESD Involvement – A \$360,000 grant from the Market New York Grant Program

Past ESD Support – This is the Company’s first project with ESD.

Arrowood Farms Brewery Expansion Capital (132,626)

March 26, 2020

The Project:

Completion date – May 2020

Activity – The Company built a new 7,000 square-foot Brew House which holds a new 10-barrel Specific Mechanics brewing system and a 100-gallon distillation system for spirits production.

Results – The new production facility provides Arrowood with the capacity to expand annual beer production from 450 barrels to 2,000 barrels, and the Company anticipates growing sales by 110% by 2023. Since production has been relocated to the new Brew House, Arrowood is now positioned to begin renovating its existing facility, including transforming approximately 900 square-feet into public seating, and renewing the kitchen for food preparation.

In addition, beer sales have been mostly direct-to-consumer, occurring in tasting rooms from May through October. The increased capacity will reduce cost of goods by 30%, allowing Arrowood to profitably sell through a distributor and transition to a year-round selling season.

Upon completion of this agri-tourism capital project, the Grantee will furnish a final report describing the overall tourism impact and effectiveness of the project for the overall Mid-Hudson region.

Financing Uses	Amount	Financing Sources	Amount	Percent
Construction/Renovation	\$793,938	ESD Grant	\$360,000	20%
Infrastructure/Site Work	149,060	Grantee Equity	1,440,112	80%
Machinery & Equipment	780,114			
Furniture/Fixtures	20,000			
Soft Costs	57,000			
Total Project Costs	\$1,800,112	Total Project Financing	\$1,800,112	100%

Grantee Contact- Blake Arrowood, Co-Founder/Managing Partner
236 Lower Whitfield Road
Accord, NY 12404
Phone: (845)253-0389
E-mail: blake@arrowoodfarms.com

<u>Project Team-</u>	Origination	Kelly Rabideau-Baquerizo
	Project Management	Lisa Smith
	Contractor & Supplier Diversity	Denise Ross
	Environmental	Soo Kang

Arrowood Farms Brewery Expansion Capital (132,626)

March 26, 2020

Financial Terms and Conditions:

1. Grantee will be obligated to advise ESD of any materially adverse changes in its financial conditions prior to disbursement.
2. Upon execution of the grant disbursement agreement, the Company shall pay a commitment fee of 1% of the \$360,000 capital grant (\$3,600) and reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
3. The Grantee will be required to contribute a minimum of 80% of the total project cost in the form of a match that can consist of local, federal, foundational or other organizations' fund. Other State funds (including other funding from ESD), "in-kind" matches/donations and salaries/wages/fringe benefits are not an eligible match for this requirement. The match must be committed and specifically shown in the project budget. Grantee's affirmation of these Directors' materials will be considered by ESD as validation of this committed matching requirement.
4. Funds will be disbursed in a lump sum upon project completion as described above and as evidenced by attainment of a certificate of occupancy and/or other documentation verifying project completion as ESD may require, and documentation verifying project expenditures of \$1,796,043. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require (including the mandatory project measurements/metrics form and documentation included in the Grant Disbursement Agreement). Expenses must be incurred on or after December 18, 2018 to be considered eligible project costs. The project must be completed by December 31, 2021. All disbursements require compliance with program requirements and must be requested by no later than April 1, 2022.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$360,000 for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by ESD.
6. All projects should align with I Love NY marketing. It is required that all projects use the I LOVE NY logo with all marketing and promotion elements paid with Market New York Funds for the awarded project. Any use of the I LOVE NEW YORK logo must be approved by ESD and conform to ESD guidelines. Additionally, In the event I LOVE NY/NYS Division of Tourism chooses to have a presence at events in connection with this grant, no further funds shall be exchanged for a sponsorship or space fee.

Arrowood Farms Brewery Expansion Capital (132,626)

March 26, 2020

7. Grant funds will be subject to pro rata recapture if the property at the Project Location is sold within five years of disbursement of funds. The Recapture Amount is based on the time that has lapsed between when the Grant funds were disbursed and when the transfer occurred. The Recapture Amount shall be calculated by aggregating the Recapture Amount for each disbursement of the Grant, which in each instance shall be equal to:
- (i) 100% of the disbursed amount if the transfer occurred in the calendar year that the disbursement was made, or in the first full calendar year after the disbursement was made;
 - (ii) 80% of the disbursed amount if the transfer occurred in the second full calendar year after the disbursement was made;
 - (iii) 60% of the disbursed amount if the transfer occurred in the third full calendar year after the disbursement was made;
 - (iv) 40% of the disbursed amount if the transfer occurred in the fourth full calendar year after the disbursement was made;
 - (v) 20% of the disbursed amount if the transfer occurred in the fifth full calendar year after the disbursement was made.

Environmental Review:

The Town of Rochester Planning Board, as lead agency, has completed an environmental review of the project pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on September 10, 2019. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

Non-Discrimination and Contractor & Supplier Diversity:

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. Arrowood shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women-owned Business Enterprises ("MWBEs") for any contractual opportunities generated in connection with the Project and to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

The Recipient is encouraged to use "Good Faith Efforts," pursuant to 9 NYCRR §252.2(m), to utilize NYS-certified Service-Disabled-Veteran-owned Business Enterprises ("SDVOBs") in the execution of the grant. Any utilization of SDVOBs would be in addition to goals established pursuant to Article 15-A of the Executive Law with respect to MWBEs.

Arrowood Farms Brewery Expansion Capital (132,626)

March 26, 2020

Statutory Basis – Market New York Program:

The funding was authorized in the 2017-2018 New York State budget and reappropriated in the 2018-2019 and 2019-2020 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

Disclosure and Accountability Certifications:

The Grantee has provided ESD with the required Disclosure and Accountability Certifications. Grantee's certifications indicate that Grantee has no conflict of interest or good standing violations and, therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.

Attachment: Resolution

March 26, 2020

Regional Council Award – Accord (Mid-Hudson Region – Ulster County) – Arrowood Farms Brewery Expansion Project – Market New York (Capital Grant) – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Arrowood Farms Brewery Expansion Capital Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Statewide – Restore New York Communities – Capital Grant

REQUEST FOR: Findings and Determinations Pursuant to Sections 10(g) and 16-n of the Act; Authorization to Adopt the Proposed General Project Plans; Authorization to Make Grants and to Take Related Actions; Determination of No Significant Effect on the Environment

General Project Plan

I. Projects Summary

	Grantee	Project Name	Project #	Grant	Village, Town, City	County
A.	Village of South Dayton	Village of South Dayton – PV Agri-Industrial Park - RESTORE IV	AB807	\$450,000	South Dayton	Cattaraugus
B.	Town of Southport	Town of Southport - Point Redevelopment - RESTORE IV	AB722	\$500,000	Southport	Chemung
C.	Town of Southampton	Town of Southampton - Riverside Hamlet Center Redevelopment - RESTORE V	131,735	\$1,000,000	Southampton	Suffolk
	Total RESTORE NY – 3 Projects	TOTAL		\$1,950,000		

II. Program Description

A. Background

The purpose of the Restore New York Communities Initiative (“Restore NY” or the “Program”) is to revitalize urban areas and stabilize neighborhoods as a means to attract residents and businesses. Restore NY funds municipally sponsored projects for the demolition, deconstruction,

rehabilitation, or reconstruction of vacant, obsolete or surplus structures. Since 2006, ESD has received \$300 million in appropriations for Restore New York to fund three rounds of projects. The appropriations were allocated as follows: up to \$50 million in FY 2006-2007; \$100 million in FY 2007-2008; and \$150 million in FY 2008-2009.

In the FY 2015-2016, \$25 million was appropriated in the New York State budget for Round IV of Restore NY. In addition, \$25 million of unused funds from previous Restore NY appropriations were also allocated to Round IV for a total of \$50M. On June 20th, 2016, applicants were informed of eligibility to apply under the Program, and in January 26, 2017, awardees were announced. Following the issuance of an RFP in June 2016, a total of 75 municipalities were selected in January 2017 for funding assistance under Round IV.

In the FY 2017-2018, \$70 million was appropriated for Round V of the Restore NY program. The application process was opened on August 17, 2017, and awardees were announced on March 26, 2018. A total of 71 municipalities were awarded funding under Round 5. It is anticipated that upon completion the projects funded by New York State will attract individuals, families, industry, and commercial enterprises to the municipalities.

B. The Project

ESD will make a grant to the Grantee for the purpose of enhancing the Grantee's capacity to provide support in revitalizing urban areas and stabilizing neighborhoods as a means to attract residents and businesses in New York State. ESD will enter into an agreement with each Grantee that will stipulate the manner in which funds will be disbursed.

The attached Projects schedule provides a more detailed description of the recommended Projects.

III. Statutory Basis

The funding was authorized in the 2007-2008 New York State budget and reappropriated in the 2008-2009, 2009-2010, 2010-2011, 2011-2012, 2012-2013, 2013-2014, 2014-2015, 2015-2016, 2016-2017, 2017-2018, 2018-2019, and 2019-2020 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

IV. Environmental Review

Unless otherwise noted on the Project summary, ESD staff has determined that the Project described in Schedule A constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with the Project.

V. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned businesses in the performance of ESD contracts. Accordingly, ESD's Non-discrimination and Contractor & Supplier Diversity policies will apply to the Projects.

Unless otherwise specified in the Project summary, grantees shall use their "Good Faith Efforts" to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 23% related to the total value of ESD's funding. This shall include a Minority Business Enterprise ("MBE") Participation goal of 13% and a Women Business Enterprise ("WBE") Participation goal of 10%. Grantee shall use Good Faith Efforts to solicit and utilize MWBEs for any contractual opportunities generated in connection with the Project and to include minorities and women in any job opportunities created by the Project.

VI. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the Projects will not directly create or retain jobs.

VII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VIII. Additional Submissions to Directors

Resolutions
Project Summaries
New York State Map

Statewide – Restore NY Communities (Capital Grants) – Findings and Determinations
Pursuant to Sections 10(g) and 16-n of the Act; Authorization to Adopt the Proposed
General Project Plan; Authorization to Make Grants and to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Restore New York Communities Initiative Project (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, are hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written findings of the President and Chief Executive Officer Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearings held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written findings being made, the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a to grant to the party and for the amount listed below from Restore NY Communities, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grants; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

Restore New York Communities Initiative Program – Project Summary Table

	Grantee	Project Name	Project #	Grant	Village, Town, City	County
A.	Village of South Dayton	Village of South Dayton – PV Agri-Industrial Park - RESTORE IV	AB807	\$450,000	South Dayton	Cattaraugus
B.	Town of Southport	Town of Southport - Point Redevelopment RESTORE IV	AB722	\$500,000	Southport	Chemung
C.	Town of Southampton	Town of Southampton - Riverside Hamlet Center Redevelopment - RESTORE V	131,735	\$1,000,000	Southampton	Suffolk
	Total RESTORE NY – 3 Projects	TOTAL		\$1,950,000		

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or her designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

A. Village of South Dayton – PV Agri-Industrial Park - RESTORE IV (AB807)

March 26, 2020

General Project Plan

Grantee:	Village of South Dayton (the “Village” or “South Dayton”)
ESD Investment:	A grant of up to \$450,000 to be used for partial demolition, asbestos abatement/removal and debris removal
Project Location:	50 First Avenue, Cattaraugus County
Proposed Project:	Partial demolition of 53,000 square-feet of a vacant building, and asbestos/debris removal to allow a long-vacant, abandoned, former manufacturing facility to be market-ready
Project Type:	Neighborhood Revitalization
Regional Council:	The Western New York Regional Council has been made aware of this item. The project is consistent with the Regional Plan to create a new opportunity in an effort to increase general business and investment opportunities by supporting the Village’s restoration and revitalization efforts of its distressed areas.

Background:

Grantee History – The Village of South Dayton measures a total area of 1.0 square mile. The western boundary of the Village follows the Chautauqua County line. The New York and Lake Erie Railroad serves the Village with freight and occasional passenger rail service. As of 2000, there were 662 residents, 248 households, and 163 families residing in the Village. The population density was 43.3 people per square mile.

Nestle Food Company’s former evaporated milk processing plant was a mainstay in the Village until it closed in 1994. After the facility closed, the owner did not maintain the multiple vacant buildings on 4.6-acres, leaving the property in a blighted, distressed state. The Village purchased the vacant plant in 2015 for \$1 through the foreclosure process.

ESD Involvement – In 2009 the Village of South Dayton formally adopted a Comprehensive Plan. In the plan the abandoned Nestle/Carnation plant was identified as a key property which in its current state, required tremendous rehabilitation and renovation to attract a developer to purchase, renovate and revitalize the property. As the Village did not have sufficient funds to complete the needed repairs, it applied for RESTORE IV funds in September of 2016 and was awarded \$450,000 in capital funds to assist with project costs. Without ESD funds, the project could not have moved forward.

Past ESD Support - This is the Grantee’s first project with ESD.

Village of South Dayton - PV Agri-Industrial Park - RESTORE IV (AB807)

March 26, 2020

The Project:

Completion – November 2019

Activity – The project involved asbestos abatement/removal from piping, floor tiles, interior doors, concrete from the 53,000-square-foot former manufacturing facility. In addition, the work involved removal of large amounts of concrete, metal, wood and miscellaneous other debris. Several smaller buildings totaling 6,149 square feet were also demolished including a former truck bay, a tank room, and a wooden storage building; and the removal of an on-site water treatment plant.

Results – The project is expected to transform the blighted property to a market-ready site allowing for future development, potentially by another agri-business industry. The Village hopes to return the property to the tax rolls, spur job creation, and stimulate the local economy by rehabilitating this key site.

Financing Uses	Amount	Financing Sources	Amount	Percent
Demolition	\$165,000	ESD Grant	450,000	90%
Asbestos Removal	\$283,370	Village's Equity	\$51,027	10%
Air Monitoring	\$52,657			
Total Project Costs	\$501,027	Total Project Financing	\$501,027	100%

Grantee Contact- Ms. Karen Strickland, Village Trustee
74 First Avenue
South Dayton, NY 14138
Phone: (716) 988-5076
daffodilks@yahoo.com

<u>Project Team</u> -	Origination	Diego Sirianni
	Project Management	Anita Bogoevska
	Contractor & Supplier Diversity	Geraldine Ford
	Environmental	Soo Kang

Financial Terms and Conditions:

1. Upon execution of the Grant Disbursement Agreement, the Village will reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.

Village of South Dayton - PV Agri-Industrial Park - RESTORE IV (AB807)

March 26, 2020

3. The Grantee will ensure the contribution of at least a 10% match of the grant amount to the Project.
4. Up to \$450,000 will be disbursed to Grantee in a lump sum upon completion of the project substantially as described in these materials and documentation verifying projects costs in the amount of \$500,000 assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenditures must be incurred on or after October 3, 2016, to be considered reimbursable project costs.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$450,000.00, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Village and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Environmental Review: The Village of South Dayton, as lead agency, has completed an environmental review of the project pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on June 8, 2016. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

Non-Discrimination and Contract & Supplier Diversity:

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Recipient shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprise (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

Statutory Basis – Restore NY Communities:

The funding was authorized in the 2016-2017 New York State budget and re-appropriated in the 2017-2018, 2018-2019, 2019-2020 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

March 26, 2020

Village of South Dayton (Western New York Region – Cattaraugus County) – Village of South Dayton – PV Agri-Industrial Park – Restore NY Communities 16-17 – Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Village of South Dayton – PV Agri-Industrial Park RESTORE NY IV Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

B. Town of Southport - Point Redevelopment RESTORE IV (AB722)

March 26, 2020

General Project Plan

Grantee:	Town of Southport (“Southport” or the “Town”)
Beneficiary Company:	Ace & Eights Realty, LLC
ESD Investment:	A grant of up to \$500,000 be used for a portion of the cost of demolition of three properties totaling 38,768 square-feet, and construction of a new, 7,127 square-foot commercial property on the site.
Project Locations:	Chemung County 1156 Broadway Street, Elmira 989 Sebring Ave, Pine City 987 Sebring Ave, Pine City 985 Sebring Ave, Pine City
Proposed Project:	Demolition of three vacant structures and subsequent reconstruction of one large commercial building across four vacant lots to generate economic growth in line with the Town’s 2014 comprehensive plan
Project Type:	The demolition of vacant structures and construction of a new structure to eliminate blight and encourage economic growth
Regional Council:	The Southern Tier Regional Council has been made aware of this item. The project is consistent with the Southern Tier Regional Economic Development Council’s Plan, Southern Tier Soaring, to promote the Southern Tier’s innovative culture to attract economic investment in the region.
Background:	

Grantee History – The Town of Southport was founded from a portion of the town of Elmira in 1822. The Town takes its name from being the port on the south side of the Chemung River from Elmira and had a population of 10,940 at the 2010 census. Today, the Town boasts a charming small-town atmosphere, a strong mix of urban and rural areas, and easy access to major roadways.

Beneficiary History – Aces & Eights Realty, LLC, was created in June 2000 and currently oversees one other successful commercial development and gas station in Pennsylvania.

ESD Involvement – Southport identified three vacant properties, including the former Dixie BBQ and two residential structures that were vacant for over 25 years, as sites for potential development. The structures’ vacancies resulted in an eyesore on the corner

Town of Southport - Point Redevelopment RESTORE IV (AB722)

March 26, 2020

of a major intersection, contributing to blight in the Town and discouraging investment in the area. A private developer purchased the properties after the award was made, and the Town worked with the developer on a mutually agreeable development plan for the site, accomplishing the Town's goal of encouraging development on this high visibility site.

The project is consistent with the Southern Tier Regional Economic Development Council plan, Southern Tier Soaring, and the Town of Southport's 2014 Comprehensive Plan. Specifically, this project supports Goal #1 of the Comprehensive Plan to generate economic development opportunities by making way for a commercial development in the Town.

Southport applied for Restore IV funding in September of 2016 and was awarded a \$500,000 Restore NY IV grant in February 2017 to close a budget gap that hindered the proposed demolition and subsequent development of the parcels. Restore NY funds are critical to the success of this project.

Past ESD Support - This is the Town's first project with ESD.

The Project:

Completion – May 2020

Activity – Aces & Eights Realty, LLC, purchased site as a private developer and agreed to work with the Town to demolish three existing vacant structures and combine the parcels to create a .88-acre site for commercial development of a 7,100-square foot gas station and convenience store. The project began in late 2019 and will be complete in May of 2020.

Results – The project will remove obsolete, vacant buildings and create space for new commercial activity. The Town will benefit from the removal of previously vacant properties, increased traffic from visitors and travelers, and enhanced amenities for current residents. Restore NY funds are critical to the success of this project.

No Benefit-Cost Analysis ("BCA") is required since these projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

Financing Uses	Amount	Financing Sources	Amount	Percent
Acquisition	\$225,000	ESD Grant	\$500,000	50%
Construction	700,000	First Heritage Federal Credit Union-Loan*	400,000	40%
Demolition	36,900	Town Equity**	100,000	10%
Site Work	6,885			
Environmental Remediation	21,215			
Soft Costs	10,000			
Total Project Costs	\$1,000,000	Total Project Financing	\$1,000,000	100%

Town of Southport - Point Redevelopment RESTORE IV (AB722)

March 26, 2020

**During Construction—Rate: Variable (based on Wall Street Journal Prime Rate); Term: 9 months*

Post Construction—Rate: 4.25%; Term: 15 years

***Source of equity is from the Developer*

Grantee Contact- Kathleen Szerszen, Town Supervisor
1139 Pennsylvania Ave
Elmira, NY 14904
Phone: (607) 483-0734
E-mail: kszerszen@townofsouthport. com

Beneficiary Contact- David Cleary
350 S. Main Street
Elmira, NY 14901
Phone: (607) 734-4869
E-mail: david@pudgiespizza. com

<u>Project Team-</u>	Project Management	Sarah Glose
	Contractor & Supplier Diversity	Jordan Lopez
	Environmental	Soo Kang

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Town will reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Town will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
3. The Town will ensure the contribution of at least a 10% match of the grant amount to the Project.
4. Up to \$500,000 will be disbursed to Grantee, in a lump sum, and in proportion to ESD's funding share upon documentation of project costs totaling \$1,000,000 and upon completion of the project substantially as described in these materials, as evidenced by a certificate of occupancy, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after October 3, 2016 to be considered reimbursable project costs.
5. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$500,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Village and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total

Town of Southport - Point Redevelopment RESTORE IV (AB722)

March 26, 2020

amount of assistance approved by the Directors.

Environmental Review:

The Town of Southport Planning Board, as lead agency, has completed an environmental review of the project pursuant to the requirements of the State Environmental Quality Review Act and the implementing regulations of the New York State Department of Environmental Conservation. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on June 3, 2019. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

Non-Discrimination and Contract & Supplier Diversity:

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Town shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women Business Enterprises (MWBEs) for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

Statutory Basis – Restore NY Communities:

The funding was authorized in the 2016-2017 New York State budget and reappropriated in the 2017-2018, 2018-2019 and 2019-2020 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

Attachment: Resolution

March 26, 2020

Elmira (Southern Tier Region – Chemung County) – Town of Southport Point
Redevelopment RESTORE IV – Restore New York Communities Initiative 2016-17 Capital
– Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Town of Southport Point Redevelopment RESTORE IV Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

C. Town of Southampton -Riverside Hamlet Center Redevelopment- RESTORE V (131,735)

March 26, 2020

General Project Plan

- Grantee:** Town of Southampton (“Southampton” or the “Town”)
- ESD Investment:** A grant of up to \$1,000,000 to be used for demolishing and reconstructing 5,800 square-feet of elevated outdoor seating patio and 13,412 square-feet of building space from two, vacant dilapidated buildings in the Riverside Hamlet Center overlay district
- Project Locations:** 20 Riverleigh Ave, Riverside, Town of Southampton, Suffolk County
89 Peconic Ave, Riverside, Town of Southampton, Suffolk County
- Proposed Project:** Demolition and reconstruction of two vacant dilapidated buildings in the Riverside Hamlet Center overlay district in alignment with the Riverside Revitalization Action Plan, and Riverside Overlay District form based code
- Project Type:** Neighborhood revitalization
- Regional Council:** The Long Island Regional Council has been made aware of this item. The project is consistent with the Regional Plan to rebuild and expand infrastructure to improve job access, revitalize downtowns and attract and retain dynamic regional business.

Background:

Grantee History – The Town of Southampton, located on the south fork of Long Island between the Town of Brookhaven and the Town of East Hampton, was founded in 1640. The Town was founded when settlers from Lynn, Massachusetts established residence on lands obtained from local Shinnecock Indian Nation. Southampton is named after the port city of Southampton in Hampshire, England.

ESD Involvement – Riverside, a hamlet in the Town of Southampton, is by many measures the most economically distressed community on Long Island, and is severely impacted by blight, crime and disinvestment. Poverty is 23.7%, more than triple the Suffolk County rate 6.8%. Adoption of the Riverside Revitalization Action Plan (“RRAP”) and form-based code overlay in 2015 has established a market driven vision for revitalization and primed Riverside for redevelopment. Riverside is likely the only remaining location on Long Island’s East End that can accommodate the density of development and mix of housing options needed to address regional demand.

Under the RRAP, Riverside is projected to generate 2,300 new housing units, 50% affordable, and 192,000+ square-feet of new commercial space. The Town applied for Restore NY funds in December 2017, to bridge a funding gap in a renovation project

Town of Southampton -Riverside Hamlet Center Redevelopment- RESTORE V (131,735)

March 26, 2020

located in Riverside. In April 2018, the Town was awarded \$1 million dollars through Restore V funding. The funds provided an important source of additional funds to bridge the gap in financing. Restore New York funding will further the Town's on-going strategy to build and sustain healthy neighborhoods by leveraging a variety of public and private resources.

Past ESD Support - This grantee has received the following ESD funding over the past five years.

Program	Project #	Amount	Date Start (ESD Director's Approval Date)	Date End (Project Completion Contract Expiration)	Purpose
Regional Council Capital Fund - RC4	130,034	\$513,321	June 28, 2018	December 31, 2016	Capital Grant – Expansion of the Good Ground Park development

The Project:

Completion – July 2021

Activity – The Town will oversee the demolition and subsequent renovation of the two properties in Riverside, as follows:

- *20 Riverleigh Avenue*: The project consists of the construction of one, new, two-story, 9,200- square-foot mixed use building with 8,000-square-foot of ground floor medical offices and 1,200-square-foot of 2nd floor apartments
- *89 Peconic Avenue*: The re-development project consists of the demolition of the existing building and the construction of a new, 5,800-square-foot raised outdoor patio and single story, 4,212-square-foot mixed use building with a 2,618-square-foot, 25 seat restaurant and a 1,212- square-foot retail space for rental and sale of kayaks/canoes.

Results – The project for 20 Riverleigh Avenue will provide new premium salary jobs and affordable housing opportunity and will contribute to the revitalization of the community with the removal of a long abandoned commercial property. The 89 Peconic Avenue property is situated a historically dilapidated area; when renovated, with a new structure, and landscaping to match the adjacent parkland, it will provide new jobs and increase the beautification in this area.

20 Riverleigh Avenue:

Financing Uses	Amount	Financing Sources	Amount	Percent
Property Acquisition	\$1,100,000	ESD Grant	\$500,000	9%
Construction	4,578,500	Developer Equity	1,808,500	31%
Demolition	55,000	Farm Credit Bank - Loan*	2,000,000	34%
Master Plan # 261 of 359 - NYS Office of General Services	175,000	Ham Development Corporation	500,000	8%
Total Project Costs	\$5,808,500	Total Project Financing	\$5,808,500	100%

Meeting 3/26/2020

Town of Southampton -Riverside Hamlet Center Redevelopment- RESTORE V (131,735)

March 26, 2020

**rate 4% / term 5yrs.*

89 Peconic Avenue:

Financing Uses	Amount	Financing Sources	Amount	Percent
Property Acquisition	\$804,000	ESD Grant	\$500,000	15%
Demolition	\$25,000	Developer Equity	1,729,000	54%
Soft Costs	\$300,000	Bridgehampton National Bank -Loan*	1,000,000	31%
Construction	2,100,000			
Total Project Costs	\$3,229,000	Total Project Financing	\$3,229,000	100%

**Sliding rate from 4-10% /12 mos.*

Grantee Contact- David Wilcox, Director of Town Planning
116 Hampton Road
Southampton, NY 11968
Phone: (631) 334-3924
E-mail: DWilcox@southamptontownny.gov

Project Team- Project Management Jane Ji
Contractor & Supplier Diversity Danah Alexander
Environmental Soo Kang

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Town will reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The City will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
3. The Developers will contribute at least a 10% match of the grant amount to the Project.
4. Up to \$1,000,000 will be disbursed to Grantee at completion of each property in a lump sum, as follows:
 - a) *20 Riverleigh Avenue:* Up to \$500,000 (50%) will be disbursed to Grantee, in a lump sum, in proportion to ESDs funding share, upon documentation of property purchase, construction, demolition and soft costs totaling \$5,808,500, and upon completion of the project, as evidenced by a certificate of occupancy or such other documentation verifying completion of the project as ESD may require, assuming that all project approvals have been completed and funds are available.

Town of Southampton -Riverside Hamlet Center Redevelopment- RESTORE V (131,735)

March 26, 2020

- b) *89 Peconic Avenue*: Up to \$500,000 (50%) will be disbursed to Grantee, in a lump sum, in proportion to ESDs funding share, upon documentation of property purchase, construction, demolition and soft costs totaling \$3,229,000, and upon completion of the project, as evidenced by a certificate of occupancy or such other documentation verifying completion of the project as ESD may require, assuming that all project approvals have been completed and funds are available.
- 5. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. Expenses must be incurred on or after December 15, 2017 to be considered reimbursable project costs.
- 6. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$1,000,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Town and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by the Directors.

Environmental:

For the project at 20 Riverleigh Avenue, the Town of Southampton Planning Board, as lead agency, has completed an environmental review of the project pursuant to the requirements of the State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation ("NYSDEC"). This review found the project to be a Type I Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on March 8, 2018. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

For the project at 89 Peconic Avenue, the Town of Southampton Planning Board, as lead agency, has completed an environmental review of the project pursuant to the requirements of SEQRA and the implementing regulations of NYSDEC. This review found the project to be an Unlisted Action, which would not have a significant effect on the environment. The lead agency issued a Negative Declaration on August 22, 2019. ESD staff reviewed the Negative Declaration and supporting materials and concurs. It is recommended that the Directors make a Determination of No Significant Effect on the Environment.

Non-Discrimination and Contract & Supplier Diversity:

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize certified Minority-and Women-owned Business Enterprises ("MWBEs") for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

Town of Southampton -Riverside Hamlet Center Redevelopment- RESTORE V (131,735)

March 26, 2020

Statutory Basis – Restore NY Communities:

The funding was authorized in the 2017-2018 New York State budget and reappropriated in the 2018-2019 and 2019-2020 New York State budgets. No residential relocation is required as there are no families or individuals residing on the site.

Attachment: Resolution

March 26, 2020

Southampton (Long Island Region – Suffolk County) – Town of Southampton- Restore
New York Communities Initiative 2017-18 - Capital Grant (20 Riverleigh Avenue) –
Determination of No Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Town of Southampton - Restore New York Communities 17-18 Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

March 26, 2020

Southampton (Long Island Region – Suffolk County) – Town of Southampton- Restore
New York Communities 17-18 - Capital Grant (89 Peconic Avenue) – Determination of No
Significant Effect on the Environment

RESOLVED, that based on the material submitted to the Directors with respect to the Town of Southampton - Restore New York Communities 17-18 Project, the Corporation hereby determines that the proposed action will not have a significant effect on the environment.

* * *

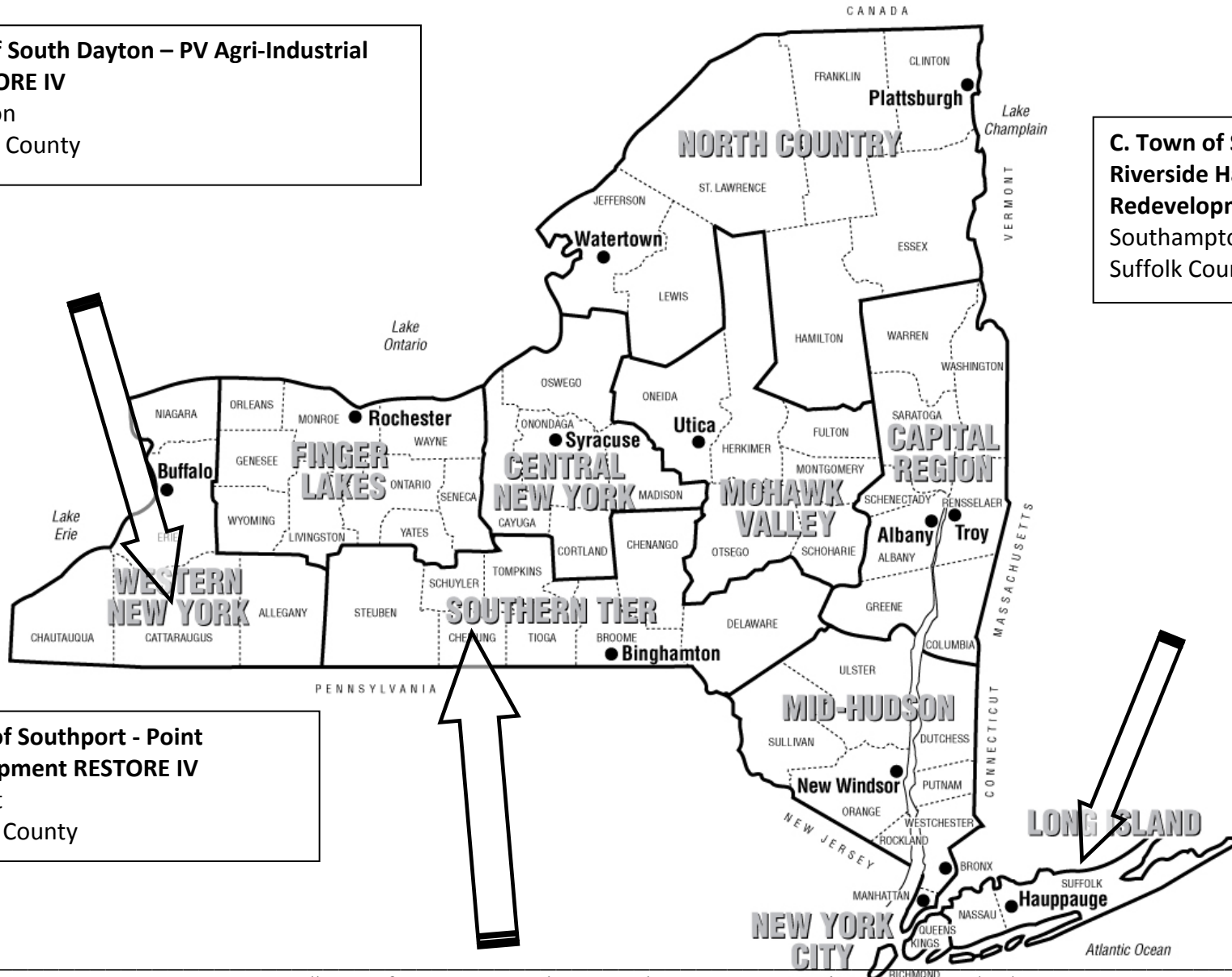
Restore New York Communities Initiative Project Map

A. Village of South Dayton – PV Agri-Industrial Park - RESTORE IV

South Dayton
Cattaraugus County

C. Town of Southampton - Riverside Hamlet Center Redevelopment- RESTORE V

Southampton
Suffolk County



B. Town of Southport - Point Redevelopment RESTORE IV

Southport
Chemung County



FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Non-Discretionary Projects

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

Attached is the summary of the projects sponsored by the New York State Executive and Legislative branches:

	Project Name	Project #	Grantee	Assistance up to
	Local Assistance (Base Retention)			
A.	Oneida County Capital 17-18	AC290	County of Oneida	\$450,000
	TOTAL NON-DISCRETIONARY PROJECT - 1		TOTAL	\$450,000

I. Statutory Basis

The project was sponsored by the Executive, Assembly or Senate, and was authorized or re-appropriated in the 2019-2020 New York State budget. No residential relocation is required as there are no families or individuals residing on the site(s).

II. Environmental Review

Unless otherwise noted on a project summary, ESD* staff has determined that the projects constitute Type II actions as defined by the New York State Environmental Quality Review Act and the implementing regulations for the New York State Department of Environmental Conservation. No further environmental review is required in connection with the projects.

* The NYS Urban Development Corporation d/b/a as Empire State Development ("ESD" or the "Corporation")

III. Non-Discrimination and Contractor & Supplier Diversity

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority and women-owned businesses in the performance of ESD contracts. Accordingly, ESD's Non-discrimination and Contractor & Supplier Diversity policy will apply to the projects. Unless otherwise specified in the project summary, Grantees shall use their Good Faith Efforts to achieve an overall Minority and Women Business Enterprise ("MWBE") Participation Goal of 30% related to the total value of ESD's funding. This shall include a Minority Business Enterprise ("MBE") Participation goal of 15% and a Women Business Enterprise ("WBE") Participation goal of 15%. Grantees shall use Good Faith Efforts to solicit and utilize MWBEs for any contractual opportunities generated in connection with the projects and to include minorities and women in any job opportunities created by the projects.

IV. ESD Employment Enforcement Policy

Unless otherwise noted on a project summary, the ESD Employment Enforcement Policy will not apply since the projects will not directly create or retain jobs.

V. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VI. Additional Requirements

Pursuant to direction received from the New York State Office of the Attorney General ("OAG"), individual project summaries may be subject to comment and approval by the OAG.

Due diligence has been exercised by ESD staff in reviewing information and documentation received from grantees/borrowers and other sources, in preparation for bringing projects to the ESD Directors for approval. The due diligence process also involves coordination with a number of external constituents, including the OAG, and grantees/borrowers have provided ESD with the required Disclosure and Accountability Certifications.

Also, pursuant to s.2879-a of the Public Authorities Law, the Office of the State Comptroller ("OSC") has notified the Corporation that it will review all grant disbursement agreements ("GDAs") of more than one million dollars (\$1 million) that are supported with funds from the Community Projects Fund ("007"). Such GDAs, therefore, will not become valid and enforceable unless approved by the OSC. A clause providing for OSC review will be included in all GDAs that are subject to such approval.

VII. Additional Submissions to Directors

Resolutions

Project Summary

New York State Map

March 26, 2020

Local Assistance – (Capital Grant) Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Adopt the Proposed General Project Plan; Authorization to Make a Grant and to Take Related Actions

RESOLVED, that on the basis of these materials, a copy of which is hereby ordered filed with the records of the Corporation, relating to the Local Assistance Project identified below (the “Project”), the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended (the “Act”), that there are no families or individuals to be displaced from the project area(s); and be it further

RESOLVED, that the Corporation does hereby adopt, subject to the requirements of Section 16(2) of the Act, the proposed General Project Plan (the “Plan”) for the Project submitted to this meeting, together with such changes therein as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, a copy of which Plan, together with such changes, are hereby ordered filed with the records of the Corporation; and be it further

RESOLVED, that upon written findings of the President and Chief Executive Officer Designate of the Corporation or his designee(s) that no substantive negative testimony or comment has been received at the public hearings held on the Plan, such Plan shall be effective at the conclusion of such hearing, and that upon such written findings being made, the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from Local Assistance Program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized to make a grant to the party and for the amount listed below from the Local Assistance program, for the purposes, and substantially on the terms and conditions, set forth in the materials presented to this meeting, with such changes as the President and Chief Executive Officer Designate of the Corporation or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget; and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, subsequent to the making of the grant, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grant as he or she may deem necessary or appropriate in the administration of the grant; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable; (2) receipt of all other necessary approvals; and (3) receipt of funds

Local Assistance – Project Summary Table

	Project Name	Project #	Grantee	Assistance up to
	Local Assistance (Base Retention)			
A.	Oneida County Capital 17-18	AC290	County of Oneida	\$450,000
	TOTAL NON-DISCRETIONARY PROJECT - 1		TOTAL	\$450,000

and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

A. Oneida County Capital 17-18 (AC290)

March 26, 2020

General Project Plan

- Grantee:** County of Oneida (the “County” or “Oneida”)
- ESD Investment:** A grant of up to \$450,000 to be used for a portion of the cost of the purchase of equipment for upgrades to the County airport
- Project Location:** 660 Hangar Road, Suite 223, Rome, Oneida County
- Proposed Project:** Purchase of equipment for upgrades to the airport including lighting for the road, new plow blades for snow removal, UAS system and upgrade the operation center and communication equipment
- Project Type:** Airport Equipment and Upgrades
- Regional Council:** The Mohawk Valley Regional Economic Development Council has been made aware of this item.

Background:

Company History - Oneida County was formed in 1798 when it separated from Herkimer County. Historically, the County’s economy was driven by the silverware industry. Today, the economy focuses mainly on textiles and agriculture, followed by metals manufacturing. Key regional economic drivers are the county’s metals, firearms and food manufacturers. The County is home to exciting attractions, historic accommodations, world-class museums, and numerous shopping destinations.

Ownership – Municipality

ESD Involvement - A \$450,000 appropriation was included in the FY 2017-2018 New York State budget.

Past ESD Support - Funding for the past five years to the Grantee, totaling \$800,000, is summarized in the following chart:

Program	Project #	Amount	Date Start (ESD Directors’ Approval date)	Date End (Project Completion: Contract Expiration)	Purpose
Regional Council Capital Fund	Y250	\$300,000	May 21, 2015	December 31, 2018	Capital Grant -Design & Construction of Customs and Border Patrol Facility at Griffiss International Airport

Oneida County Capital 17-18 (AC290)

March 26, 2020

Regional Council Capital Fund	Y922	\$500,000	November 19, 2015	December 31, 2017	Capital Grant – Construction of 10,000 of a 19,000 square-foot passenger terminal/fixed-based operation building
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The Project:

Completion – September 2018

Activity – The grant funds were used to purchase UAS platform “drones”, purchase and install road lighting on Bomber Drive, purchase two plow blades for snow removal equipment, and purchase a 16-foot lawn mower.

Results - Griffiss International Airport was selected as one of seven FAA approved UAS Test sites in the country. The grant funds have allowed Oneida County to make the necessary improvements so that the Griffiss International Airport can continue to lead the Unmanned Aerial Systems integration in New York State. The UAS (Drones) allowed them to receive a Beyond Visual Line of Site (BVLOS) waiver and open a one of a kind instrumented UAS flight range.

New equipment has allowed the County to not only enhance public safety but allow for safer airport operations.

Upon completion of the project, the Grantee will furnish a final report describing the impact and effectiveness of the project.

No Benefit-Cost Analysis (“BCA”) is required since these projects generate long-term benefits not captured in the short-term period used for the BCA and may involve no permanent job commitments.

Financing Uses	Amount	Financing Sources	Amount	Percent
Machinery & Equipment	\$450,000	ESD Grant	\$450,000	100%
		Grantee Equity		0%
Total Project Costs	\$450,000	Total Project Financing	\$450,000	100%

Oneida County Capital 17-18 (AC290)

March 26, 2020

Grantee Contact - Chad Lawrence, Commissioner
660 Hangar Road, Suite 223
Rome, NY 13441
Phone: (315) -763-4171
E-mail: clawrence@ocgov.net

<u>Project Team</u> -	Project Management	Meghan Ferrelli
	Contractor & Supplier Diversity	Danah Alexander
	Environmental	Soo Kang

Financial Terms and Conditions:

1. Upon execution of the grant disbursement agreement, the Grantee shall reimburse ESD for all out-of-pocket expenses incurred in connection with the project.
2. The Grantee will be obligated to advise ESD of any materially adverse changes in its financial condition prior to disbursement.
1. Up to \$450,000 will be disbursed to Grantee, in a lump sum, upon, documentation of the machinery and equipment purchase and installation project costs totaling \$450,000, and upon completion of the project substantially as described in these materials, assuming that all project approvals have been completed and funds are available. Payment will be made upon presentation to ESD of an invoice and such other documentation as ESD may reasonably require. All project expenditures must have been incurred after April 1, 2017, the date that the New York State budget, in which the project is authorized, was passed.
2. ESD may reallocate the project funds to another form of assistance, at an amount no greater than \$450,000, for this project if ESD determines that the reallocation of the assistance would better serve the needs of the Grantee and the State of New York. In no event shall the total amount of any assistance to be so reallocated exceed the total amount of assistance approved by ESD's CEO.

Non-Discrimination and Contractor & Supplier Diversity:

ESD's Non-Discrimination and Contractor & Supplier Diversity policies will apply to this Project. The Grantee shall be required to include minorities and women in any job opportunities created, to solicit and utilize certified Minority-and Women-owned Business Enterprises ("MWBEs") for any contractual opportunities generated in connection with the Project and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

Oneida County Capital 17-18 (AC290)

March 26, 2020

Statutory Basis – Local Assistance:

The funding was authorized in the 2017-2018 New York State budget and reappropriated in the 2018-2019 and 2019-2020 New York State budget(s). No residential relocation is required as there are no families or individuals residing on the site.

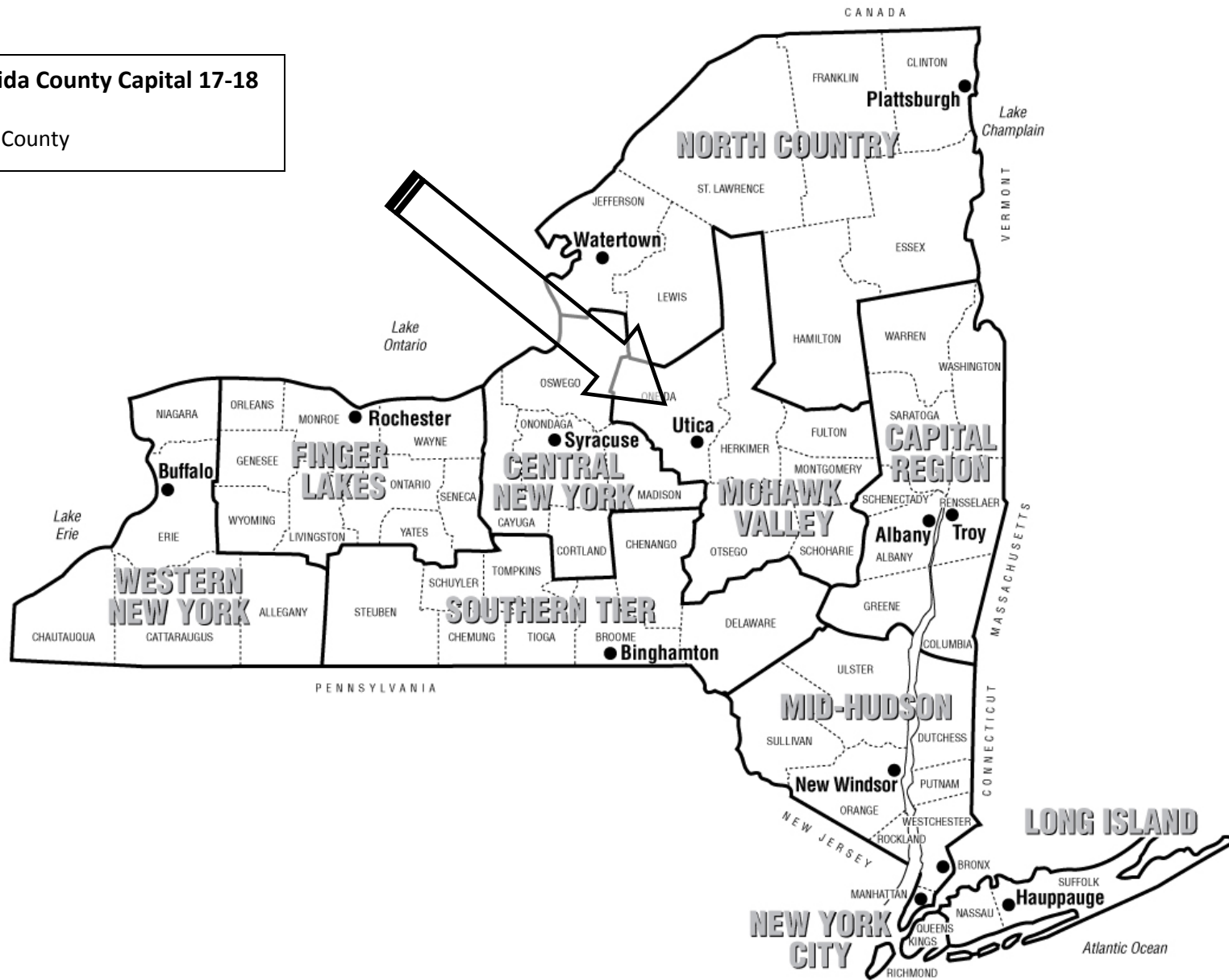
Disclosure and Accountability Certifications:

The Grantee has provided ESD with the required Disclosure and Accountability Certifications. Grantee's certifications indicate that Grantee has no conflict of interest or good standing violations and, therefore, staff recommends that the Corporation authorize the grant to the Grantee as described in these materials.

Non-Discretionary Project Map

A. Oneida County Capital 17-18

Rome
Oneida County



FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Statewide – New York State Electric Generation Facility Cessation Mitigation Program

REQUEST FOR: Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

I. Program Summary

PTS #	Applicant	Facility	Closure Date	Tax Loss	County	Proposed Grant Amount
AB359	Dunkirk City School District	Dunkirk Power, LLC	January 1, 2016	95%	Chautauqua	\$1,899,970.13

II. Program Description

A. Background

The Electric Generation Facility Cessation Mitigation Program (the "Program") provides grant assistance to support local government entities, school districts and special districts that have realized at least a 20% reduction in property tax collections and/or payments in lieu of taxes due to the closure of an electric generation facility ("Facility") within their jurisdiction. The closure must have occurred on or after June 25, 2015, as confirmed in writing by the NYS Department of Public Service ("DPS"). The claimed tax loss must be confirmed in writing by the IDA and/or the NYS Department of Taxation and Finance ("DTF"). Grant assistance may be awarded for up to seven years with up to 80 percent of any documented loss awarded in the first year and decreasing by 10% in subsequent years. The fiscal year 2016-17, 2017-18 and 2018-19 New York State budgets authorized a combined total of \$69,000,000 for the Program.

B. The Project

Consistent with the statute, ESD established a first come, first served process for the evaluation of applications. To date, ESD has approved awards to five applicants for a total of \$28,772,956.04. Approval of this grant would bring the total awards to \$30,672,926.17.

This is the fourth program year for the Dunkirk City School District. DPS has confirmed that a qualified Facility in the applicant's jurisdiction closed after June 25, 2015 and DTF has confirmed the amount of the applicant's resulting tax loss. The grant award for the fourth program year is 50% of the documented tax loss.

The grant calculation of award is attached. Program Guidelines give ESD discretion to award a grant of up to 50% of the applicant's tax loss in the fourth program year. Given the magnitude of the applicant's tax loss resulting from the Facility's closure, a grant award of 50% of the tax loss is recommended.

III. Statutory Basis – Local Assistance

The Program initially was authorized in the FY 2016-17 New York State budget. Additional appropriations were authorized in the FY 2017-18 and FY 2018-19 New York State budget.

IV. Environmental Review

ESD staff has determined that the requested authorization to provide a grant under the Electric Generation Facility Cessation Mitigation Program does not constitute an action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the authorization.

V. ESD Employment Enforcement Policy

ESD's Employment Enforcement Policy will not apply since the program will not directly create or retain jobs.

VI. Non-Discrimination and Contractor & Supplier Diversity

The Project is not a "state contract," as that term is defined in § 310(13) of the New York State Executive Law. Therefore, ESD will not establish Minority and Women-owned Business Enterprise participation goals for the Project. The grantee shall be required to adhere to ESD's non-discrimination and Equal Employment Opportunity policy in performing the Project.

VII. ESD Financial Assistance Subject to Availability of Funds and Additional Approval

The provision of ESD financial assistance is contingent upon the availability of funds and the approval of the State Division of the Budget.

VIII. Requested Actions

The Directors are requested to authorize the making of grants as described in these materials and the taking of related actions.

IX. Additional Submissions to Directors

Resolutions

Grant Calculation of Award

Statewide – New York State Electric Generation Facility Cessation Mitigation Program - Findings and Determinations Pursuant to Section 10(g) of the Act; Authorization to Make a Grant and to Take Related Actions

BE IT RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the "Materials"), relating to the Electric Generation Cessation Mitigation Program ("the Program") projects identified below, the Corporation hereby determines pursuant to Section 10(g) of the New York State Urban Development Corporation Act of 1968, as amended, that there are no families or individuals to be displaced from the project area; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and each of them hereby is, authorized to make grants as set forth below from the Electric Generation Cessation Mitigation Program, for the purposes and substantially on the terms and conditions set forth in the Materials and the Program guidelines, with such changes as the President and Chief Executive Officer Designate or his designee(s) may deem appropriate, subject to the availability of funds and the approval of the State Division of the Budget:

PTS #	Applicant	Facility	Closure Date	Tax Loss	County	Proposed Grant Amount
AB359	Dunkirk City School District	Dunkirk Power, LLC	January 1, 2016	95%	Chautauqua	\$1,899,970.13

and be it further

RESOLVED, that the President and Chief Executive Officer Designate of the Corporation or his designee(s) be, subsequent to the making of grants, and each of them hereby is, authorized to take such actions and make such modifications to the terms of the grants as he or she may deem necessary or appropriate in the administration of the grants; and be it further

RESOLVED, that the provision of ESD financial assistance is expressly contingent upon: (1) the approval of the Public Authorities Control Board, if applicable, and (2) receipt of all other necessary approvals; and be it further

RESOLVED, that the President and Chief Executive Officer Designate or his designee(s) be, and each of them hereby is, authorized in the name and on behalf of the Corporation to execute and deliver any and all documents and to take all actions as he or she may in his or her sole discretion consider to be necessary or proper to effectuate the foregoing resolutions.

* * *

**NEW YORK STATE
ELECTRIC GENERATION CESSATION MITIGATION PROGRAM**

**CALCULATION OF AWARD
FOR YEAR FOUR OF ASSISTANCE**

**DUNKIRK CITY SCHOOL DISTRICT
Project No.: AB359**

TOTAL PILOT PAYMENTS PRIOR TO CESSATION: \$ 4,005,537.71

**TOTAL PILOT PAYMENTS FOR
THE FOURTH YEAR OF TAX LOSS:** \$ 205,597.45

DIFFERENTIAL

ACTUAL LOSS:	<u>\$ 3,799,940.26</u>
PERCENTAGE OF LOSS:	95%

**CONDITIONAL GRANT AWARD
AT 50% OF ACTUAL LOSS** \$ 1,899,970.13

PROPOSED AWARD:	<u><u>\$ 1,899,970.13</u></u>
-----------------	------------------------------------

FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Renewal of Corporate Insurance Policies

REQUEST FOR: Authorization to Purchase Corporate Insurance Policies and to Take
Related Actions

I. BACKGROUND

ESD is required to purchase various types of insurance policies to protect its board members, employees, assets and subsidiaries from financial losses. These insurance policies include Directors & Officers Liability Insurance, Employment Practices Liability Insurance, Commercial General Liability Insurance, Umbrella Liability Insurance, Excess Liability Insurance, Automobile Liability Insurance, Property Insurance, Employee Crime and Dishonesty Insurance, Workers' Compensation Insurance, Cyber Insurance, Accidental Death & Dismemberment Insurance, and Fine Arts Insurance. On April 1, 2020 ESD will bind its corporate insurance policies only with insurance companies with an AM Best rating of A (Excellent) or above.

II. INSURANCE MARKETING AND PLACEMENT

ESD's Insurance and Risk Management staff partnered with its insurance broker, Alliant Insurance Services, Inc. ("Alliant"), and the Keville Agency, Inc., a New York State certified WBE insurance consultant, to determine the appropriate levels of insurance coverage for ESD and Alliant solicited the preliminary insurance premium quotes from highly-rated insurance carriers. Alliant and ESD staff recommend that the Company purchase the following insurance policies:

<u>Insurance</u>	<u>Policy Description</u>	<u>Carrier / A.M. Best Rating</u>	<u>2019-20 Annualized Premium</u>	<u>2020-21 Preliminary Premiums</u>	<u>Variance \$ (YOY) (2020 vs. 2019)</u>	<u>% (YOY) (2020 vs. 2019)</u>
Directors & Officers Liability / Employment Practices Liability	\$3 million aggregate coverage/shared limits	Stratford Insurance Co. (A XV)	\$177,649	\$188,690	\$11,041	6.2%
Commercial General Liability	\$2 million general aggregate coverage/ \$1 million per occurrence	TBD	\$141,238	\$421,000	\$279,762	198.1%
Umbrella Liability (\$20M)	\$20 million aggregate/ \$20 million per occurrence	TBD	\$56,610	\$325,000	\$268,390	474.1%
Automobile Liability	\$1 million aggregate coverage/ \$1 million per occurrence	The Hartford (A+ XV)	\$19,716	\$25,083	\$5,367	27.2%
Property Insurance Coverage	\$33 million of Property Insurance Coverage	TBD	\$53,069	\$150,000	\$96,931	182.7%
Employee Crime & Dishonesty	\$5 million aggregate	Great American Insurance (A+ XIV)	\$9,642	\$10,125	\$483	5.0%
Workers' Compensation	All ESD employees/ Corporate Liability protection	The Hartford (A+ XV)	\$85,512	\$95,000	\$9,488	11.1%
Cyber	\$5 million aggregate coverage / \$25,000 Retention	Chubb - Ace American Insurance Co.	\$25,835	\$31,881	\$6,046	23.4%
AD&D	\$1 million aggregate	The Hartford (A+ XV)	28,002	28,002	\$0	0.0%
Fine Arts	\$2.4 million Fine Arts value	AXA Insurance (A+ XV)	\$12,322	\$3,842	(\$8,480)	-68.8%
TOTAL PREMIUM COST FOR 2020-21 PROGRAM			\$626,260	\$1,278,623	\$652,363	104.2%

III. INSURANCE PREMIUMS

The preliminary estimate of ESD's total FY2020-21 insurance premiums is estimated to be approximately \$1.3 million, which is double last year's total premium. The increase is primarily reflects higher estimated premiums for ESD's General Liability, Property, and Excess (Umbrella). This is due to higher insurance claims industry-wide, higher litigation costs and low investment returns for insurance companies. These factors, in turn, have resulted in a systemic re-pricing of risk premiums throughout the insurance industry. We will continue to negotiate with the insurance carriers until the late March to lower ESD's premiums as much as possible without lowering our coverage. ESD's insurance policies will cover both ESD and certain of its subsidiaries to capture economies of scale. As such, a portion of ESD's the total insurance premiums will be allocated to these subsidiaries.

IV. NON-DISCRIMINATION AND CONTRACTOR & SUPPLIER DIVERSITY

Pursuant to New York State Executive Law Article 15-A, ESD recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority-and women-owned businesses (“MWBEs”) and Service Disabled Veteran Owned Businesses (“SDVOB”) in the performance of ESD projects and procurements. ESD’s Office of Contractor and Supplier Diversity has reviewed the project and have determined that there exists no potential for MWBE or SDVOB participation. As such, participation goals will not be established or required for this procurement.

V. ENVIRONMENTAL REVIEW

ESD staff has determined that the requested authorization to purchase corporate insurance policies constitutes a Type II action as defined by the New York State Environmental Quality Review Act (“SEQRA”) and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with the authorization.

VI. REQUESTED ACTION

The Directors are hereby requested to authorize the purchase of the insurance policies with the respective carriers, as set forth above, for a total annual premium not to exceed \$1.3 million for FY2020-21.

ATTACHMENT
Resolution

March 26, 2020

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE
DEVELOPMENT - Renewal of Corporate Insurance Policies – Authorization to Purchase
Corporate Insurance Policies and to Take Related Actions

RESOLVED, that based upon the materials presented to the Directors at this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation, that the Chairman and Chief Executive Officer Designatee of the Corporation or Chief Financial Officer or his/her designee(s) are hereby authorized, in the name and on behalf of the Corporation, to enter into all contracts, agreements and instruments, as the Chairman and Chief Executive Officer of the Corporation or Chief Financial Officer or his/her designee(s) shall deem necessary or appropriate in connection with the purchase of the Corporation's Directors & Officers Liability Insurance, Employment Practices Liability Insurance, Commercial General Liability Insurance, Auto Liability Insurance, Umbrella Liability Insurance, Property Insurance, Employee Crime & Dishonesty Insurance, Accidental Death and Dismemberment Insurance, Cyber Insurance and Fine Arts Insurance for total FY2020-2021 annual premiums not to exceed \$1.3 million.

RESOLVED, that all actions heretofore taken on behalf of the Corporation in regard to the replacement of the foregoing insurance policies are hereby approved, ratified and confirmed.

* * *

FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric Gertler

SUBJECT: ESD and Subsidiaries Procurement Guidelines

REQUEST FOR: Adoption of Revised Guidelines for the Use, Awarding, Monitoring and Reporting of Procurement Contracts

I. Background

At its March 28, 2019 meeting, the board of Empire State Development (“ESD” or the “Corporation”) adopted updated and revised Guidelines for the Use, Awarding, Monitoring and Reporting of Procurement Contracts, as mandated by Section 2879 of the Public Authorities Law (the “2019 Guidelines”). There have been no substantive changes to Executive Orders and discretion to authorities in the past year. However, in the past year the State Finance law subdivision 6 of section 163 was amended to increase the threshold amount for discretionary buying without a formal competitive process from \$200,000 to \$500,000 for Small Businesses, certified MWBE and SDVOB vendors. (section 2.6). ESD internal staff review changes include a section to define pre-qualified lists, adding a separate section for conflicts of interest and minor revisions across the guidelines for consistency and clarity. Accordingly, the 2020 Guidelines have been revised to incorporate this amendment, as well as the changes for consistency.

Approval of these Guidelines (the “proposed 2020 Guidelines”) is sought.

II. Procurement Guidelines Summary

The proposed 2020 Guidelines attached to this memorandum set forth the policies and procedures to be followed by the Corporation and its subsidiaries when seeking to contract for goods or services. It is required that, if approved by the ESD Directors, each subsidiary will approve its own Procurement Guidelines in terms virtually identical to the proposed 2020 Guidelines, with any departure therefrom fully explained by the subsidiary Board. It should be noted that these Guidelines do not have the force of law, and are intended as a statement of best practices and procedures. No contract is invalid merely because these guidelines have not been followed.

The proposed 2020 Guidelines define the universe of procurement transactions which are subject to the policies and procedures. Generally, all procurements by the Corporation must be competitively awarded, except where State law provides for non-competitive sourcing (e.g., goods purchased from approved not-for-profit agencies for the blind, and procurements from

the Office of General Services centralized contracts list). Based on the expected cost of procured goods and/or services, procurement contracts must be obtained after advertisement in the NYS Contract Reporter, except in limited instances where an exemption is obtained, generally for sole or single source procurements when only one vendor offers the desired goods or services or when a single vendor has unique qualities or experience that obviate a competitive process. The proposed 2020 Guidelines explain the various means of obtaining goods and services in an open, accountable and transparent manner, including incorporation of the Corporation's Bid Opening Guidelines and the compilation of a procurement record for every covered procurement contract.

The proposed 2020 Guidelines comply with the applicable provisions of the Public Authorities Law, the State Finance Law and the State Tax Law. They are consistent with the State Procurement Council's Guidelines and with the Governor's directive that all State agencies and public authorities make responsible spending decisions, and that they be accountable for sufficient monitoring of their spending to ensure the highest level of fairness, non-discrimination, openness and transparency.

Clarification changes, notably defining a pre-qualified list and to encourage a broader solicitation within such list have been made (section 2.8).

The proposed 2020 Guidelines are intended to be user-friendly and are set forth in a logical and coherent fashion that will assist staff in understanding the procedures to be followed and the substantive rules that govern procurements.

Sources of help to users and information are included as clickable links, and virtually all required forms and ESD policy and procedure documents also can be accessed from within the document by hyperlinks. These links appear in blue font in the hard copy of the proposed 2020 Guidelines presented to the Directors for approval.

III. Environmental Review

ESD staff has determined that approval of the proposed 2020 Guidelines does not constitute an action as defined by the New York State Environmental Quality Review Act and its implementing regulations. No further environmental review is required in connection with the requested approval.

IV. Requested Action

The Directors are requested to adopt the proposed 2020 Guidelines for the Use, Awarding, Monitoring and Reporting of Procurement Contracts, effective as of the date of approval.

V. Recommendation

Based on the foregoing, I recommend approval of the requested action.

Attachments

Resolution

Proposed 2020 Guidelines for the Use, Awarding, Monitoring and Reporting of Procurement Contracts

March 26, 2020

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE
DEVELOPMENT – Adoption of Revised Guidelines for the Use, Awarding, Monitoring and
Reporting of Procurement Contracts

BE IT RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered to be filed with the records of the Corporation (“Materials”), the proposed 2020 Guidelines for the Use, Awarding, Monitoring and Reporting of Procurement Contracts (“Guidelines”), a copy of which is attached to the Materials, be and hereby is approved and adopted as of the date hereof, and the Chief Executive Officer or his or her designee is authorized to promulgate the Guidelines in electronic form and other media for the use of the staff of the Corporation and its subsidiaries, and to take such other and further action as may be deemed necessary or appropriate to effectuate the foregoing Resolution.

* * *

NEW YORK STATE URBAN DEVELOPMENT CORPORATION
D/B/A EMPIRE STATE DEVELOPMENT
Guidelines Regarding the Use, Awarding, Monitoring
and Reporting of Procurement Contracts

Effective March 26, 2020

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NEW YORK STATE URBAN DEVELOPMENT CORPORATION
D/B/A EMPIRE STATE DEVELOPMENT (“ESD”)

Guidelines Regarding the Use, Awarding, Monitoring and
Reporting of Procurement Contracts

Effective March 26, 2020

1. Overview and Requirements

The following guidelines (the “Guidelines”) are applicable to the use, awarding, monitoring and reporting of procurement contracts of the New York State Urban Development Corporation, d/b/a Empire State Development and its subsidiaries (collectively, “ESD”). ESD is required to adopt procurement guidelines by Article 9, Title 4 of the Public Authorities Law (“PAL”). The same law requires annual review and updating of the guidelines by the ESD Board of Directors (“Board”), including subsidiary Boards.

These Guidelines are modeled on the New York State Procurement Guidelines published by the State Procurement Council (the “SPC Guidelines”). The SPC Guidelines apply to all State agencies and thus provide useful guidance for procurement by ESD (which is not a State agency as that term is defined in the SPC Guidelines). The SPC Guidelines cover some issues and procedures rarely encountered by ESD, but should be consulted by staff if a situation arises that does not appear to be covered in these Guidelines, since useful guidance may thereby be obtained. View the [SPC Guidelines](#).

In these ESD Guidelines, a person, firm or corporation who wishes to provide goods and/or services to ESD may be called a “**vendor**” or “**offerer**” or, when responding to a public solicitation for qualified vendors or expressions of interest in becoming an ESD vendor, a “**respondent**.”

1.1. Contracts covered, and not covered, by the Guidelines

Pursuant to PAL § 2879 (2), “**Procurement Contracts**” are any written agreements for the acquisition of goods or services of any kind in the actual or estimated amount of five thousand dollars (\$5,000) or more. Contracts which are intended to earn money or other assets or benefits to ESD (often referred to as “**revenue contracts**”) are also considered Procurement Contracts for the purposes of these Guidelines.

For purposes of compliance with anti-lobbying laws contained in State Finance Law § 139-j and 139-k (see p. 12), Procurement Contracts also include the purchase or lease of any interest in real property which involves an estimated annualized expenditure by ESD in excess of fifteen thousand dollars (\$15,000).

Disposition of property (real or personal) by ESD is not a procurement covered by these Guidelines, but is instead subject to ESD's [Property Disposition Guidelines](#). However, where a property disposition requires a competitive process, that process should be conducted in accordance with these Guidelines to the extent practicable.

Loans and grants made by ESD in furtherance of its economic development mission are not Procurement Contracts, but may be subject to certain provisions of these Guidelines, including Office of the State Comptroller ("OSC") review and approval for grants over \$1 million (see p. 23, Section 10.5).

A Contract or Memorandum of Understanding ("MOU") with a sister State agency or authority is not considered a Procurement Contract covered by these Guidelines. Note, however, that appropriate approval(s) as set out in these Guidelines (including Board approval based on the amount and/or duration of the agreement, as well as OSC approval for binding agreements) may apply to MOUs.

In connection with certain of its projects, ESD may need to obtain a license from a governmental agency, authority, or company or a public utility in order to enter the licensor's premises and perform work. As a precondition to receiving the license, ESD can be required to enter into agreements with the licensor that prescribe conditions for work to be performed on the site, including work and/or oversight of work which must be performed by the licensor's personnel or contractors, as well as payment of licensor costs by ESD. Examples include licenses for work on rail and utility facilities. Agreements of this kind, often referred to as "**forced contracts**," are not covered by the competitive solicitation requirements of these Guidelines, because ESD has no discretion or authority with respect to the work to be performed by the licensor's personnel and contractors. However, appropriate approval(s) as set out in these Guidelines (including Board approval based on the amount and/or duration of the agreement) would apply.

Procurement Contracts **under \$50,000** may be handled by **Purchase Order** approved by Department Head, Procurement Department, Controller's Office and Contracts Administration. A formal competitive solicitation is not required, but these purchases should be made after obtaining three quotes whenever practicable. For further information, consult the Procurements Director.

1.2. Types of Procurement Contracts

The types of goods and services requiring Procurement Contracts include goods and services needed to proceed with an ESD project, or to support the administrative needs of ESD. Procurements of goods cover the entire spectrum of goods, ranging from pens to motor vehicles.

Procurements of personal services include but are not limited to legal, accounting, auditing, management consulting, investment banking, underwriting, financial advice, temporary employees, planning, training, statistical analysis, research, public relations, architectural, engineering, construction, surveying, appraisal, or other services of a consulting, professional or

technical nature for a fee, commission or other compensation by a person or persons who are not providing such services as officers or employees of ESD.

Reasons for procuring personal services include:

- a. Requirements of special expertise or unusual qualifications;
- b. Nature, magnitude or complexity of services required;
- c. Lack of sufficient in-house resources, support staff, specialized facilities or equipment;
- d. Short-term or infrequent need for the services; and
- e. Distance of the location(s) where the services must be performed from ESD offices or facilities.

Term Contracts (sometimes referred to as “open retainer” contracts) are also included in and covered by these Guidelines. These contracts may be used when ESD anticipates using a vendor or vendors multiple times over a given period of time. In such cases, a maximum contract period must be specified when the contract is entered into. In all other respects, these Guidelines apply.

1.3. General Procurement Principles

ESD’s procurement process is designed to:

- Ensure fair and open competition;
- Guard against favoritism, improvidence, extravagance, fraud and corruption;
- Ensure that the results meet agency needs;
- Provide checks and balances to regulate agency procurement activities; and
- Protect the interests of ESD, the State and taxpayers.

Procurement Contracts are to be awarded on a **competitive basis** to the maximum extent practicable. Such awards are generally made after notice of the procurement opportunity is published in the **New York State Contract Reporter** where the amount of the contract is **\$50,000 or more** and after the evaluation of proposals obtained, whenever practicable, from at least three qualified vendors or respondents, including where practicable at least one State-certified minority- or woman-owned business enterprise (“MWBE”) and one service-disabled veteran-owned business (“SDVOB”). (See Section 7: Types of Solicitations). Monetary thresholds may not be avoided by artificially splitting or breaking up contracts into lesser agreements, or entering into a series of agreements, for sums below the dollar thresholds.

Competition in the procurement process serves both ESD and potential vendors by ensuring that the procurement process produces an optimal solution at a reasonable price; and allowing qualified vendors an opportunity to obtain ESD business, while the process guards against inflated pricing, favoritism, fraud and collusion; and allows all qualified vendors an opportunity to obtain ESD business.

2. Procurement: Overview and Requirements

2.1. The Procurement Process Guide

I. Over \$5,000 and below \$50,000

If ESD's procurement needs can be met by a preferred source vendor, you must use this option. See next page.



If ESD's needs cannot be met by a preferred source, you may elect to use an OGS Centralized contract. Wherever practicable, you should still solicit two other quotes if this option is selected.



If ESD's needs cannot be met by the above options, you may elect to use a discretionary purchase through the use of a NYS certified MWBE, SDVOB or a NYS Small Business. See Section 2.6.



If ESD's needs cannot be met by the above options, you may elect to use an informal solicitation. Contact the Procurement Unit for further assistance if needed.



If this is an emergency situation or only one vendor can meet the needs required for service, the initiating department head must justify the need to Single Source or Sole Source this request in the justification memo.

If ESD's needs cannot be met by the above options, you may elect to use a discretionary purchase through the use of a NYS certified MWBE, SDVOB or a NYS

II. \$50,000 and over

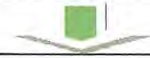
If ESD's procurement needs can be met by a preferred source vendor, you must use this option. See next page.



If ESD's needs cannot be met by a preferred source, you may elect to use an OGS Centralized contract. Wherever practicable, you should still solicit two other quotes if this option is selected.



Small Business up to \$500,000. See Section 2.6.



If ESD's needs cannot be met by the above options, use a Request for Proposals ("RFP"), Request for Qualifications ("RFQ") or Request for Expressions of Interest (RFEI), and **advertise in the Contract Reporter** if this is not an emergency situation and ESD's needs can be met by more than one vendor.



In an emergency situation or if only one vendor can meet the needs required, obtain a Contract Reporter Exemption using a Single Source or Sole Source exemption as appropriate. See Section 3.

2.2. NYS Preferred Sources

Goods and services needed by ESD may be available, without the need for competitive procurement, from New York State Preferred Sources. If a Preferred Source has goods or services available in the form, function and utility required by ESD, at a price not more than 15% above the prevailing market rate, the goods or services should be obtained through the Preferred Source in the following prioritized order: NYS Department of Correctional Services Correctional Industries Program (CORCRAFT); approved charitable non-profit agencies for the blind; and approved charitable non-profit agencies for the severely disabled, qualified programs for the mentally ill, and qualified veterans workshops. For information on these Preferred Sources, see State Finance Law §162 and the Office of General Services (“OGS”) [Preferred Sources Guide](#). The Guide is exhaustive, but the main points are easy to follow.

2.3. OGS Centralized Contracts

Goods and services needed by ESD may be available, without the need for a competitive procurement, through Centralized Contracts held by OGS. Information about centralized contract offerings can be obtained from the [list of approved State contractors](#) maintained by OGS.

Note that even if an OGS centralized contractor is available, it is required where feasible that staff obtain three price quotes from other OGS contractors or other vendors not on the OGS list, including at least one MWBE or SDVOB certified firm (see s. 2.6), unless a compelling justification exists (e.g., experience with a particular project). Staff should confirm that a firm is certified on either the MWBE directory

(<https://ny.newnycontracts.com/FrontEnd/VendorSearchPublic.asp>) or SDVOB directory (<https://online.ogs.ny.gov/SDVOB/search>).

2.4. Commodities Contracts

The OGS Procurement Services Group (PSG) establishes centralized contracts for commodity contracts in the form, function and utility required by State agencies, for a wide range of items commonly acquired by agencies. If the commodity is available from a centralized contract in form, function and utility consistent with ESD’s need, such item may be purchased from the centralized contract. However, ESD may competitively procure items otherwise available on a centralized contract when the resultant price is less.

2.5. Service Contracts

ESD has discretion to use the OGS centralized service contracts list. A wide and diverse range of services from routine maintenance to complex technology-based acquisitions are available through these OGS contracts. Again, ESD may

competitively procure items otherwise available on the OGS centralized contract list when the resultant price is less.

2.6. Discretionary Purchases

Pursuant to PAL § 2879(3)(b)(i) and State Finance Law §163(6), ESD may purchase services or commodities from small business concerns, from those certified pursuant to Article 15-A of the

Executive Law ([MWBEs](#)), from those certified pursuant to Article 17-B of the Executive Law ([SDVOBs](#)), or commodities or technology products that are recycled or remanufactured, in an amount up to \$500,000, without a “formal competitive process.” In such a case, three quotes should be obtained wherever practicable, and Contract Reporter advertising is advisable when time permits.

Staff should assess whether a formal competitive process, or one that is less formal but still competitive, may best meet ESD’s needs. The award of a discretionary purchase contract should be published in the Contract Reporter.

As with any other procurement, for discretionary purchases the initiator must:

- review the Preferred Source list and OGS Centralized Contracts to determine whether the desired goods or services are available to meet ESD’s needs;
- ensure that the commodities, services or technology acquired meet ESD’s form, function and utility needs;
- document and justify the selection of the vendor;
- document and justify the reasonableness of the price; and
- ensure that ESD buys from responsible vendors.

2.7. Piggyback Contracts

ESD may find it efficient to establish a contract based on another governmental entity’s contract. This is known as “piggybacking” and may be used in accordance with the criteria established by OGS in the Contract Piggybacking Guidelines under State Finance Law § 163(10)(e), available at https://nyspro.ogs.ny.gov/sites/default/files/uploaded/PSPIggybackGuide_2.2015.pdf. Note that a piggyback procurement requires approval by the OGS Procurement Services Group – this can be difficult and time-consuming to accomplish, as the OGS staff are not very familiar with public authority procurement policies and practices. For example, if the agency you wish to piggyback on is a State agency, it will have different contractual terms than those used by ESD. This may lead to delay, if OGS decides to seek approval of the proposed ESD contract terms from the Attorney General. Piggybacking is better accomplished when you wish to use a contract established by another public authority (rather than a State Agency).

2.8 Pre-Qualified Lists

Goods and services needed by ESD may be available without the need for full competitive procurement, from a pre-qualified list of vendors that have been vetted for qualifications and pricing. When selecting from a pre-qualified list, solicitations should go out to as many providers on the list as practicable.

3. Contract Reporter Exemptions

3.1. Reasons for Exemptions

Advertising a procurement in the Contract Reporter is generally required unless specific grounds exist that constitute a reason for exemption. A Contract Reporter exemption may be granted by the Officer(s) specified in Attachment A to these Guidelines, only if any of the following circumstances can be demonstrated:

Sole Source. Only one source for the goods or services is available. Three examples of sole source procurements: (i) proprietary software compatible with ESD operating systems that no-one else offers; (ii) a printer's warranty requiring that only a toner cartridge supplied by the manufacturer could be used without voiding the warranty; (iii) a vendor has developed a proprietary system for remediating contaminated land, unavailable from anyone else.

(a) Single Source. The required goods or services are available from two or more vendors, but a particular vendor is preferable because of specific factors such as, without limitation, past experience with a particular issue; familiarity with ESD's operations; experience with similar projects of ESD, other agencies or at other levels of government; demonstrated expertise; or capacity and willingness to respond to the situation. An example would be a competitively-procured environmental consultant who worked on an EIS for a project and now a Supplemental EIS is required for the same project; many consultants could do the work, but the original consultant's familiarity with the project justifies selection as a single source. Where a vendor's past experience or familiarity with ESD was gained through a non-competitively awarded contract, staff are strongly encouraged to conduct a competitive solicitation rather than pursue a single source exemption for that vendor to perform additional work. *In general, the Corporation's policy is to minimize the use of single source contracts and to maximize the use of competitive procurement methods.*

(b) Emergency Circumstances. Emergency circumstances exist when an urgent and unexpected situation arises which places public health or safety or the use or conservation of resources at risk and requires immediate action. Poor or late planning does not constitute an emergency. Contracts entered into as a result of an emergency situation should only cover the goods or services reasonably necessary to stabilize, ameliorate or remedy the situation. An example is a hazardous condition at a building owned by ESD; a contractor can be hired immediately to deal with the situation.

NOTE: Notwithstanding any Contract Reporter exemption that may be granted for any of the reasons set forth above, a reasonable attempt should be made wherever practicable to solicit at least three competitive bids, with written confirmation of the bids furnished within a reasonable time and maintained in the contract file. Also, any sole or single source contract awarded in the amount of \$50,000 or more should be published in the Contract Reporter (Economic Development Law, §143(4)). This publication requirement does not apply to contract amendments.

3.2. Authorization for Exemptions

The initiator of the proposed contract must complete a Contract Reporter Exemption form, signed by the Officer(s) specified in Attachment A to these Guidelines.

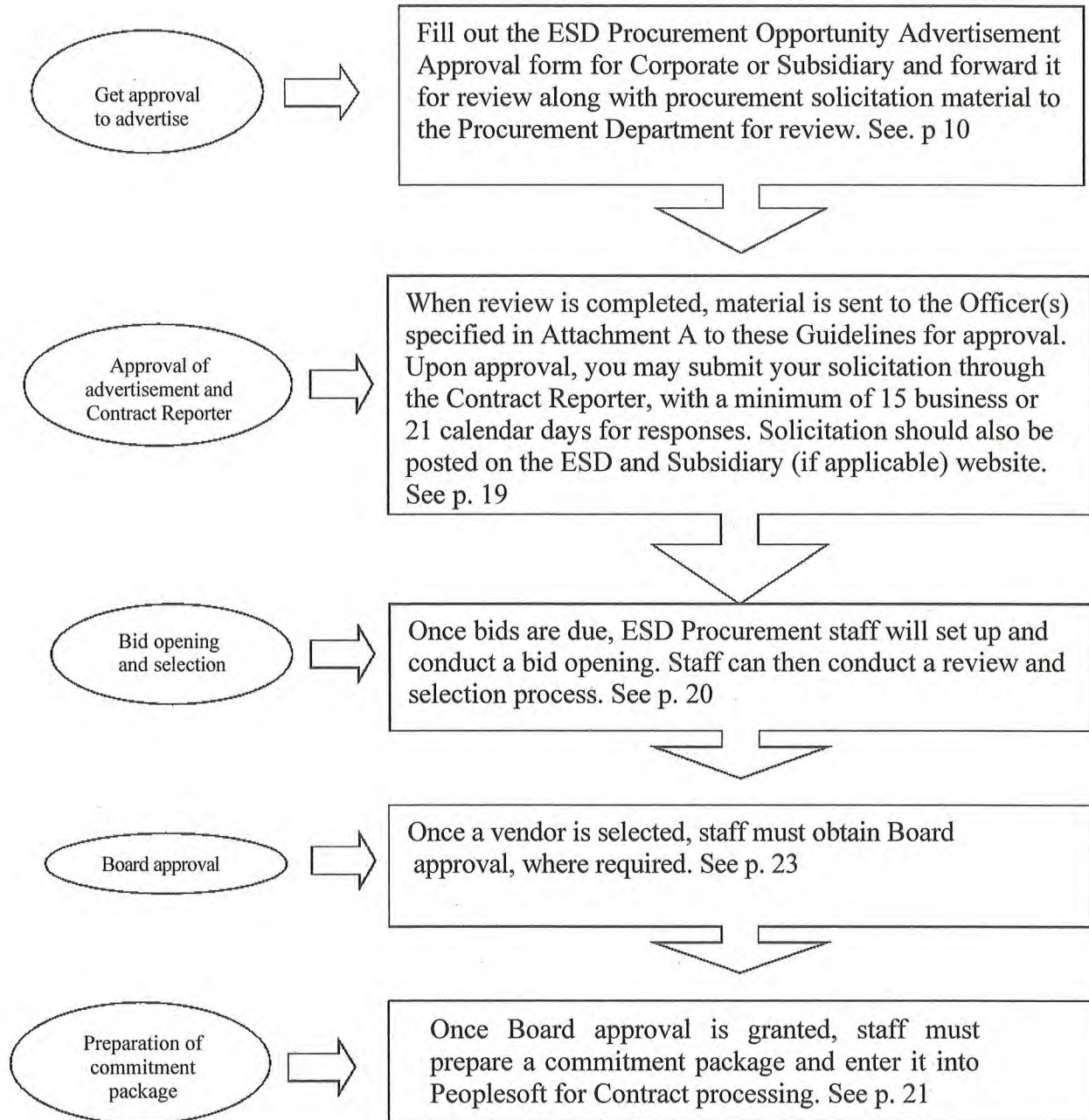
The memorandum requesting the exemption must document in reasonable detail: the circumstances establishing the exemption justification; a description of the goods or services to be acquired via the exemption; description of funding source; any alternatives considered; and the basis for determining that the cost of the proposed contract is reasonable under the circumstances. The Contract Reporter Exemption form can be found [here](#).

If the proposed contract amount is over \$250,000 or is a personal services contract that will last more than one year, the exemption authorization should be obtained before ESD Board or President approval. If the proposed amount is \$250,000 or less, and the term of the contract is less than one year, the exemption authorization should be obtained from the Officer(s) specified in Attachment A to these Guidelines, prior to contract execution and the commencement of any services or delivery of any goods.

Note that even if a Contract Reporter exemption is granted, compliance with SFL § 139-j and 139k (Lobbying Laws) and State Tax Law § 5-a must still be satisfied (see Section 8.1, p.12). Where appropriate, a statement from the staff initiator that the price obtained for the goods or service is compatible with market pricing must be presented with the exemption request.

At the time ESD enters into a contract with a single or sole source provider for an amount in \$50,000 or more, ESD should submit an announcement of the contract for publication in the NYS Contract Reporter and must identify the recipient of the contract.

4. How to Conduct a Competitive Solicitation



5. Approval to Advertise

Prior written approval of the Officer(s) specified in Attachment A to these Guidelines is required when you need to advertise a procurement opportunity, including Requests for Proposals (“RFPs”), Requests for Statements of Qualifications (“RFQs”) and Requests For Expression of Interest (“RFEIs”) (See Section 7: Types of Solicitation).

Note also that other approvals may be required to comply with State Division of Budget procedures (see Section 11.4). Submit the ESD Procurement Opportunity Advertisement Approval form (select [Corporate](#) or [Subsidiary](#)) to the appropriate officer at least 10 business days in advance of the relevant New York State Contract Reporter publication submission date (the Contract Reporter is published daily).

6. Contents of ANY Procurement Solicitation

For all Procurement Contracts (see section 1.1), whether the procurement is formal (such as an RFP, RFQ or RFI) or informal (such as procurement for less than \$50,000, or a Discretionary Purchase from an MWBE or SDVOB for up to \$500,000, or procurement from a pre-qualified list) the same basic information should be included in the solicitation:

- (i) What goods are being sought or what scope of services is desired;
- (ii) What the projected length (“term”) of the resultant contract will be;
- (iii) What criteria will be used in evaluating bids, and how those criteria are weighted. For example, price, bidders’ expertise, the qualifications of the proposed staff; past history of government contracts, references/testimonials, understanding of ESD’s mission, and either diversity practices (commitment to sound diversity practices within the firm) or a firm’s status as a certified MWBE and/or SDVOB¹;
- (iv) A schedule of relevant dates (when bid is due, when questions may be asked or briefing meetings/interviews held, etc);
- (v) Contact information for a designated contact at ESD who is the only person at ESD to whom communications about the solicitation may be directed. Failure to abide by this requirement may result in disqualification of the bidder.

¹ Program regulations provide that ESD can either score a firm’s diversity practices or the firm’s status as a certified MWBE, but not both in the same procurement. So, if certified firms are likely to respond, then the solicitation should request proof of certified status. But if it is more likely that no MWBE will respond to a solicitation, the solicitation should request diversity practice information instead. In either event, this factor must not exceed 10% of the overall technical score.

(vi) ESD's insurance requirements (obtained from Contract Administration for all solicitations);

(vii) ESD's contractor and supplier diversity requirements: MWBE and SDVOB goals, if applicable (goals should be identified before seeking approval to advertise);

(viii) Disclosure to bidders that they must be able to demonstrate that they are responsible bidders, in good standing under the laws of New York and capable of fulfilling the requirements of the contract, and untainted by past non-performance or criminality;

(ix) A copy of the ESD standard terms and conditions to which the successful bidder will be expected to agree. This will generally be ESD's Schedule A - Standard Terms and Conditions (For [Materials and Services](#) or for [Law Firms](#)). IMPORTANT: ESD's standard terms and conditions must be sent to potential vendors as early in the process as possible, to avoid later disputes about terms.

(x) VENDREP Form where needed (See Section 8.13);

(viii) Proof that the vendor is authorized to do business in New York State, if services are to be performed in New York State. Generally, this will require NYS Department of State Registration, which can be checked [here](#);

(ix) Encouragement of use of New York State businesses as sub-contractors or suppliers (See Section 8.6).

A template for informal solicitation language can be viewed [here](#).

7. Types of Solicitations

7.1. General

There are a number of procurement techniques available, including Request for Proposals (RFP) and Request for Statements of Qualifications (RFQ) and, rarely, Requests for Expressions of Interest (RFEI). When selecting among these various approaches, the determining factors are:

- The importance of price or cost as a component in the review of incoming bids or proposals; and
- The ability to define specifications for goods or services being acquired, or to obtain those specifications from potential vendors (where the RFEI may be useful).

Generally, contracts for goods are to be awarded on the basis of "lowest price" and contracts for services are to be awarded on the basis of "best value" among responsive and responsible vendors. "Best value" is the basis for awarding service and technology contracts to the vendor that optimizes quality, cost and efficiency, among responsive and responsible

vendors. The basis for a “best value” contract award must be, wherever possible, quantifiable. However, all procurement solicitations issued by ESD are to be guided by the same basic principles:

Clarity: Procurement documents should clearly convey to vendors what ESD wants to buy;

Fairness: No vendor should be advantaged over another. All information concerning the solicitation shall be conveyed in writing to all vendors participating in the process, including but not limited to process rules and evaluation criteria (note that vendors must submit a statement of non-collusion (see s. 7.2 below)

Openness: All relevant vendors should have an equal opportunity to respond to the offering.

Disclosure of Selection Criteria: The criteria for awards should be developed before bids/proposals are received. Vendors should know generally the basis upon which their offers are being judged. Note that if cost is weighted below 20%, a written justification for such weighting should be prepared and included in the Procurement Record;

Efficiency: The process should be efficient, fair and able to withstand public scrutiny.

7.2. Requests for Proposals (“RFP”)

RFP solicitations may range from relatively uncomplicated procurements to highly complex, long term efforts involving the significant commitment of both ESD and vendor resources. RFPs follow a common format, focusing on a description of tasks including, but not limited to:

- Description of program objectives and background;
- Scope of services to be provided;
- Detailed requirements or specifications (required qualifications of vendors, “what” is needed and “how” services should be provided). Note that the terms of the RFP may not be knowingly tailored to favor a particular vendor;
- Statement of Non-Collusion, Required by s. 2878 of the Public Authorities Law (responders must certify that they have not colluded with any other responder(s) in their proposal).

Click [here](#) to view ESD’s standard RFP template.

7.3. Requests for Statements of Qualification (“RFQ”)

RFQs are appropriate for retention of qualified pools of contractors to provide defined types or scopes of services (and, rarely, goods) required by ESD on a regular or semi-regular basis as the need arises. Competitive establishment of a pool or list of pre-qualified vendors is appropriate,

for example, in the case of contractors or property appraisers. If ESD has established a list of pre-qualified contractors, unless services will be rendered by all qualified vendors at rates not to exceed a pre-set maximum, three quotes should be obtained from vendors on the list, and/or from vendors known to ESD outside the list. Amendments to contracts with vendors selected from a pre-qualified list should also follow this mini-bid process (and comply with all requirements in Section 9.2).

Where a vendor's eligibility to be on a pre-qualified list is contingent upon the vendor's agreement that professional services will be rendered at pre-established rates, or will not exceed certain limits, this solicitation should be accomplished through an RFP.

After ESD has established a list of pre-qualified vendors, staff may enter into open retainer contracts (sometimes called "Term Contracts") with one or more vendors on the list, for no set dollar amount but, in the case of personal services, not to exceed a term of three years. This process facilitates the use of purchase orders against the contract, and Board or President/CEO approval, if required, can be obtained at such time as a scope of services and dollar amount are identified, or if the term will be extended beyond one year. All transactions executed as part of a Term Contract will follow standard approval procedures as per sections 9 and 10 of these guidelines. Please consult with Procurement and Legal if you wish to enter into such an arrangement.

7.4. Requests for Expressions of Interest ("RFEI")

RFEIs are generally appropriate when ESD does not know the precise scope of services or goods required, and wishes to obtain this information from prospective vendors. An example would be a proposal for adaptive re-use of ESD or other State surplus property, where the re-use is likely to be dependent on the prospective respondents' needs or ideas.

8. Compliance with Other Laws

8.1. Compliance with State Finance Law § 139-j and 139-k (Lobbying)

State Finance Law ("SFL") § 139-j and 139-k apply to all Procurement Contracts over \$15,000, regardless of whether the contract was competitively bid.

Among other things, SFL § 139-j and 139-k: (i) govern permissible communications between potential vendors, and staff of ESD, its subsidiaries, or other involved governmental entities during the procurement process; (ii) require the disclosure of such communications, as well as prior determinations of vendor non-responsibility; and (iii) establish sanctions for knowing and willful violations of such provisions, including disqualification from eligibility for an award of any contract. Specifically, SFL § 139-j and 139-k require that only permitted ESD and subsidiary contact person(s) identified in solicitation materials may communicate with potential bidders regarding the solicitation, from the issuance of the earliest written notice of a Request for Proposal through the final award and approval of any resulting contract. This period is defined by law as the "Restricted Period."

SFL § 139-j (6)(b) also requires potential vendors to complete the Offerer's Affirmation of Understanding and Agreement to comply with ESD's procedures relating to permissible contacts. This written affirmation is deemed to apply to any amendments to a procurement submitted by ESD after an initial affirmation is received with an initial bid.

SFL § 139-k governs the disclosure of prior non-responsibility determinations by potential vendors. SFL § 139-k(5) requires potential vendors to certify that the information they provide to ESD for consideration in its determination of vendor responsibility is true and accurate.

Therefore, all prospective vendors must complete and submit two forms mandated by SFL § 139-j and § 139-k as part of their proposals: 1) [the Offerer's Affirmation of Understanding and Agreement](#); and 2) [the Offerer's Disclosure of Prior Non-Responsibility Determinations](#).

When contacted during the Restricted Period, ESD staff must obtain the following information: the name, address, telephone number, place of principal employment and occupation of the person or organization making the contact. Further, ESD staff must inquire whether the person or organization making the contact was the offerer or retained, employed or designated by the offerer. All such recorded contacts must be included in the procurement record for the procurement contract.

In addition, ESD staff must record any contacts that reasonably appear to be an attempt to influence the procurement process as well as contacts with staff members other than the designated contact person(s) during the Restricted Period of procurement. However, SFL § 139-j and 139-k do not prohibit an offerer from communicating with a member of the State legislature or legislative staff about a government procurement, provided such member of the State legislature or legislative staff is acting in his or her official capacity. If a vendor is found to have knowingly and willfully violated the State Finance Law provisions, that prospective vendor and its subsidiaries, related or successor entities will be determined to be a non-responsible vendor, and will not be awarded any contract issued pursuant to the solicitation. Two such findings of non-responsibility within a four-year period can result in debarment from obtaining any New York State government procurement contract.

For further guidance, ESD staff engaged in the procurement process should review [ESD's policy regarding permissible lobbying contacts](#), and the [required language for solicitations by ESD and its subsidiaries](#) to ensure compliance with SFL § 139-j and 139-k. See also the OGS website on procurement lobbying, found at <https://ogs.ny.gov/acpl>.

Note that, once a recommended vendor has been selected after compliance with the competitive bidding process, it may be necessary for staff members to negotiate contract terms, etc., with the designated vendor. Those negotiations are not prohibited, and need not be conducted only by the

designated contact person, although it is good practice to have the contact person present. However, any communication from a person other than the vendor that may reasonably be considered to be an effort to influence the negotiation of a contract (either positively or negatively) is an impermissible contact and must be reported as such. For example: an ESD employee who is in the process of negotiating the terms of a land development deal which the Board has not approved, receives a call from an outside person saying that the vendor should get more development land because the vendor has a wonderful track record. Such a call

constitutes lobbying and must be reported as such. The caller should be informed that the call will be reported, and asked to communicate directly with the designated contact person in the future.

8.2. Compliance with State Tax Law § 5-a (Sales Tax Registration)

State Tax Law § 5-a prohibits ESD and its subsidiaries from approving any contract valued at more than \$100,000 with any entity if that entity or any of its affiliates, subcontractors or affiliates of any subcontractor makes sales within New York State of tangible personal property or taxable services having a value over \$300,000 during the four quarters preceding the proposed contract date, and is not registered with the Department of Taxation and Finance (“DTF”) for sales and compensating use tax purposes.

Accordingly, all respondents to a solicitation where the amount of the contract is expected to exceed \$100,000 must include in their responses a properly completed [Form ST-220-CA](#). However, if a vendor is not registered with DTF because of a lack of sales of over \$300,000 within the relevant period, the vendor must submit an [affidavit so certifying](#). Note also that § 5-a does not apply to contracts for architectural, engineering or surveying services. If in doubt, contact the ESD legal department after having reviewed [DTF Publication 223](#).

Failure to include a properly completed form ST-220-CA or affidavit may be a basis for considering any such response incomplete. However, the vendor or respondent should be given an opportunity to [cure such failure](#), because some agencies do not require the form until contract signing, and vendors may not realize that ESD practice is different. Only the primary respondent vendor completes Form ST-220-CA, but Schedule A to Form ST 220-CA requires detailed information from the vendor’s sub-contractors, such as tax ID number, etc. If applicable, certificates of authority evidencing registration with DTF for sales tax purposes must be attached by the prime vendor and all the sub-contractors.

Further in accordance with the requirements of § 5-a, any contract resulting from a solicitation will require periodic updating of the certifications contained in Form ST-220-CA.

8.3. Compliance with Executive Order 177 (Prohibiting Contracts with Entities that Fail to Address Discrimination)

EO 177, issued on February 3, 2018, directs all State agencies, including public authorities, to amend their procurement procedures to prevent contracting with entities that have institutional policies or practices that fail to address the harassment and discrimination of individuals on the basis of their age, race, creed, color, national origin, sexual orientation, gender identity, military status, sex, marital status, disability or other protected basis. As of June 1, 2018, all ESD contracts must contain a representation that the vendor’s policies or practices do not fail to address harassment and discrimination.

8.4. Compliance with Executive Law Articles 15-A & 17-B: Contractor and Supplier

Diversity

Background

All Procurement Contracts must comply with the requirements of Executive Law Article 15-A, which governs the New York State MWBE Program. The purpose of the MWBE Program is to eliminate historic barriers to participation by minority and women-owned business enterprises in State contracting. The MWBE Program contributes significantly to ESD's mission of promoting a growing State economy; encouraging business investment and job creation; and supporting diverse, prosperous local economies across the State. Staff should be familiar with the [MWBE Operations Primer](#) published by the Division of Minority and Women's Business Development to ensure compliance with MWBE-related laws and requirements.

All Procurement Contracts must also comply with the requirements of Executive Law Article 17B, which acknowledges that SDVOBs strongly contribute to the economies of the State and the nation. Staff should familiarize themselves with the [SDVOB Operations Guidance and the Guidelines for the Use of Set Aside Contracts with SDVOBs](#) published by OGS to ensure compliance with SDVOB-related laws and requirements.

ESD staff are expected to encourage the use of MWBEs and SDVOBs in all procurements, including any amendments to existing contracts. Staff must reach out to the Office of Contractor and Supplier Diversity ("OCS") as early as possible in the procurement process in order to facilitate goal-setting for each contract. Additionally, upon advertising a solicitation for a new opportunity, staff should consider publicly posting a list of State-certified MWBEs or SDVOBs who have expressed interest in subcontracting opportunities in connection with the solicitation. Click here for an example of how to advertise interested MWBEs and SDVOBs:

<https://esd.ny.gov/sites/default/files/rfp/MWBE%20BGA%202019%20Listing%20of%20Certified%20Firms%20Expressing%20Interest.pdf>

Executive Order 162

Pursuant to Executive Order Number 162 ("EO 162"), all New York State contracts, agreements and procurements issued and executed on or after June 1, 2017 require contractors to submit detailed workforce utilization reports that include the job title and gross wages of each employee of a contractor and subcontractor performing work on a State contract either or each employee in the contractor's and subcontractor's entire workforce, if the individuals working directly on a State contract cannot be identified. A State contract includes all agreements in excess of \$25,000 for services and commodities, and all agreements in excess of \$100,000 for construction. Contractors and subcontractors performing work on construction contracts with a total value in excess of \$100,000 are required to submit workforce utilization reports to on a monthly basis, within ten (10) days of the end of that month. Contractors and subcontractors performing work on commodities and service contracts with a total value in excess of \$25,000 are required to submit workforce utilization reports to on a quarterly basis within ten (10) days of the end of that quarter.

Goal-setting

All State contracts, including revenue contracts, as defined in State Finance Law Section 139-j, exceeding \$25,000 for commodities or services and \$100,000 for construction must be assessed for MWBE & SDVOB goals. For ESD's purposes, a State contract includes commodities procurements, professional services contracts, loans, grants, and leases of real property involving construction, demolition, replacement, and major repairs or renovation.

OCSD is responsible for ensuring ESD's compliance with the MWBE and SDVOB Programs. OCSD works with ESD program staff (project managers, program directors, originators and procurement officers) to determine if a contract is eligible for MWBE and SDVOB goal setting, exempted² from goal setting, or excluded³ from goal setting.

It is important to note that whole projects cannot be assessed for goals; rather individual contracts must be assessed for goals.

OCSD may determine that an MWBE goal below the agency-specific goal of 30% is appropriate because there are limited or no subcontracting opportunities and/or limited or no availability of certified MWBEs to perform or provide specific good or services. All goals of less than 30% MWBE participation, other than a zero goal determination, must be forwarded to the Executive Chamber for review and must include documentation to reflect the reason for goal reduction.

Waiver Requests

A firm responding to a solicitation or already engaged on an ESD contract, after making good faith efforts to achieve the maximum feasible portion of an MWBE and/or SDVOB participation goal, may submit a [Waiver Request Form](#) to OCSD with appropriate information documenting its "good faith efforts"⁴ to meet its goals. The waiver process includes reviews by: OCSD and the OCSD Counsel. The Executive Chamber must approve MWBE waiver requests before a waiver before it can be issued.

MWBE waivers must be sought even if the overall MWBE goal is met but either the Minority-owned Business Enterprise or the Women-owned Business Enterprise component of the MWBE goal is not met in part or in full. SDVOB waivers must be sought if the assessed goal is not achieved.

² "Exemptions" are defined contracts which are excluded from MWBE and SDVOB goal setting. Some examples of exemptions are wages, benefits, and other employee-expenditures; debt service; travel reimbursement; utilities; OGS centralized services; sole source contracts (subject to there being no MWBE or SDVOB available to participate as sub-contractor when subcontracting is appropriate); postage; telephones; operating transfers; certain rentals and repairs; and special departmental charges (i.e. unemployment insurance and tuition reimbursement).

³ "Exclusions" are contracts that either do not have subcontracting opportunities or no availability of certified MWBEs or SDVOBs to perform or provide specific goods or services. In cases where a contract is awarded by a means other than an RFP, including, but not limited to,

discretionary purchases and single source contracts, **DMWBD/OGS will only grant an exclusion if MWBEs or SDVOBs are solicited to participate as prime contractors or no MWBEs or SDVOBs are available to participate as prime contractors.**

⁴ “Good Faith Efforts” are the actions that all contractors must demonstrate to certify they have performed their due diligence to solicit MWBE and SDVOB participation in support of their State contract goals. Good Faith Efforts requirements are outlined in 5 NYCRR §142.8 (MWBEs) and 9 NYCRR § 252.2(n) (SDVOBs). A waiver of MWBE or SDVOB goals will not be granted unless the contractor has provided documentation of good faith efforts. In addition to completing a waiver request form, the contractor shall also provide OCSD with supporting information including, but not limited to:

- A statement setting forth the basis for the waiver request;
- The names of general circulation, and trade association publications in which certified MWBE/SDVOBs were solicited for the purposes of complying participation goals related to this contract;
- A list identifying the date(s) that all solicitations for certified MWBE/SDVOB participation were published in any of the above publications;
- A list of all certified MWBEs appearing in the [NYS Directory of Certified Firms](#) and all certified SDVOBs appearing in the [OGS Directory](#) that were solicited for purposes of complying with the participation goals;
- Copies of notices, dates of contact, letters, and other correspondence as proof that solicitations were made in writing and copies of such solicitations to all certified MWBEs/SDVOBs;
- Copies of responses to solicitations received from certified MWBEs/SDVOBs;
- Copies of bid prices from all respondents to a solicitation; and
- A description of any contract documents, plans, or specifications made available to certified MWBEs/SDVOBs for purposes of soliciting bids and the date and manner in which these documents were made available.

In the event that a waiver is not granted or approved by one or all of the above parties, OCSD may assess liquidated damages or seek settlement in accordance with the MWBE and/or SDVOB Regulations and the provisions of the contract language.

Where practical, feasible and appropriate, ESD shall promote and encourage participation by MWBEs and SDVOBs in the selection and award of all contracts. Such MWBE and SDVOB participation shall be documented in a regular supplement, prepared by OCSD, for inclusion in the quarterly and annual reports made by Contracts Administration to the Board. To assist in the gathering of this information, the originator must provide OCSD with a completed Utilization Plan of MWBE and, separately, SDVOB Participation, from the potential contract awardee, for OCSD's review and approval, prior to contract award. The required forms are accessible at <http://intranet.empire.internal/financeProcurement.asp> or <https://esd.ny.gov/about-us/corporate-info> (scroll down to “Non-Discrimination and Contractor & Supplier Diversity Forms”).

8.5. Compliance with Iran Divestment Act of 2012

Every bid or proposal made to ESD pursuant to a competitive solicitation as provided in these Guidelines must contain the following statement, signed by the bidder or respondent and affirmed as true under penalty of perjury:

"By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each bidder is no on the list created pursuant to paragraph (b) of subdivision 3 of section 165-a of the State finance law The list in question is maintained by OGS and is available here:

<http://www.ogs.ny.gov/about/regs/docs/ListofEntities.pdf>. No bid that fails to certify compliance with this requirement may be accepted as responsive, unless the bidder includes a statement in compliance with the Iran Divestiture Act (contact the Legal Department for guidance in such a case).

8.6. Encouragement of use of New York Businesses as sub-contractors and suppliers.

The Secretary to the Governor has issued a directive that provides that all vendors who anticipate using sub-contractors or suppliers to fulfill procurement contracts must be encouraged (but not required) to use New York State businesses. All procurement solicitations of any kind must include specific language aimed at such encouragement. The model language can be found at <http://intranet.empire.internal/Finance/USEOFNYSBUSINESSES.pdf>

8.7. Project Sunlight

Project Sunlight is an important component of the Public Integrity Reform Act of 2011. Under this law, State governmental entities specified in the law are required to cooperate with the Office of General Services (OGS) and identify in a database developed by OGS all individuals, firms or other entities (other than State or local governmental agencies) that appear before such entity on behalf of themselves or in a representative capacity on behalf of a client or customer for any of various specified purposes. This includes appearances related to (a) procurement, (b) ratemaking, (c) regulatory matters, (d) judicial or quasi-judicial proceedings, (e) adoption or repeal of a rule or regulation.

Project Sunlight's reporting requirement for procurement appearances applies to those appearances that are for the purpose of procuring a State contract, irrespective of whether there is a governmental procurement planned. Thus, reporting is required for appearances relating to State contracts for which a Restricted Period under the Procurement Lobbying Law has not been established and without regard to whether a governmental procurement is anticipated. Appearances during the Restricted Period—whether they are bid clarification meetings or bid interviews or any other permissible contact under the State Finance Law do not need to be reported. As well as, appearances following the award of a State contract do not need to be reported.

8.8. Publication on ESD Website

Competitive solicitations must be made available on the ESD (and subsidiary, if applicable) website after advertisement in the NYS Contract Reporter. This website is also the appropriate place to post Questions and Answers regarding the procurement.

8.9. Contract Reporter Advertising Process

As stated above, ESD must advertise in the New York State Contract Reporter all contracts for the acquisition of goods and services of \$50,000 or more, unless an exemption is granted. In

order to access the online system and place the advertisement, the initiator should contact Contracts Administration.

The minimum time for vendors to respond to a Contract Reporter solicitation is 15 business days (i.e., Saturdays, Sundays and legal holidays are excluded). The Contract Reporter website provides authorized users with a publication calculator tool in order to calculate the earliest due date for a solicitation.

Where practicable, staff members responsible for a proposed Procurement Contract should make reasonable efforts to identify potential vendors in addition to those identified through the Contract Reporter. This may be done by obtaining referrals from other governmental entities that may have similar requirements, reviewing reference directories, mailing solicitation materials to industry associations and/or known vendors and mailing to lists of appropriate MWBEs, listed at <https://ny.newnycontracts.com/FrontEnd/VendorSearchPublic.asp>, as well as any appropriate SDVOBs, listed at <https://online.ogs.ny.gov/SDVOB/search>

8.10. Selection Criteria

Written selection criteria shall generally be established for each proposed Procurement Contract and shall be included in any written solicitation materials. The relative weighting of the selection criteria should be set out in the RFP wherever practicable and, in the absence of written weighting, each criterion shall be deemed to have the same weight.

The selection criteria shall generally include price as an important factor to be considered in the selection process; however many ESD procurements are based on “Best Value,” which allows for factors other than price to be taken into account. Such factors commonly include the quality of goods and services, the experience of the vendor and specific expertise with respect to the goods or services to be supplied. See also Section 7.1 above if price is weighted at less than 20%.

Starting in January 2020, for MWBE prime contractors, a ten percent bidding credit was established for low-bid construction projects subject to public buildings law §8 that are up to \$1.4 million in value.

8.11. Bid Opening Procedures

All proposals should be received by the Procurement Department (unless the Procurements Director directs otherwise), and immediately should be stamped with the date and time of receipt. **Do not open any bid packages for any reason before the formal bid opening.** ESD staff members representing Contracts Administration, Procurements, Legal and the initiating Department/Subsidiary should be present at bid openings in person or by teleconference. Bids shall be opened by the Procurement Director or his/her designee, and the time and date of receipt shall be entered into the Bid Log, which must be signed by all staff members present. Teleconference participants must confirm their presence by email to the Procurements Director. The Bid Log shall also record the presence of SFL 139j-k and ST-220 forms in the bid.

A **Public Bid Opening is required** for Public Works contract solicitations, pursuant to UDC Act § 11 (which incorporates by reference State Finance Law § 135). This section generally covers bids for construction work on public projects, and may include preparatory work such as demolition, asbestos abatement and the like. ESD or a subsidiary must be a party to the contract,

which must involve the use of laborers, mechanics or workers (not, for example, architects and engineers). Construction contracts must be awarded to the lowest qualified and responsible bidder. See UDC Act § 11. The definition of a “Public Work” is more a matter of art than law: if in doubt as to whether the contract is for Public Work, contact the Legal Department for guidance.

8.12. Bid Evaluation and Vendor Selection

The initiating Department Head should establish, as early as practicable prior to bid opening, a team of at least three ESD staff members with relevant knowledge and experience of the goods and/or services being procured. One member should come from Contracts Administration or Finance. In some cases, one or more non-ESD team members may join the review team, where those persons have specific knowledge of the procurement subject, or a specific role to play in the administration of the contract with the successful bidder. This involvement of non-ESD persons is appropriate because § 2824 (1) of the Public Authorities Law permits authorities such as ESD to “take into consideration the views and policies of any elected official or body, or other person” in the exercise of its powers and duties, provided that ESD must “apply independent judgment in the best interest of the authority, its mission and the public.” If non-ESD staff is included in the review team, the team must be expanded in number such that a majority will always be ESD staff members.

Analysis of the proposals and/or bids submitted and the award of the contract shall be documented in reasonable detail. Award to anyone other than the low bidder must include in the documentation the reason the low bidder was not selected.

In reviewing bids, all members of the team must complete and sign scoring sheets that rate each bidder according to the selection criteria and weighting set out in the RFP. Scoring sheets must not include anything other than numerical ratings (i.e., no comments/opinions/notes, etc). Original scoring sheets must be signed and retained by the Procurements Director as part of the Procurement Record.

Category	Factors to be considered include, but not are limited to:
Financial and Organizational Capacity	Assets, liabilities, recent bankruptcies, equipment, facilities, personnel resources and expertise, and proper auditing and accounting controls.
Legal Authority	Authority to do business in New York State, licenses, and registrations.
Integrity	Criminal indictments or convictions, civil fines and injunctions imposed by other agencies, anti-trust investigations, ethical violations, tax delinquencies, or debarment by federal, State or local governments.
Previous Contract Performance	Reports of less than satisfactory performances, early contract termination for cause, contract abandonment, court determinations of breach of contract.

8.13. Determination of Responsibility – “CLIP Review” and the VendRep form

Pursuant to State Finance Law § 139-j(7), ESD or the Subsidiary Board must determine that a vendor or respondent is a responsible contractor, prior to approving the award of a contract. In any event, whether or not a formal Determination of Responsibility is sought from the relevant Board, the initiator should ensure that all vendors are “responsible.” There are two methods of

ascertaining vendor responsibility: “CLIP” review. This review involves an assessment of responsibility in four categories: **For all procurements, the initiator must submit a memo to the Procurements Director attesting that the initiator conducted a CLIP review and finds the vendor to be responsible and indicating what steps were taken to make that determination.** View [Determination of Responsibility form](#). In addition to consulting the resources listed on the Determination of Responsibility form, staff may find it useful to consult OSC’s list of suggested resources, at <http://www.osc.State.ny.us/vendrep/webresources.htm>, or review OGS’s bulletin of [best practices](#) for determining vendor responsibility.

CLIP review is not needed for procurements from the OGS Centralized Contracts list.

- The OSC VendRep Questionnaire, which should be used wherever possible and is required for all purchases of \$100,000 or more. This form seeks information about the vendor, its affiliates and subsidiaries, officers and owners, past responsibility determinations by agencies and investigations/prosecutions. It must be notarized, and false statements may be actionable and in some cases may be criminal. The VendRep forms for different types of vendors can be accessed here: www.osc.state.ny.us/vendrep/webresources.htm.

If a vendor is considered to be non-responsible, steps must be taken to afford the vendor due process rights, including an opportunity to explain its position in writing and, in some cases, at a meeting. Consult the ESD Legal Department in such cases, after having reviewed the information at <https://nyspro.ogs.ny.gov/sites/default/files/uploaded/OSCBestPracticeforVendorResponsibility.pdf>.

Pursuant to Governor Cuomo’s Executive Order No. 192, issued on January 15, 2019, all vendors, suppliers, service firms and most other contractors to State agencies and Public Authorities (such as ESD), must remain “responsible” throughout the term of the contract. There are serious consequences if contractors maintain responsible. This requirement is expressly included in ESD standard contracts, being set forth in **Schedule A**.

8.13.1. Cancellation of a Solicitation

On occasion, the competitive solicitation process does not yield any satisfactory responses and ESD wishes to pursue other methods of procurement. To notify the public that ESD has cancelled a solicitation, the initiator should (1) inform all respondents via phone call (which should be documented for the procurement record), letter or email of the cancellation and (2) publish or post notice of the cancellation in each place that the solicitation was published (usually the Contract Reporter and the ESD website) for no less than 2 weeks. If the decision is made to re-advertise the opportunity, the project team should scrutinize the initial solicitation document to determine whether any restrictions can be lifted or the document can otherwise be revised to produce better results.

8.14. Procurement Record

The initiator shall be responsible for creating and maintaining a record of the procurement process. Such record shall contain documentation related to the procurement process, any competitive solicitation exemption, proposals and/or bids received, scoring sheets, vendor responsibility documentation and other documents prepared or used by the bid reviewers in their

vendor selection process. Note that final scoring sheets must be sent to the Procurements Director before a contract is executed.

8.15 Conflicts of Interest

Respondents must have read, understood and comply with the provisions of the conflict of interest attestation found here:

<https://esd.ny.gov/sites/default/files/Conflict-of-Interest-Attestation-June-2019.pdf>

ESD shall have the right to disqualify any Respondent to this RFP or terminate any contract entered into as a result of this RFP should ESD determine that the Respondent has violated any of these requirements.

a. Gifts and Offers of Employment: Respondent has not and shall not during this procurement and during the negotiation of any contract resulting from this procurement, offer to any employee, member or director of ESD, any gift, whether in the form of money, services, loan, travel, entertainment, hospitality, thing or promise, or in any other form, under circumstances in which it could reasonably be inferred that the offer was intended to influence said employee, member or director, or could reasonably be expected to influence said employee, member or director, in the performance of the official duty of said employee, member or director or was intended as a reward for any official action on the part of said employee, member or director. Respondent may not make any offers of employment or discuss the possibility of such offers with any employee, member or director of ESD who is involved in this procurement and/or resulting contract negotiation within at least 30 days from the time that the employee's involvement in this matter closed.

b. Disclosure of Potential Conflicts: Respondent shall disclose any existing or contemplated relationship with any other person or entity, including relationships with any member, shareholders of 5% or more, parent, subsidiary, or affiliated firm, which would constitute an actual or potential conflict of interest or appearance of impropriety, relating to other clients/customers/employers of the Respondent or former officers and employees of ESD, in connection with your rendering services enumerated in this RFP. If a conflict does or might exist, Respondent must describe how it would eliminate or prevent it.

c. Disclosure of Ethics Investigations: Respondent must disclose whether it, or any of its members, shareholders of 5% or more, parents, affiliates, or subsidiaries, have been the subject of any ongoing investigation or disciplinary action by the New York State Commission on Public Integrity or its predecessor State entities (collectively, "Commission"), and if so, a description must be included indicating how any matter before the Commission was resolved or whether it remains unresolved.

9. Contract Approval

Procurement Contracts in amounts of **\$250,000 and under** that will be completed within one year (for services contracts) must be approved by the Officer(s) specified in Attachment A to these Guidelines. Board approval is not required for these contracts, but contracts **between**

\$50,000 and \$250,000 (or for subsidiaries, whatever the board approval threshold is) must be approved by the President of the ESD (or subsidiary) Board or his or her designee.

Procurement Contracts priced at **over \$250,000**, as well as contracts for any amount involving personal services to be rendered over a period in excess of one year, must be approved by the ESD (or subsidiary) Board.

Note that **insurance policies, warranty and product maintenance/support/lease contracts (including but not limited to auto and equipment leases and software support services)** are not considered personal service contracts and do not require approval by the Board unless the amount of the contract is over \$250,000 in aggregate through its term. All contracts with a technology component must be approved by ESD's Information Security Officer or designee prior to execution or Board approval.

9.1. Board Materials

The initiator writes a memorandum from the respective Department Head to the Officer(s) specified in Attachment A to these Guidelines, explaining the need for the contract. View [Model Directors' Materials for Procurement Contracts](#) (these materials can also be used for obtaining approval of the President or his or her designee by adding a [CEO/Designee Approval Cover Memo](#)).

The Board materials must set out:

- a. the need for goods and services;
- b. a brief description of the goods or services needed;
- c. the expected maximum cost of the proposed goods or services;
- d. the selection process used to determine an award based on best value, or where not quantifiable, the justification which demonstrates the best value will be achieved; and
- e. the funding source.

9.2. ESD Contract and Approval - Contracts Over One Year.

- a. If staff anticipates that a contract may need to be extended beyond one year, ensure that Board approval is requested and that the materials and resolution specifically permit an extension of the contract. Once Board approval is obtained, the contract with the vendor must contain a clause that specifically permits extension. If the contract does not contain such a clause, and the contract needs to be extended, Contract Reporter advertising is required unless an exemption is granted.

- b. **Contracts for personal services** to be rendered over a period of more than one year, regardless of the amount of the contract, which must have been approved by the Board, must in addition be reviewed annually by the ESD (or subsidiary) Directors, pursuant to Public Authorities Law § 2879.3(b)(ii). The initiating Department Head must provide an annual report setting forth the status of all continuing services contracts, together with justification for the continuance of such contracts for the next year. This annual status report can be made to Contracts Administration by filling out a contract summary/contract status report. The annual status reports will thus serve to clarify the need to continue existing multi-year service provider contracts. Note also that warranty and product maintenance/support/lease contracts (including but not limited to auto and equipment leases) are not considered personal service contracts.
- c. Contract documents should be fully executed and delivered by both parties prior to the commencement of any work. However, if in the discretion of the initiating Department Head it is essential that work on the contract be commenced before the formal contract documents have been approved, and before Board or President approval if required, the officer named in Attachment A to these Guidelines may issue a letter authorizing a contractor to commence work pending completion and execution of formal contract documents ("**Notice to Proceed**"), provided that:
 - i. the contract is not subject to OSC approval (See Section 10.5); and
 - ii. the authorization contained in the Notice to Proceed is (a) \$250,000 or less and (b) does not exceed 20% of the total contract value; and
 - iii. the initiating Department Head seeking the Notice to Proceed obtains in advance, via memorandum (with copies sent to Contract Administration and Procurement) an explanation in reasonable detail the need for the immediate commencement of contract performance, and the written authorization of the Officer(s) specified in Attachment A to these Guidelines.

d. **Contract Amendments**

- i. **Amendments to existing contracts** generally follow the same process as new contracts, i.e., any amendment over \$50,000 needs to be advertised in the Contract Reporter, exempted, or awarded to a firm on a pre-qualified list after soliciting bids from three other firms including at least one MWBE firm and one SDVOB firm. An Amendment Package must be sent to Contracts Administration for approval and processing (see Commitment Request Package on the next page for guidance). The same documents, such as justification memo/contract status report, commitment request form and/or standard amendment form must be generated. If the proposed amendment will involve a new Contract Reporter advertisement or other solicitation, the requirements of SFL §139-j and 139-k and State Tax Law § 5-a will apply, and in any case, new certifications may be required. Note that an amendment to an existing contract that causes the aggregate amount of the contract to exceed \$1 million may be subject to OSC approval, regardless of the amount of the amendment and source

of funds. If the proposed amendment will be for a different scope of work, the process for a new contract should be followed

- ii. Amendments that increase the **contract amount** to more than \$250,000 must be approved by the ESD (or subsidiary) Directors. Amendments for less than 10% of the original contract amount (or the contract amount as subsequently approved by the Board) may be executed by the ESD officer named in Attachment A to these Guidelines without further Board approval, unless the amendment increases the contract to an amount above \$250,000 and Directors' approval has not been previously obtained.
- iii. If a proposed amendment to a contract for personal services will increase the **term** of the contract to more than one year, Board approval is necessary, and Contract Reporter advertising is necessary unless (i) as discussed in paragraph (a) above, the original contract contained a clause specifically permitting extension; or (ii) the amendment is awarded to a vendor on a pre-qualified list following wherever practicable the receipt of three quotes from other vendors on the list including at least one from a certified MWBE or SDVOB firm; or (iii) the amendment increases the term of the contract by not more than three months, and approval for the extension is given by the person named in Attachment A to these Guidelines. If the amendment will increase the amount of time or other terms of the contract but **will not increase the contract amount**, the initiator need not submit a new Commitment Request Package.
- iv. In the case of contracts for more than \$1 million, where the initiator anticipates that unforeseen contingencies and changes of scope may arise and require changes in the contract amount, Board approval should be sought from the outset for amendment of the contract up to 10% of the amount approved, to be executed without further Board approval by the Chief Executive Officer and/or the Chief Financial Officer of the corporation. Note that such an amendment may require OSC review and approval (see section 10.5). If in doubt, consult the Legal Department.

Example A: Original contract for \$100,000 was awarded competitively. The initiator wishes to amend the contract for an additional \$5,000. Because the amendment is for less than \$50,000 it does not require advertisement or an exemption, and because it will not increase the total contract amount to more than \$250,000* and is less than 10% of the original contract amount, it does not require Board approval. This example also assumes that the amendment will not extend personal services beyond one year, and so will not require Board approval.

*Some subsidiaries have lower monetary thresholds for board approval.

Example B: Original contract for \$40,000 was awarded via purchase order. Due to unforeseen circumstances, the initiator wishes to amend the contract for an additional \$20,000. Because the amendment is less than \$50,000, it too can be procured via purchase order. However, staff should carefully examine future needs to avoid repeated awards of small noncompetitive amendments.

Example C: Original contract for \$5 million was awarded competitively and approved by the Board and by OSC. The Board also approved the power to amend the contract to reflect an

increase in the scope of services/goods, in an amount not to exceed 10% of the original approved amount, with the amendment to be approved by the CEO/CFO. The initiator wishes to amend the contract for an additional \$300,000. Because the amendment is less than 10%, and the contract has previously been approved by the Board, no further Board approval is necessary, but Contract Reporter advertising is still necessary, unless an exemption is granted (see s. 3.2 above).

Example D: Original contract for \$100,000 was awarded to a firm on a Board-approved pre-qualified list. The initiator wishes to amend the contract for an additional \$50,000 and extend the term beyond one year. Because the amendment will extend the contract term beyond one year, Board approval is necessary. However, because the firm was pre-qualified through a competitive process, no further Contract Reporter advertising is necessary (but the initiator should solicit bids from three other firms on the list where practicable, including at least one MWBE and one SDVOB).

10.Steps After Contract Approval Is Obtained

10.1. Commitment Request Process (for contracts of \$50,000 or more)

- a. The contract initiator should assemble and submit via Peoplesoft a Commitment Request Package containing the following documents:
 1. A [Commitment Request Form](#) (composed in Peoplesoft).
 2. A [Contract Summary/Justification Memorandum](#) (composed in PeopleSoft) explaining the need for the procurement and the method of procurement used.

One (1) completed original of the [Standard Form Contract - Short Form for Goods/Services](#) or [Standard Form Amendment or Modification of Contract](#) with: (i) Schedule A (conditions applicable to procurements of goods/services or legal services); (ii) Schedule B (Participation By Minority and Women-Owned Business Enterprises: Requirements and Procedures); (iv) Schedule B-1 (Participation by Service-Disabled Veteran-Owned Businesses with Respect to State Contracts); (v) Appendix A (ST-220 Contractor Certification Form pursuant to Tax Law § 5-a); (vi) Appendix B (Compliance with SFL § 139-j and 139-k, the Offeror's Affirmation of Understanding and Agreement pursuant to SFL § 139-j; and (vii) Appendix C (Offerer Disclosure of Prior Non-Responsibility Determinations under SFL § 139-k). Remember that the provisions and the requirements of the proposed contract must be specific and stated in clear and unambiguous terms so they are fully understood by the contracting parties. It is important that the contract clearly specify what is expected of both the contractor and ESD, and the method of payment to the contractor. The more clear and specific the contract, the easier it will be to monitor. The terms of the contract should include, but not be limited to:

- the scope and purpose of the contract;
- the description of the services to be performed;
- the location where the work is to be performed;
- the standards to be used to measure performance (e.g. units of services, number and nature of clients served, target dates, etc.);

- the level of expertise that is required to perform the tasks, the cost and the method payment of the contract;
 - the projected starting date and the contract period;
 - the finished product or the services to be delivered;
 - record-keeping and reporting requirements, including a statement that ESD and any relevant State agency has the right to audit the contractor's records;
3. Written explanation of the responsibility determination/CLIP review. View [Determination of Responsibility form](#). For contracts valued at \$100,000 or more, staff must also submit a VendRep Form completed by the vendor (not applicable to vendors outside NY)..
 4. ESD/Subsidiary Board of Directors or CEO/designee approval, if applicable. View [sample Board materials](#) and [CEO/Designee Approval Cover Memo](#).
 5. Depending on the procurement method used: (i) the Contract Reporter advertisement and posting of bid results and internal approval to advertise and the scoring sheet/bid opening log; or (ii) an approved exemption letter; or (iii) the OGS Centralized Contract; or (iv) a copy of the relevant Board-approved prequalified list.
 - a. All appropriate insurance certificates, as approved by the ESD Insurance Administrator, a copy of the appropriate officer's approval and a copy of the RFP, if applicable. Note that all contractors must have evidence of Workers' Compensation and Disability Insurance coverage. 8. A completed [Commitment Package Checklist](#). The initiator signs and obtains the Department Head approval on the Commitment Request form and forwards the commitment package (all documents listed above) to Procurement for compliance review and approval. When approved, Procurement will route the commitment package to Contract Administration.
 - b. Contract Administration routes and tracks the commitment package and obtains necessary approvals from various ESD departments.
 - c. Upon obtaining in-house approvals, Contract Administration sends all three (3) sets of the contract or amendment package to the vendor for signature(s).
 - d. After receiving three (3) signed sets from the vendor, Contract Administration sends all three sets to the Officer(s) specified in Attachment A to these Guidelines for signature.
 - e. One original copy of the fully-executed contract or amendment is sent by Contract Administration to the vendor.

10.2. Contract Reporter Award Notification

A contract is considered awarded when it is executed (signed) by all parties. If a contract is awarded after a Contract Reporter Solicitation, the award, along with the Schedule of MWBE and SDVOB Participation (and/or Disadvantaged Business Enterprise Participation, where

applicable), must be posted on the Contract Reporter system. This posting will be done by Contracts Administration.

10.3. [INTENTIONALLY OMITTED]

10.4. Department of Budget (“DoB”) Approval

Under DOB Bulletin B-1184, approval for certain procurements over \$500 is required. In general, if a State or legislative appropriation is the source of funds, approval is needed. A web-based application known as the “Agency Spending Controls Application” process is used to obtain prior approval. DOB approval is not required when the funding source for the procurement comes from a non-State source (e.g., a developer of an ESD project), where at least 75% of the procurement cost will be reimbursed by federal funds, or when the procurement is needed to address an immediate threat to public health and/or safety. DOB mandated forms are used in cases where approval is required. ESD has implemented the cost control measures described in Bulletin B1184. All spending not involving Federal reimbursement of at least 75 percent, presenting an immediate threat to public health and/or safety or whose funding source is from a Third Party is subject to the preapproval process specified in the Budget Bulletin utilizing forms established by DOB known as Attachment A. An Attachment B form was also created for spending involving Federal reimbursement of at least 75% or presenting a public health and/or safety issue.

For instructions and forms, see the ESD Employee Intranet: [Financial Resources](#). If in doubt, contact the ESD Controller’s Department for guidance.

10.5. OSC Jurisdiction Over Contracts in Excess of \$1 Million

Under Public Authorities Law § 2879-a (effective March 1, 2010), ESD must make certain communications to OSC about certain types of contracts valued at more than one million dollars. OSC has issued final regulations implementing this law, and OSC approval shall be deemed part of these Guidelines. A memorandum explaining the application and procedures involved in OSC approval has been circulated to all relevant staff and may be viewed [here](#).

“**Eligible Contracts**” are contracts in excess of one million dollars that are either: (i) to be paid for in whole or in part by State appropriations; or (ii) noncompetitively awarded (regardless of the funding source).

“**Eligible Contract Amendment**” is any modification to (A) an Eligible Contract; or (B) a contract executed after March 1, 2010 where the value as amended is in excess of \$1 million where (i) the contract as amended will be funded in whole or in part by State appropriations; or (ii) the contract was originally awarded noncompetitively; or (iii) the contract was originally awarded competitively but the modification was “neither contemplated nor provided for” in the original solicitation (i.e, new scope).

- ESD must annually report to OSC all Eligible Contracts/Amendments that it anticipates in the next fiscal year, and revise such report within 30 days of learning of any significant changes to the annual report.

- ESD must give OSC 10 days' notice before (i) publishing a solicitation that ESD expects will result in an Eligible Contract/Amendment that was not previously reported to OSC or (ii) executing a noncompetitive Eligible Contract/Amendment that was not previously reported to OSC.
- ESD must file all Eligible Contracts/Amendments that are not subject to OSC approval (see following paragraph) with OSC within 60 days of execution.

Certain Eligible Contracts/Amendments that are the subject of a written notice must also be approved by OSC within 90 days after the contract is signed. A list of active written notices can be viewed [here](#). If approval by OSC has not been obtained, the signed contract “shall not be a valid enforceable contract.”

All submissions to and communications with OSC are to be handled by Contracts Administration only. Submit nothing to OSC directly.

OSC has confirmed that contracts for the sale of real property for an amount over \$1 million are covered by the Property Disposition Guidelines and are not subject to OSC review and approval under PAL § 2879-a.

12. Monitoring of Procurement Contracts

Performance of Procurement Contracts must be monitored by the initiating Department to ensure that the scope of work or services to be provided are being/have been performed; that use of ESD personnel, supplies and facilities is documented; that the MWBE and SDVOB requirements, as provided by OCSD, are being met; and that the established starting and completion dates for major components of the contract are being/have been met.

ESD employees assigned the responsibility of monitoring the work should be familiar with the type of work being performed and with the specific terms of the contract, including MWBE and SDVOB participation goals.

The frequency and manner in which the vendor's performance will be monitored should be clearly stated to the vendor and directly related to the terms of the contract.

Written documentation pertaining to vendor performance, such as progress reports, site visit reports, payment and expenditure data, memoranda of verbal discussions, MWBE and SDVOB utilization plans and written correspondence should be maintained and reviewed by the initiating Department.

Periodic visits to the work sites should be made where appropriate to review work in progress and work completed. Site visit reports should be completed and include the observations of pertinent matters, such as the number and type of persons employed by the vendor, adequacy of the facilities and equipment, and quality of performance, including any deficiencies in the performance of the work, which may have an impact on satisfactory completion of the project.

The evaluation of the vendor's performance should take into consideration the quantity and quality of the work performed; the timeliness of submission of contract deliverables; the adequacy of cost and performance records and other supporting documentation; the ability of the

vendor to meet MWBE and SDVOB participation goals; and whether the extent of performance, to date, is commensurate with the amount the contractor has been paid.

All MWBE and SDVOB performance should be reported to OCSD.

Performance that is below expectations or established standards should be reported to ESD management immediately. All deficiency reports should be specific and in writing. Management should review deficiency reports and take appropriate action, which may include termination of a contract.

All invoices presented for payment should be reviewed by the person who is monitoring the contract and approved by the respective Department Head. No payment should be made unless the work is satisfactory and in accordance with the terms of the contract. Approval on the Payment Authorization form attests to this. ESD's prompt payment procedures can be found at 21 NYCRR 4214.3, available [here](#).

13. Ethical Considerations

13.1 Procurement Contracts Involving Former Employees of ESD

Public Officers Law § 73 and ESD's [Ethics Policies](#) impose restrictions on former ESD officers and employees deriving compensation from ESD contracts or appearing before ESD. Accordingly, evaluation team members should carefully review lists of all proposed staff submitted by vendors to identify any former ESD employees. If a former ESD employee is identified, review his/her employment history to ensure it is appropriate and allowable. Direct any questions to the ESD Ethics Officer.

13.2 Conflicts of Interest

All actions of ESD staff, including but not limited to procurement, are subject to ESD's Ethics Policies and the provisions of Public Officers Law §§ 73 and 74. Evaluation team members should ensure that they do not have any conflict of interest with respect to any bidder, and should alert the ESD Ethics Officer immediately upon identifying any potential conflict. For particularly large or complex solicitations, especially where outside consultants are assisting with the evaluation process, the project team should consider having each member of the evaluation team complete an [Evaluation Conflict Disclosure Statement](#). Procurement counsel can advise on how to use this form.

13.3 Unfair Advantage Prohibited

Firms that develop or draft specifications, requirements, statements of work, or requests for bids or proposals for a procurement must be excluded from competing in any resulting procurement.

14. Implementation of These Guidelines

ESD's Legal Department, in conjunction with the Contracts Administration Department, shall be responsible for preparing for approval by the CEO such supplemental procedures as may be required to effectively implement these Guidelines, as well as preparing proposed amendments to the Guidelines for approval by the CEO and the ESD Directors when and as required.

15. Reporting

15.1. Annual Reports

Annually, ESD's VP/Contract Administration shall prepare for the Directors' review a report on Procurement Contracts as of the end of each fiscal year, summarizing procurement activity by ESD for the period of the report, including a listing of all contracts entered into, the selection process used to select vendors, the status of existing Procurement Contracts and required Schedules of MWBE Participation. ESD's VP/Contract Administration shall also prepare, on an annual basis, a report for submission to:

- a. The Division of Budget;
- b. The Department of Audit and Control;
- c. The Senate Finance Committee;
- d. The Assembly Ways and Means Committee;
- e. Members of the public (upon receipt of reasonable requests therefor);
- and
- f. The Commissioner of Economic Development.

The reports shall include these Guidelines, any amendments thereto, and an explanation of the amendments.

16. Effect on Awarded Contracts

Nothing contained in these Guidelines shall be deemed to alter, affect the validity of, modify the terms of, or impair any contract or agreement made or entered into in violation of, or without compliance with, these Guidelines. These Guidelines reflect best and customary practice, but are not intended to be rules of law. Note, however, that certain contracts may not be "valid or enforceable" without OSC approval. (See Section 10.5)

FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Property Disposition Guidelines

REQUEST FOR: Re-Adoption of Property Disposition Guidelines, Re-Appointment of Contracting Officer and Authorization to Take Related Actions

I. BACKGROUND

The Public Authorities Accountability Act, Chapter 766 of the 2005 Laws of New York was signed into law by the Governor on January 13, 2006 and was amended by the Public Authorities Reform Act of 2009 (collectively, the “Act”). The Act establishes standards for the governance and operation of public authorities such as Empire State Development (the “Corporation”).

Title 5-A of the Act requires the adoption of guidelines with respect to property disposition. The Act also requires that the guidelines must be annually reviewed and approved by the Corporation. Since 2006, the Corporation has adopted and implemented the guidelines that are described below (the “Guidelines”), which effectively incorporate all requirements of the Act. These Guidelines, without change since last year, are now proposed for re-adoption by the Corporation.

II. GUIDELINES REGARDING DISPOSITION OF PROPERTY

In conformity with the Act, as amended and described below, the Guidelines regarding Property Disposition for the Corporation generally provide for the following:

- a. appointment of a contracting officer;
- b. disseminating and posting the Guidelines;
- c. inventory and reporting of status of corporation property; and
- d. obligations of the corporation with respect to pricing and methods of disposition.

The obligations with respect to pricing generally require disposition of property at no less than fair market value as determined after publicly advertising for bids. Property consists of both real and personal property and appraisals are required for disposition of real property and certain other not readily valued property.

The most significant exceptions to the bidding requirement are negotiated transfers to the State or any political subdivision and circumstances described in Section 7 of the Guidelines. These exceptions can permit sole sourcing.

Section 7 of the Guidelines provides for disposing of property without soliciting bids or for less than fair market value. If the transfer is to a government or other public entity or the purpose of the transfer is within the purpose or mission of the Corporation, disposal is permitted. If not, the transfer is subject to denial by the governor, senate or assembly. In a permitted sale below fair market value or without bids, certain transactional information must be submitted to the Board, which must make a written determination that there is no reasonable alternative to the transfer.

Finally, for most larger negotiated transactions, including exchanges, leases and real property dispositions, an explanatory statement of the transaction must be sent 90 days in advance of such disposal to the Comptroller, Director of the Budget, Commissioner of General Services and the Legislature.

III. ENVIRONMENTAL REVIEW

ESD staff has determined that the requested approval of Property Disposition Guidelines and appointment of an officer constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations of the New York State Department of Environmental Conservation. No further environmental review is required in connection with this approval. At such time that any property disposition is proposed, it would be subject to environmental review pursuant to SEQRA.

IV. REQUESTED ACTION

The Directors are being asked to re-adopt the attached Guidelines, re-appoint the Vice President - Contract Administration, ESD, (or any successor Vice President) the Contracting Officer for purposes of the Guidelines and to authorize the taking of related actions.

Attachments

Resolution

Guidelines

March 26, 2020

NEW YORK STATE URBAN DEVELOPMENT CORPORATION d/b/a EMPIRE STATE
DEVELOPMENT (the "Corporation") – Re-Adoption of Property Disposition Guidelines,
Re-Appointment of Contracting Officer and Authorization to Take Related Actions

WHEREAS, the Corporation wishes to comply with Title 5-A of the Public Authorities Accountability Act ("Law") as amended by the Public Authorities Reform Act of 2009 which mandates that public benefit corporations annually prepare the Corporation's Guidelines regarding Disposition of Property (the "Guidelines") attached hereto; and

WHEREAS, the Corporation prepared the Guidelines in accordance with the Act as amended; and

WHEREAS, the Corporation has reviewed said Guidelines and found them to be satisfactory; and

WHEREAS, the Guidelines require the appointment of a Contracting Officer;

NOW, THEREFORE, IT IS HEREBY RESOLVED that in accordance in the materials presented to this meeting and ordered filed in the records of the Corporation, the Guidelines as amended are hereby adopted; and it is further

RESOLVED, that the Vice President - Contract Administration, ESD, (or any successor Vice President) is hereby re-appointed as Contracting Officer as required and set forth in the Guidelines; and it is further

RESOLVED, that the President and Chief Executive Officer Designate, the Chief Financial Officer, the Treasurer or their designees be, and each of them hereby is, authorized and empowered to submit and file the Guidelines, as required by law, and to take such action and execute such agreements and instruments as he or she may consider necessary or desirable or appropriate in connection with the implementation of the Guidelines and to take related actions.

* * *

NEW YORK STATE URBAN DEVELOPMENT
CORPORATION D/B/A EMPIRE STATE
DEVELOPMENT
GUIDELINES REGARDING DISPOSITION OF PROPERTY

I. Definitions. As used herein, unless a different meaning is required by the context.

1. “Contracting officer” shall mean the Vice President – Contract Administration, ESD (or any successor Vice President) who shall be appointed by resolution of the Board of Directors to be responsible for the disposition of property.

2. “Dispose” or “disposal” shall mean transfer of title or any other beneficial interest in personal or real property in accordance with these guidelines.

3. “Property” shall mean personal property in excess of five thousand dollars in value, real property, and any inchoate or other interest in such property, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party.

II. Duties of the Corporation with respect to guidelines related to the disposal of property.

1. a. The Contracting Officer shall be responsible for the Corporation’s compliance with, and enforcement of these guidelines.

b. The Corporation’s contracting activities shall comply with Title 5-A of the Public Authorities Law, the New York State Urban Development Act (the “Act”) and any other applicable law for the disposal of property.

c. These guidelines shall be annually reviewed and approved by the Board of Directors.

d. On or before the thirty-first day of March in each year, the Corporation shall file with the comptroller a copy of the guidelines most recently reviewed and approved by the Corporation, including the name of the Corporation’s designated contracting officer. At the time of filing such guidelines with the comptroller, the Corporation shall also post such guidelines on the Corporation’s internet website. Guidelines on the Corporation’s internet website shall be maintained on such website at least until the procurement guidelines for the following year are posted on such website.

2. Inventory. The Corporation shall:

- a. maintain adequate inventory controls and accountability systems for all property under its control;
- b. periodically inventory such property to determine which property shall be disposed of;
- c. produce a written report of such property in accordance with subdivision three of this section;
- d. transfer or dispose of such property as promptly as possible in accordance with Section III.

3. Reporting

a. The Corporation shall publish, not less frequently than annually, a report listing all real property of the Corporation. Such report shall include a list and full description of all real and personal property disposed of during such period. The report shall contain the price received by the Corporation and the name of the purchaser for all such property sold by the Corporation during such period.

b. The Corporation shall deliver copies of such report to the comptroller, the director of the budget, the commissioner of general services, the legislature and Authorities Budget Office.

III. Disposal of Corporation's property.

1. Supervision and direction. Except as otherwise provided in this section, the contracting officer shall have supervision and direction over the disposition of property of the Corporation.

2. Custody and control. The custody and control of the property of the Corporation, pending its disposition, and the disposal of such property, shall be performed by the Corporation or by the commissioner of general services when so authorized under this section.

3. Method of disposition. Subject to Section II of these guidelines, the Corporation may dispose of property for not less than the fair market value of such property by sale, exchange, or transfer, for cash, credit, or other property, with or without warranty, and upon such other terms and conditions as the contracting officer deems proper, and it may execute such documents for the transfer of title or other interest in property and take such other action as it deems necessary or proper to dispose of such property under the provisions of this section. Provided, however, that no disposition of real property, or any interest in real property, shall be made unless an appraisal of the value of such property has been made by an independent appraiser and included in the record of the transaction and, provided further, that no disposition of any property, which because of its unique nature or the unique

circumstances of the proposed transaction is not readily valued by reference to an active market for similar property, shall be made without a similar appraisal.

4. Sales by the commissioner of general services. When it shall be deemed advantageous to the state, the Corporation may enter into an agreement with the commissioner of general services where under such commissioner may dispose of property of the Corporation under terms and conditions agreed to by the Corporation and the commissioner of general services. In disposing of any such property of the Corporation, the commissioner of general services shall be bound by the terms of this title and references to the contracting officer shall be deemed to refer to such commissioner.

5. Validity of deed, bill of sale, lease or other instrument. A deed, bill of sale, lease, or other instrument executed by or on behalf of the Corporation, purporting to transfer title or any other interest in property under these guidelines shall be conclusive evidence of compliance with the provisions of these guidelines insofar as concerns title or other interest of any bona fide grantee or transferee who has given valuable consideration for such title or other interest and has not received actual or constructive notice of lack of such compliance prior to the closing.

6. Bids for disposal; advertising; procedure; disposal by negotiation; explanatory statement.

a. all disposals or contracts for disposal of property of the Corporation made or authorized by the contracting officer shall be made after publicly advertising for bids except as provided in paragraph c of this subdivision.

b. Whenever public advertising for bids is required under paragraph a of this subdivision:

(i) the advertisement for bids shall be made at such time prior to the disposal or contract, through such methods, and on such terms and conditions as shall permit full and free competition consistent with the value and nature of the property;

(ii) all bids shall be publicly disclosed at the time and place stated in the advertisement; and

(iii) the award shall be made with reasonable promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the state, price and other factors considered; provided, that all bids may be rejected when it is in the public interest to do so.

c. Disposals and contracts for disposal of property may be negotiated or made by public auction without regard to paragraphs a and b of this subdivision but subject to obtaining such competition as is feasible under the circumstances, if:

(i) the personal property involved has qualities separate from the

utilitarian purpose of such property, such as artistic quality, antiquity, historical significance, rarity, or other quality of similar effect, that would tend to increase its value, or if the personal property is to be sold in such quantity that, if it were disposed of under paragraphs a and b of this subdivision, would adversely affect the state or local market for such property, and the estimated fair market value of such property and other satisfactory terms of disposal can be obtained by negotiation;

(ii) the fair market value of the property does not exceed fifteen thousand dollars;

(iii) bid prices after advertising therefore are not reasonable, either as to all or some part of the property, or have not been independently arrived at in open competition;

(iv) the disposal will be to the state or any political subdivision, and the fair market value of the property and other satisfactory terms of disposal are obtained by negotiation; or

(v) under the circumstances permitted by section 7; or

(vi) such action is otherwise authorized by law.

d. (i) An explanatory statement shall be prepared of the circumstances of each disposal by negotiation of:

(A) any personal property which has an estimated fair market value in excess of fifteen thousand dollars;

(B) any real property that has an estimated fair market value in excess of one hundred thousand dollars, except that any real property disposed of by lease or exchange shall only be subject to clauses (C) and (D) of this subparagraph;

(C) any real property disposed of by lease if the estimated annual rent over the term of the lease is in excess of fifteen thousand dollars;

(D) any real property or real and related personal property disposed of by exchange, regardless of value or any property any part of the consideration for which is real property.

(ii) Each such statement shall be transmitted to the persons entitled to receive copies of the report required under section II of these guidelines not less than ninety days in advance of such disposal, and a copy thereof shall be preserved in the files of the Corporation.

e. For purposes of Section c(ii), (v) and Section d of this paragraph 6 when an appraisal is not feasible or practical, fair market value shall be determined by the board of directors based on the recommendation of the contracting officer. In making such recommendation, the contracting officer shall make due inquiry of values of comparable property including, as appropriate, geographic location, use, occupancy, condition, obsolescence, outstanding debts, taxes and liens and intended future use.

7. Disposal of property for less than fair market value

(a) No asset owned, leased or otherwise in the control of a public authority may be sold, leased, or otherwise alienated for less than its fair market value except if:

(i) the transferee is a government or other public entity, and the terms and conditions of the transfer require that the ownership and use of the asset will remain with the government or any other public entity;

(ii) the purpose of the transfer is within the purpose, mission or governing statute of the public authority; or

(iii) in the event a public authority seeks to transfer an asset for less than its fair market value to other than a governmental entity, which disposal would not be consistent with the authority's mission, purpose or governing statutes, such authority shall provide written notification thereof to the governor, the speaker of the assembly, and the temporary president of the senate, and such proposed transfer shall be subject to denial by the governor, the senate, or the assembly. Denial by the governor shall take the form of a signed certification by the governor. Denial by either house of the legislature shall take the form of a resolution by such house. The governor and each house of the legislature shall take any such action within sixty days of receiving notification of such proposed transfer during months of January through June, provided that if the legislature receives notification of such proposed transfer during the months of July through December, the legislature may take any such action within sixty days of January first of the following year. If no such resolution or certification is performed within sixty days of such notification of the proposed transfer to the governor, senate and assembly, the public authority may effectuate such transfer. Provided, however, that with respect to a below market transfer by a local authority that is not within the purpose, mission or governing statute of the local authority, if the governing statute provides for the approval of such transfer by the executive and legislative branches of the political subdivision in which such local authority resides, and the transfer is of property obtained by the authority from that political subdivision, then such approval shall be sufficient to permit the transfer.

(b) In the event a below fair market value asset transfer is proposed, the following

information must be provided to the authority board and the public:

- (i) a full description of the asset;
- (ii) an appraisal of the fair market value of the asset and any other information establishing the fair market value sought by the board.
- (iii) a description of the purpose of the transfer, and a reasonable statement of the kind and amount of the benefit to the public resulting from the transfer, including but not limited to the kind, number, location, wages or salaries of jobs created or preserved as required by the transfer, the benefits, if any, to the communities in which the asset is situated as are required by the transfer.
- (iv) a statement of the value to be received compared to the fair market value;
- (v) the names of any private parties participating in the transfer, and if different than the statement required by subparagraph (iv) of this paragraph, a statement of the value to the private party; and
- (vi) the names of other private parties who have made an offer for such asset, the value offered, and the purpose for which the asset was sought to be used.

(c) Before approving the disposal of any property for less than fair market value, the board of an authority shall consider the information described in paragraph b of this subdivision and make a written determination that there is no reasonable alternative to the proposed below market transfer that would achieve the same purpose of such transfer.

Dated: March 26, 2020

FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Brooklyn (Kings County) – Atlantic Yards Land Use Improvement and Civic Project - Procurement of Owner’s Representative Services

REQUEST FOR: Authorization to Amend the Contract with STV Inc. to Provide Owner’s Representative Technical Services for the Atlantic Yards Land Use Improvement and Civic Project; and Authorization to Take Related Actions

I. Contract Summary

Consultant: STV Inc. (“STV”)

Scope of Services: STV would continue to review design and construction documents, observe construction activity, monitor site safety, attend progress meetings with developer staff, and coordinate with and report to ESD on a regular basis.

Current Contract Term/ Amount: The current contract of \$6,250,000 expires March 2020.

Amended Contract Term/ Amount: Two-year term at a cost not to exceed \$1,250,000.

Total New Contract Term/Amount: Contract would be extended from March 2020 to March 2022 with a total amount of \$7,500,000.

Funding Source: Imprest Account (Funded by Project developer)

II. Background

The General Project Plan was affirmed in 2006, and modified in 2009, 2014 and 2019. The Atlantic Yards Land Use Improvement and Civic Project (the “Project”) is a 22-acre site that consists of the Barclays Center Arena; the development of a reconfigured and improved LIRR train yard and subway facility upgrades; the development of 16 buildings for residential and commercial uses, including up to 6,430 apartments, of which 2,250 will be affordable to low,

moderate and middle income households; and the creation of eight acres of publicly accessible open space. The Project will also deliver the following community benefits: healthcare facility, public school, and an intergenerational community center.

III. Consultant Selection Process

The original contract for an Owner's Representative at the Project was publicly advertised in the Contract Reporter in 2007, there were ten respondents, five of which were interviewed by ESD Staff. EarthTech won the bid, with STV a close runner up. In 2008 EarthTech was acquired by the firm AECOM, Inc. which in 2009 also acquired Ellerbe Becket, the architect of record for the Barclays Center Arena. The acquisition created an irreconcilable conflict as EarthTech could not oversee/monitor the work of its affiliate Ellerbe Becket. Based on the competitive solicitation process, the ESD directors authorized retention of STV to replace EarthTech as the Corporation's Owner's Representative at Atlantic Yards. The contract was issued for a two-year term and has been amended four times given the value of services, as well as STV's unique expertise and history with the Project.

STV is a well-renowned, 100-year old firm with engineering, architectural, and construction management services. The company has over 2,200 employees with offices across the country. STV's portfolio includes work on Terminal One at Newark Liberty International Airport, One World Trade Center, and the Verrazzano-Narrows Bridge.

Staff recommend this amendment, and believe it is in the Corporation's best interest to amend its contract with STV to ensure ongoing Owner's Representative services are provided at the Atlantic Yards Project Site.

IV. Scope of Work

Since March 2010, STV, on behalf of ESD, has: (a) reviewed design and construction documents; (b) monitored all aspects of Project construction, including but not limited to: the Arena; MTA transit work (including LIRR Vanderbilt Rail Yard improvements); and the residential buildings (with infrastructure improvements) – checking for conformity to the Project's General Project Plan, Design Guidelines, and other Project documents; (c) reviewed and monitored implementation of developer's Site Safety Plan for protection of the public, including but not limited to provisions to: protect streets and sidewalks (including sidewalk bridges and construction fencing); protect adjacent properties; safeguard site ingress and egress and material storage; and monitor activities such as truck marshalling, use of cranes, and waste disposal; (d) attended regular progress meetings with developer, construction managers, and various contractors as necessary; (e) reviewed contractor documents; and (f) prepared regular reports to, and met regularly with, ESD concerning Project site conditions, conformity with Project documents, construction schedule, and anticipated activities and issues.

V. Contract – Need for Amendment; Price and Funding

On behalf of the Corporation, STV has monitored construction activity related to the delivery of the Barclays Arena, four residential buildings, upgrades to the LIRR train yards, and parcels of Open Space. Currently, construction has commenced on B15; this site will house a DOE middle school and residential tower with 30% affordable units. Construction has also commenced at B4. This building is expected to deliver 30% affordable units and complete the residential development on the “Arena Block.” Two more buildings, B12 and B13, with at least 25% affordable units, are expected to commence construction this year.

Staff recommend an additional two-year extension of the STV contract, for the same \$1,250,000 limit as the original contract and its subsequent amendments to date. The contract will continue to be funded, in its entirety, from an imprest account funded by the Project developer.

VI. Responsible Party

Pursuant to State Finance Law Section 139-j and 139-k and the Corporation’s policy related thereto, staff has: (a) considered STV’s ability to perform the services provided for in the proposed amendment; and (b) consulted the list of offerers determined to be non-responsible bidders and debarred offerers maintained by the New York State Office of General Services. Base on the foregoing, staff considers STV to be responsible.

VII. Environmental Review

Staff has determined that the proposed contract amendment constitutes a Type II action as defined by the New York State Environmental Quality Review Act (“SEQRA”) and the implementing regulations for the New York Department of Environmental Conservation. No further environmental review is required in connection with the proposed contract amendment.

VIII. Non-Discrimination; Contractor and Supplier Diversity

ESD’s Non-Discrimination and Contractor & Supplier Diversity policies will apply to this contract. The Contractor shall be required to include minorities and women in any job opportunities created, to solicit and utilize Minority and Women-owned Business Enterprises (“MWBEs”) for any contractual opportunities generated in connection with this contract and shall be required to use Good Faith Efforts (pursuant to 5 NYCRR Section 142.8) to achieve an overall MWBE Participation Goal of 20%

IX. Requested Actions

Directors are requested to authorize an extension of ESD’s contract with STV Inc. for an additional two years and increasing the compensation permitted under the Contract by an additional \$1,250,000 to a new total not to exceed \$7,500,000 for work in connection with the Project as described in these materials.

X. Attachment

Resolutions

March 26, 2020

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT CORPORATION - Brooklyn (Kings County) – Atlantic Yards Land Use Improvement and Civic Project - Procurement of Owner’s Representative Services - Authorization to Amend the Contract with STV Inc. to Provide Owner’s Representative Technical Services for the Atlantic Yards Land Use Improvement and Civic Project; and Authorization to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the “Materials”), the Directors hereby authorize, on the terms and conditions set forth in the Materials, an amendment of the contract with STV Inc. to provide owner’s representative technical services in connection with Atlantic Yards Land Use Improvement and Civic Project; and be it further

RESOLVED, that the contract be amended to (i) increase the current amount of \$6,250,000 by the amount of \$1,250,000 for an aggregate limit of \$7,500,000 and (ii) extend the contract term to March 31, 2022; and be it further

RESOLVED, that the President and Chief Executive Officer Designate is authorized and directed, in the name and on behalf of the Corporation, to take any and all such actions as may be necessary or appropriate to effectuate the foregoing resolutions.

* * *

FOR CONSIDERATION

March 26, 2020

TO: The Directors

FROM: Eric J. Gertler

SUBJECT: Brooklyn (Kings County) – Atlantic Yards Land Use Improvement and Civic Project - Procurement of Environmental Consulting Services

REQUEST FOR: Authorization to Amend the Contract with Henningson, Durham & Richardson, Architecture and Engineering P.C. to Continue to Provide Mitigation Monitoring Consulting Services in Connection with the Atlantic Yards Land Use Improvement and Civic Project (“Project”); and Authorization to Take Related Actions

I. Contract Summary

Consultant: Henningson, Durham & Richardson, Architecture and Engineering, P.C. (“HDR” or “Consultant”)

Scope of Services: HDR would continue to provide Owner’s Representative services for mitigation monitoring in connection with the required environmental mitigation measures for the Atlantic Yards Project.

Current Contract Term/Amount: The current contract of \$5,645,000 expires May 2020.

Amendment Term/Amount: Two (2) year term at a cost not to exceed \$500,000 per year.

Total New Contract Term/Amount: Amended contract would expire May 2022 with a total cost of \$6,645,000.

Funding Source: Imprest Account (Funded by Project developer)

II. Background

The General Project Plan was affirmed in 2006, and modified in 2009, 2014 and 2019. The Atlantic Yards Land Use Improvement and Civic Project (the “Project”) is a 22-acre site that consists of the Barclays Center Arena; the development of a reconfigured and improved LIRR train yard and subway facility upgrades; the development of 16 buildings for residential and commercial uses, including up to 6,430 apartments, of which 2,250 will be affordable to low, moderate and middle income households; and the creation of eight acres of publicly accessible open space. The Project will also deliver the following community benefits: healthcare facility, public school, and an intergenerational community center.

ESD, as the lead agency for SEQRA, prepared Draft and Final Environmental Impact Statements to address the potential environmental impacts that could result from the Project. During the public comment period on the Draft Environmental Impact Statement (“DEIS”), ESD received public comments requesting that it put into place a mechanism to require the Project developer to implement the numerous project-related environmental commitments and mitigation measures described in the DEIS. To address these comments, the Final Environmental Impact Statement (“FEIS”) stated that ESD would require the Project developer to enter into contractual obligations to implement required environmental impact avoidance and mitigation measures. The FEIS further provided that, during construction of the Project, ESD would retain the services of appropriate professionals to monitor and ensure compliance with the same.

A document titled “Memorandum of Environmental Commitments for the Atlantic Yards Project” dated December 8, 2006 (the “Memorandum”) describes the specific avoidance and mitigation measures that Project developer is required to undertake in connection with the Project and the role of the environmental monitor to be retained by ESD. The Memorandum commitments are enforceable against Project developer through the contractual documents that have been entered into between ESD and developer. The Memorandum has been amended twice since 2006; the most recent amendment (the “Second Amended Memorandum of Environmental Commitments”) was prepared in connection with the Supplemental EIS (“SEIS”) that ESD approved in 2014.

III. Consultant Selection Process

ESD advertised a Request for Proposals (“RFP”) in the Contract Reporter for the Environmental Monitor on February 5, 2007 but did not receive any qualified proposals. The RFP was subsequently modified to more specifically describe the desired services and the name of the RFP was changed to “Owners Representative – Mitigation Monitor” with the intention of clarifying the services to be contracted. A short list of eight potentially qualified engineering and/or construction management firms was identified and the RFP was sent directly to the short list of firms. Of the eight firms that were sent the RFP, three proposals were received by the submission deadline. These three proposals were reviewed by ESD staff and outside environmental counsel. Based on the quality of HDR’s proposal, the demonstrated experience of the team assembled to perform the work, and results from checking project references, ESD

staff recommended that the ESD Directors authorize retention of HDR to perform the mitigation monitor responsibilities. The ESD Directors authorized an initial contract of up to ten years, the then-expected life of the Project.

HDR has extensive experience as both an owner's representative and as environmental consultant for some of the City's most significant initiatives. HDR is currently the mitigation monitor for the Columbia University Manhattanville construction project. HDR has approximately 6,000 employees with more than 140 offices nationwide. HDR's New York Department has almost 400 employees from which they draw from to accommodate the numerous technical areas covered by the mitigation commitments.

ESD has had a positive experience with HDR throughout the contract. Staff has determined that the Project is best served by continuing to retain HDR to provide owner's representative services to conduct mitigation monitoring of construction activities to ensure that environmental mitigation measures, as required of the Developer by the Memorandum, are provided throughout construction.

IV. Scope of Work

Consultant will continue to monitor certain impact avoidance and mitigation measures described in the FEIS and set forth in the Memorandum. These include:

- handling of hazardous materials at the site, including (i) development and implementation of procedures for pre-demolition removal of PCB-containing equipment in accordance with applicable regulations; (ii) implementation of dust suppression techniques during the demolition of buildings and any excavation, grading or earth-moving activities at the project site; (iii) additional subsurface investigations as needed to refine and supplement soil and groundwater sampling data previously collected; (iv) remediation of contaminated material where necessary (unless such activities are overseen by NYSDEC or NYCDEP); and (v) prior to remediation and excavation at the site, development and subsequent implementation of the Construction Health and Safety Plan and Community Air Monitoring Plan;
- certain issues pertaining to construction, including (i) incorporation of necessary environmental commitments into construction contracts; (ii) routing of truck deliveries to minimize traffic impacts; (iii) designation of on-site staging areas to reduce truck queueing and materials storage in the streets; (iv) provision of an appropriate number of on-site construction worker parking spaces; (v) certain issues pertaining to noise mitigation, including use of equipment with the noise levels described in the FEIS, scheduling work to reduce night time and weekend noise, use of electrical powered equipment where feasible, location of noisy equipment away from the site perimeter, maintenance of noise barriers, use of quiet construction procedures, maintenance of noise mufflers and use of noise curtains; (vi) provision of

double-glazed windows and alternative ventilation for certain residential locations; (vii) provision of storm windows for certain windows of the Pacific Branch of the Brooklyn Public Library and the Temple of Restoration; (viii) the construction-related air quality impact avoidance measures; and (ix) rodent control;

- protection of cultural resources near the Project site from being impacted by construction on the Project site, as required by the Letter of Resolution;
- review of the effectiveness of any modified design for stormwater management facilities;
- review of fuels or boiler technologies other than those described in the FEIS;
- review any proposed changes in the location of HVAC intakes in the event that the design of the relevant Project buildings changes from the design subject to air dispersion modeling in the FEIS and/or SEIS; and
- review of adjustments to optimize the effectiveness of demand management measures to limit automobile traffic in connection with arena operation.

V. Contract – Need for Amendment; Price and Funding

The original contract, initiated in June 2007, assumed that construction of the Project would be completed in ten years, hence the contract term established at that time. To date, in addition to the arena and a new subway entrance, four residential buildings have been completed with some parcels of Open Space and local retail establishments. Currently, construction has commenced on B15; this site will house a DOE middle school and residential tower with 30% affordable units. Construction has also commenced at B4. This building is expected to deliver 30% affordable units and complete the residential development on the “Arena Block.” Two more buildings, B12 and B13, with at least 25% affordable units, are expected to commence construction this year.

Staff recommend a two-year extension, the contract is billed on a time and materials basis, with an allowance for an annual escalation of the Consumer Price Index (CPI) + 2%, provided that the escalation does not exceed the actual labor rate for any employee performing work under the contract. The contract originally was approved for \$360,000 in 2007, its first year. It has been renewed for \$500,000 per year since 2012, to a total current contract value of to \$5,645,000.

ESD will continue to be reimbursed by the Project developer for all costs incurred under the contract with HDR. ESD has never advanced any funds during the term of the current contract and is not anticipated to advance any funds for the proposed contract extension.

VI. Responsible Party

Pursuant to State Finance Law Sections 139-j and 139-k and the Corporation's policy related thereto, staff has: (a) considered Consultant's ability to perform the services provided for in the proposed contract; and (b) consulted the list of offerers determined to be non-responsible bidders and debarred offerers maintained by the New York State Office of General Services. Based on the foregoing, staff considers Consultant to be responsible.

VII. Environmental Review

Staff has determined that the requested authorization to extend the term of HDR's contract constitutes a Type II action as defined by the New York State Environmental Quality Review Act ("SEQRA") and the implementing regulations promulgated by the NYS Department of Environmental Conservation. No further environmental review is required in connection with this authorization.

VIII. Non – Discrimination and Contractor & Supplier Diversity

ESD's Non-Discrimination and Contractor & Supplier Diversity policies apply to the Contract. HDR is required to include minorities and women in any job opportunities created, to solicit and utilize Minority- and Women-Owned Business Enterprises ("MWBEs") for any contractual opportunities generated in connection with the Project and is required to use Good Faith Efforts (pursuant to 5 NYCRR §142.8) to achieve an overall MWBE Participation Goal of 30% related to the total value of ESD's funding.

IX. Requested Actions

Directors are requested to authorize an extension of ESD's contract with HDR for owner's representative services for mitigation monitoring on the terms and conditions set forth in these materials for an additional two years at a cost not to exceed \$500,000 per year.

X. Attachment

Resolution

March 26, 2020

NEW YORK STATE URBAN DEVELOPMENT CORPORATION D/B/A EMPIRE STATE DEVELOPMENT CORPORATION - Brooklyn (Kings County) – Atlantic Yards Land Use Improvement and Civic Project - Procurement of Environmental Consulting Services - Authorization to Amend the Contract with Henningson, Durham & Richardson, Architecture and Engineering, P.C. to Continue to Provide Owner’s Representative Services for Mitigation Monitoring in Connection with the Atlantic Yards Land Use Improvement and Civic Project; and Authorization to Take Related Actions

RESOLVED, that on the basis of the materials presented to this meeting, a copy of which is hereby ordered filed with the records of the Corporation (the “Materials”), the Directors hereby authorize, on the terms and conditions set forth in the Materials, an amendment of the contract with Henningson, Durham & Richardson, Architecture and Engineering, P.C. to continue to provide owner’s representative services for mitigation monitoring in connection with the Atlantic Yards Land Use Improvement and Civic Project; and be it further

RESOLVED, that the contract be amended to (i) increase the current amount of \$5,645,000 by the amount of \$500,000 per year for an aggregate limit of \$6,645,000 and (ii) to extend the contract term to May 31, 2022; and be it further

RESOLVED, that the President is authorized and directed, in the name and on behalf of the Corporation, to take any and all such actions as may be necessary or appropriate to effectuate the foregoing resolutions.

* * *