



MINUTES OF A CONTINUATION OF THE MARCH 18 MEETING
OF THE EXECUTIVE COMMITTEE
OF
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION
March 24, 2020

A continuation of the March 18, 2020 regular meeting of the Executive Committee of the Board of Directors of New York City Economic Development Corporation ("NYCEDC") was held telephonically on Tuesday, March 24, 2020.

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

William Candelaria
Wilton Cedenó
William Floyd
Pedram Mahdavi (as alternate for Vicki Been)
James McSpirtt
James Patchett
Michael Schlein
Timothy Wilkins
Betty Woo

Jacqueline Mallon, First Deputy Commissioner of the New York City Department of Small Business Services ("SBS"), Andrew Schwartz, a Deputy Commissioner of SBS, and members of NYCEDC staff also were present.

The meeting was called to order at 9:03 a.m. Meredith Jones, General Counsel, Executive Vice President and Secretary of NYCEDC, served as secretary of the duly constituted meeting, at which a quorum was present.

1. Internal COVID-19 Update

At this time, Mr. Patchett provided a brief internal update with respect to COVID-19.

2. Contracts and Other Matters

The following contracts, authorizations, expenditures and matters were then presented to the Executive Committee for approval. (Attached hereto as Attachment 1 is a definition sheet that contains the definitions of certain frequently used terms that may be contained in the Exhibits attached hereto.)

(a) NYC Employee Retention Grant Program

Eric Clement, a Managing Director of NYCEDC, presented a proposal for (i) an agreement with Workforce Development Corporation (“WDC”) for workforce development services, to provide funds to WDC for the implementation and administration of an emergency grant program (the “Grant Program”) to aid small businesses that suffer sales declines associated with the COVID-19 pandemic to assist with the retention of employees, and (ii) any agreements necessary to obtain funds (“Funding Source Agreements”) for this project, on substantially the terms set forth in Exhibit A hereto.

In answer to a question from Mr. Schlein, Ms. Mallon stated that SBS estimated the average grant size would be approximately \$6,600 but that the grants might go up to approximately \$27,000. In answer to a second question from Mr. Schlein, Ms. Mallon stated that the grants would be reimbursing the businesses for up to 40% of 2 months of their payroll. Mr. Clement added that the two programs being presented at this meeting of the Committee were intended to serve as bridges to larger federal funding that was expected to come. Mr. Patchett then noted that the Grant Program was announced 2-3 weeks ago and that NYCEDC wanted to quickly get money out to small businesses. In answer to a question from Mr. Schlein, Ms. Mallon explained that SBS expected a large response and therefore had set up technological infrastructure and a staff of approximately 50-60 people to process the grant applications. She added that SBS would be marketing the Grant Program through website postings, social media, press releases, and its network of government partners.

In answer to a question from Mr. Wilkins, Mr. Clement stated that the New York City Office of Management and Budget had already approved the funds for the Grant Program, but that there was a process for getting those funds to NYCEDC and therefore NYCEDC expected to essentially front up to \$5,000,000 from its balance sheet to get some funds flowing out until the funds from the City became available. In answer to a question from Mr. Schlein, James Katz, an Executive Vice President of NYCEDC, explained that authorization was being requested here for up to \$20,000,000 for the Grant Program, that the City planned to fund this through City Tax Levy funds, though the City had not allocated the full amount at this time, and that the utilized portion of the \$5,000,000 that NYCEDC was providing as a failsafe was expected to be reimbursed by the City. At this time, Mr. Patchett noted that NYCEDC built into the proposed approval twice the amount of currently allocated funds because it believed that there was an immediate need to at least double the Grant Program. He added that NYCEDC would come back to the Committee if the need became any larger.

(b) NYC Small Business Continuity Fund

Mr. Clement presented a proposal for (i) a joint credit facility (the “Facility”) among the New York Business Development Corporation and/or NYBDC Local Development Corporation (New York Business Development Corporation and NYBDC Local Development Corporation collectively, “NYBDC”), NYCEDC and Goldman Sachs Bank USA (“GS”), and any other participating lenders, and other ancillary agreements

related to the Facility, to provide funds to NYBDC for the implementation and administration of an emergency loan program (the "Loan Program") to aid small businesses that suffer sales declines associated with the COVID-19 pandemic, (ii) other necessary and appropriate related actions and agreements, and (iii) any needed Funding Source Agreements for this project, on substantially the terms set forth in Exhibit B hereto.

At this time, Mr. Clement discussed how the Grant Program and Loan Program worked together. He stated that the Grant Program was for an immediate cash injection of relief funds to businesses to help prevent layoffs, that the zero-interest loans of the Loan Program were for operational capital to help keep businesses up and running, and that there would be an underwriting process for the Loan Program that would likely take a bit longer than the Grant Program process.

In answer to a question from Mr. Schlein, Mr. Clement stated that the loans were designed to take care of approximately 2-3 months of operational cashflow for the businesses. In answer to another question from Mr. Schlein, Mr. Patchett stated that the Loan Program was being run by SBS and that NYBDC would be doing the loan underwriting. Ms. Mallon additionally explained that the technological infrastructure and SBS staff mentioned earlier would be determining eligibility for both the Grant Program and the Loan Program, and that this group would then send eligible loan packages on to NYBDC. She further noted that NYBDC was an independent community development financial institution, and that WDC was a not-for-profit closely affiliated with SBS. In answer to a question from Mr. Floyd, Ms. Mallon stated that not-for-profits ("NFPs") were eligible for the grants and that it had not yet been determined whether they would be eligible for the Loan Program. Ms. Mallon stated that applicants for grants had to sign an affidavit that they would keep employees. In answer to another question from Mr. Schlein, Mr. Patchett stated that the details were still being worked out, but that the view was that federal funds would flow either through this Loan Program or some different vehicle. He also noted that presently NYCEDC was undertaking analysis on how the federal funds would flow and how to best coordinate that with the Loan Program.

Approval of Section 2 Contracts and Related Matters

A motion was then made to authorize the matters set forth for authorization in the Proposed Resolution sections of Exhibits A and B hereto. Such motion was seconded and unanimously approved.

At this time, Mr. Patchett provided a preview for the continuation of the Committee meeting proposed for March 31, 2020. He discussed how NYCEDC's focus over the last few days had been largely on emergency procurement of medical supplies, such as visors, plastic face shields and medical gowns. He then summarized the various work that NYCEDC had done on this front over the last several days and stated that he anticipated that an item related to this would be presented to the Committee at the continuation of this Committee meeting on March 31.

3. Approvals

With respect to the items set forth in Section 2(a) – (b) above, it was understood that authorization and approval of such matters included authorization for the President and other empowered officers to execute the necessary legal instruments, and for the President and other empowered officers to take such further actions as are or were necessary, desirable or required, to implement such matters on substantially the terms described above.

4. Adjournment

Pursuant to a motion made, seconded and unanimously approved it was moved to continue this meeting of the Committee at 9:00 a.m. on Tuesday, March 31, 2020.

Assistant Secretary

Dated: _____
New York, New York

DRAFT

ATTACHMENT 1

DEFINITIONS

Apple	Apple Industrial Development Corp.
Armand	Armand Corporation d/b/a Armand of New York
BAT	Brooklyn Army Terminal
Bovis	Bovis Lend Lease LMB, Inc.
CDBG	Federal Community Development Block Grant
CDBG-DR Funds	Federal Community Development Block Grant-Disaster Recovery Program funds
CEQR	City Environmental Quality Review process
City DEP	New York City Department of Environmental Protection
City DOT	New York City Department of Transportation
City Parks	New York City Department of Parks and Recreation
City Planning	New York City Department of City Planning or City Planning Commission
CM	A construction manager
CM Contract	A construction management contract
DCAS	New York City Department of Citywide Administrative Services
EIS	Environmental Impact Statement
ESDC	New York State Urban Development Corporation d/b/a Empire State Development Corporation
FEMA	Federal Emergency Management Agency
FM	A facilities manager
FM/CM Contract	A facilities management/construction management contract
Funding Source Agreement	Any agreement necessary to obtain funds for the Project, including IDA Agreements
Gilbane.....	Gilbane Building Company
HDC	New York City Housing Development Corporation
HPD	New York City Department of Housing Preservation and Development
Hunter Roberts	Hunter Roberts Construction Group, L.L.C.
IDA	New York City Industrial Development Agency
IDA Agreement	Agreement with IDA pursuant to which IDA retains NYCEDC to accomplish all or part of the Project and reimburses NYCEDC for the costs of the work
LiRo	LiRo Program and Construction Management, PE P.C.
LMDC	Lower Manhattan Development Corporation
McKissack	The McKissack Group, Inc. d/b/a McKissack & McKissack

MOU	A memorandum of understanding
NYCEDC	New York City Economic Development Corporation, survivor of a November 1, 2012 merger of a local development corporation (the “LDC”) named New York Economic Development Corporation with and into New York City Economic Growth Corporation. References to NYCEDC prior to such merger are references to the LDC.
NYCHA	New York City Housing Authority
NYCLDC	New York City Land Development Corporation
Noble Strategy	Noble Strategy NY Inc.
OMB	New York City Office of Management and Budget
Port Authority	The Port Authority of New York and New Jersey
RFP	Request for Proposals
Sanitation	New York City Department of Sanitation
SBS	New York City Department of Small Business Services
SEMO	New York State Emergency Management Office
SEQR	State Environmental Quality Review process
Skanska	Skanska USA Building Inc.
State DEC	New York State Department of Environmental Conservation
State DOS	New York State Department of State
State DOT	New York State Department of Transportation
State Parks	New York State Office of Parks, Recreation and Historic Preservation
Tishman	Tishman Construction Corporation of New York
Turner	Turner Construction Company
ULURP	Uniform Land Use Review Procedure

EXHIBIT A

NYC EMPLOYEE RETENTION GRANT PROGRAM
Executive Committee Meeting
March 24, 2020

Project: The implementation and administration of an emergency grant program (the “Program”) to aid small businesses that suffer sales declines associated with the COVID-19 pandemic to assist with the retention of employees.

Contractor: Workforce Development Corporation (“WDC”).

Agreement to be Approved:

- An agreement with WDC for workforce development services (the “WDC Agreement”), to provide funds to WDC for the Project
- Any needed Funding Source Agreements

Procurement Method: Sole source. WDC is a not-for-profit corporation that has a workforce development mission and experience and a close relationship with SBS. WDC has demonstrated that it is capable of implementing programs responsive to the needs of businesses and job seekers and, as such, has unique capabilities relevant to the Project.

Amount to be Approved: Up to \$20,000,000

Sources of Funds: City Tax Levy funds, up to \$5,000,000 in NYCEDC programmatic budget funds (anticipated to be reimbursed from City Tax Levy funds), and/or Federal funds

Scope: WDC will use funds provided through NYCEDC to help it undertake Project activities. NYCEDC has contracted with WDC for workforce development-related services for NYCEDC for several years. The Project will involve providing WDC with funding to assist small businesses with much-needed aid in the form of grants, such grants to be provided directly by WDC. Under the Program, grant recipients will be required to demonstrate losses of revenues of at least 25% during the period of the COVID-19 pandemic. The Program will provide assistance to small businesses that are in danger of closing or laying off employees due to COVID-19 business interruption.

Proposed Resolution: To authorize the President and any empowered officer to enter into the WDC Agreement, and any needed Funding Source Agreements, substantially as described herein.

Staff: Eric Clement, Managing Director, Strategic Investments Group
Adam Lewis, Senior Counsel, Legal

EXHIBIT B

NYC SMALL BUSINESS CONTINUITY FUND
Executive Committee Meeting
March 24, 2020

Project: The implementation and administration of an emergency loan program to aid small businesses that suffer sales declines associated with the COVID-19 pandemic.

Borrower/Contractor: New York Business Development Corporation and/or NYBDC Local Development Corporation (New York Business Development Corporation and NYBDC Local Development Corporation collectively, "NYBDC")

Agreements to be Approved:

- A joint credit facility (the "Facility") among NYBDC, NYCEDC and Goldman Sachs Bank USA ("GS"), and any other participating lenders ("Other Lenders"), and other ancillary agreements related to the Facility (together, the "Credit Documents"), to provide funds to NYBDC for the Project
- Any needed Funding Source Agreement(s)

Procurement Method: Sole source. NYBDC is a corporation created under the Banking Law of the State of New York, the purposes of which include providing financial assistance in the form of loans to small businesses unable to obtain financing from other private sources and retaining existing businesses in New York State and, as such, has unique capabilities relevant to the Project. NYBDC and GS partnered with NYCEDC in 2012 to implement and administer an emergency loan program to assist businesses affected by Hurricane Sandy.

Amount to be Approved: Up to \$30,000,000

Source of Funds to NYCEDC: City Tax Levy funds, up to \$5,000,000 in NYCEDC programmatic budget funds (anticipated to be reimbursed from City Tax Levy funds), Federal Funds, PILOT funds and/or private funds.

Scope: The Project will involve providing financing through the Facility to enable NYBDC to make zero-interest loans in amounts of up to \$75,000 (or such greater amount as may be approved by the President of NYCEDC or another empowered officer), with terms not longer than five years (or such longer term as may be approved by the President of NYCEDC or another empowered officer), to businesses with 99 or fewer employees that can demonstrate losses of revenues of at least 25% during the period of the COVID-19 pandemic. NYCEDC, GS and potentially Other Lenders will make loans through the Facility to NYBDC and NYBDC will use the loan proceeds to undertake Project activities. It is proposed that NYCEDC will make an interest-free loan up to \$30 million, with NYCEDC's commitment to be funded based on a ratio of up to 1:3 to the aggregate Facility loan commitments made by GS and Other Lenders. The NYCEDC loan will be subordinate in priority of payment and other rights to GS and Other Lenders. Certain transactional expenses will be paid from the Facility. At the present time there are no Other Lenders that have joined the Facility.

Proposed Resolution: To authorize the President and any empowered officer to:

- Enter into the Credit Documents and any needed Funding Source Agreement(s)
- Take all necessary or appropriate actions in connection with Credit Documents, and other necessary or appropriate agreements related to implementing the Credit Documents, all substantially as described herein

Staff: Eric Clement, Managing Director, Strategic Investments Group
Adam Lewis, Senior Counsel, Legal