



MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION
June 24, 2020

A regular meeting of the Board of Directors of New York City Economic Development Corporation (“NYCEDC”) was held telephonically, pursuant to notice by an Assistant Secretary, on Wednesday, June 24, 2020.

The following Directors of NYCEDC were present by conference telephone:

Cheryl Adolph
Shirley Aldebol
Wilton Cedeno
Marlene Cintron
Hector Cordero-Guzman
Lorraine Cortes-Vazquez
Mitchell Draizin
Robert Englert
William Floyd
Tanya Levy-Odom
Kapil Longani
Pedram Mahdavi (as alternate for Vicki Been)
James McSpirtt
Melva Miller
Patrick J. O’Sullivan, Jr.
James Patchett
Mark Russo
Michael Schlein
Charles Tebele
Matthew Washington
Timothy Wilkins
Betty Woo
Kathryn Wylde

Members of NYCEDC staff also were present.

The meeting was called to order at 8:35 a.m. Meredith Jones, Executive Vice President, General Counsel and Secretary of NYCEDC, served as secretary of the duly constituted meeting, at which a quorum was present. (Attached hereto as Attachment 1 is a definition sheet that contains the definitions of certain frequently used terms contained in the Exhibits attached hereto.)

1. Approval of the Minutes of the May 6, 2020 Regular Meeting of the Board of Directors

There being no questions or comments with respect to the minutes of the May 6, 2020 regular meeting of the Board of Directors, as submitted, a motion was made to approve such minutes, as submitted. Such motion was seconded and unanimously approved.

2. Report of NYCEDC's President

At this time, Mr. Patchett gave his report as President of NYCEDC. Mr. Patchett discussed the remarkable progress that the City of New York (the "City") had made thus far in dealing with the health aspects of COVID-19 and managing the two recent phased reopenings. He then discussed that significant health and economic issues remained, that continued progress and positive momentum were key for the recovery ahead, and that of equal importance was the need to also maintain focus and progress on the issues of equality that had risen to the forefront in recent weeks.

3. Budget Information

Mr. Patchett presented the proposed approval of budget information about NYCEDC in the form set forth in Attachment A to Exhibit A hereto, which budget information would be submitted to certain government officials and a government office. Also, attached to Exhibit A hereto as Attachment B is a copy of NYCEDC's budget information set forth in its standard format.

The Public Authorities Accountability Act of 2005 as amended requires NYCEDC to submit to the Mayor, the City's Comptroller, the City Council Speaker and New York State's Authorities Budget Office ("ABO") budget information on operations and capital construction setting forth the estimated receipts and expenditures for the next fiscal year and the current fiscal year, and the actual receipts and expenditures for the last completed fiscal year. ABO has designated the form in which the budget information is to be submitted and such form requires the inclusion of estimated information for additional years. The submission is for information purposes and the submission must be in the form submitted to NYCEDC's Directors.

At this time, Mr. Patchett discussed the complex and challenging budgetary and financial situation created by the huge impact that COVID-19 had imposed on the City, as well as the economic impact of the pandemic on NYCEDC's revenues, rents, real estate transactions, the cruise industry, and various NYCEDC projects and programmatic initiatives. He then summarized NYCEDC's approach to addressing its budget for fiscal year 2021 ("FY21"), noting that NYCEDC was taking an extremely conservative approach to projecting its revenues and was cutting spending dramatically, to ensure that it could weather this downturn. Next, Mr. Patchett discussed NYCEDC's significant reduction in expenses and program spending, summarized its analysis of revenues by asset type, and looked at its overall projections for FY21. Lastly, Mr.

Patchett explained that another crucial emphasis of NYCEDC's approach was to keep extremely close track of its financial situation through daily, weekly, and quarterly reviews, and that its budgetary estimates of revenues and expenses may be adjusted as more information became available.

At this time, Mr. Schlein expressed his approval of the detailed and responsible approach that NYCEDC was taking. In answer to a question from Mr. Washington, Mr. Patchett explained that NYCEDC's finance team worked closely with the New York City Mayor's Office of Management and Budget and the City's Controller to create a system for reimbursements, which was working very well, but that reimbursements unrelated to COVID-19 emergency response were still challenging. In answer to a question from Ms. Cortes-Vazquez, Mr. Patchett expressed his agreement that it was important to prioritize small businesses in communities that were hit hard by the pandemic. Rachel Loeb, an Executive Vice President of NYCEDC, additionally explained that many of NYCEDC's industrial assets were located in these hard-hit communities, and that NYCEDC was making a point while working at these assets to gain insight and learn where NYCEDC could most effectively invest and provide support.

A motion was made to approve the budget information about NYCEDC in the form set forth in Attachment A to Exhibit A hereto. Such motion was seconded and unanimously approved.

Mr. Schlein left the meeting at this time.

4. Tenant Relief

Julie Stein, a Senior Vice President of NYCEDC, presented a proposal to amend a previous Board authorization in order to provide authorization for NYCEDC to provide up to 6 months of relief to tenants, subtenants, permittees and other occupants of property owned or leased by NYCEDC that have been adversely impacted by COVID-19, on substantially the terms set forth in Exhibit B hereto.

At this time, Ms. Stein provided an overview of what NYCEDC had done to date with the rent relief that was authorized by the Board in March, and discussed the general guidelines by which NYCEDC considered rent relief on a month-by-month, tenant-by-tenant basis. She stated that the authorization being requested at this meeting was only for properties owned or leased by NYCEDC, and that NYCEDC may return to the Board again, in three months, if warranted by the economic situation. Ms. Stein also explained that NYCEDC had attempted to make its tenants and other business partners aware of federal programs to support their businesses.

Ms. Cintron then requested a breakdown of the properties that were receiving this tenant relief to better understand what was being done with it and how it was being disbursed among the five boroughs. Mr. Patchett stated that NYCEDC would conduct that analysis and share it with the Board.

A motion was made to authorize the matter set forth for authorization in the Proposed Resolution section of Exhibit B hereto. Such motion was seconded and unanimously approved.

5. Election of Officer

Under NYCEDC's Bylaws, the Board shall elect such Assistant Treasurers as it may from time to time determine. At this time, Mr. Patchett proposed that Stella Maniago be elected as an Assistant Treasurer. A description of certain responsibilities of Assistant Treasurers may be found in Article IV of the Bylaws. Ms. Maniago shall perform such duties as are assigned to her by NYCEDC's President. Mr. Patchett then summarized the background of Ms. Maniago.

A motion was made to elect Stella Maniago as an Assistant Treasurer of NYCEDC. Such motion was seconded and unanimously approved. The position of Ms. Maniago as an officer shall be conditioned upon the continuance of her employment by NYCEDC.

In answer to a question from Mr. Washington, Mr. Patchett discussed the morale of NYCEDC's staff and how NYCEDC was continually seeking out ways to provide support.

6. Approval

With respect to the approved items set forth 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 substantially on the terms described above.

7. Adjournment

There being no further business to come before the meeting, pursuant to a motion made, seconded and unanimously approved the meeting of the Board of Directors was adjourned at 9:16 a.m.

Assistant Secretary

Dated: _____
New York, New York

ATTACHMENT 1

DEFINITIONS

Apple	Apple Industrial Development Corp.
Armand	Armand Corporation d/b/a Armand of New York
BAT	Brooklyn Army Terminal
Bovis	Bovis Lend Lease LMB, Inc.
CDBG	Federal Community Development Block Grant
CDBG-DR Funds	Federal Community Development Block Grant-Disaster Recovery Program funds
CEQR	City Environmental Quality Review process
City DEP	New York City Department of Environmental Protection
City DOT	New York City Department of Transportation
City Parks	New York City Department of Parks and Recreation
City Planning	New York City Department of City Planning or City Planning Commission
CM	A construction manager
CM Contract	A construction management contract
DCAS	New York City Department of Citywide Administrative Services
EIS	Environmental Impact Statement
ESDC	New York State Urban Development Corporation d/b/a Empire State Development Corporation
FEMA	Federal Emergency Management Agency
FM	A facilities manager
FM/CM Contract	A facilities management/construction management contract
Funding Source Agreement	Any agreement necessary to obtain funds for the Project, including IDA Agreements
Gilbane.....	Gilbane Building Company
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

BUDGET INFORMATION
Board of Directors Meeting
June 24, 2020

SUBJECT: The approval and submission of budget information about NYCEDC

PROPOSED RESOLUTION: To approve budget information about NYCEDC in the form attached hereto as Attachment A

BACKGROUND: The Public Authorities Accountability Act of 2005 (the "Act") as amended requires NYCEDC to submit to the Mayor, the City's Comptroller, the City Council Speaker and New York State's Authorities Budget Office ("ABO"), budget information on operations and capital construction setting forth the estimated receipts and expenditures for the next fiscal year and the current fiscal year, and the actual receipts and expenditures for the last completed fiscal year. ABO has designated the form in which the budget information is to be submitted and such form requires the inclusion of estimated information for additional years. The submission is for information purposes and the submission must be in the form submitted to NYCEDC's Directors.

Attached hereto is Attachment A, which sets forth the budget information in the form in which it will be submitted pursuant to the Act. Attached hereto as Attachment B is a copy of NYCEDC's budget information set forth in its standard format.

STAFF: Elizabeth Verostek, Deputy Chief Financial Officer
Spencer Hobson, Executive Vice President and Treasurer
Jason Oddo, Vice President, Finance

ATTACHMENT A

**NYC ECONOMIC DEVELOPMENT CORPORATION
BUDGETED REVENUES, EXPENDITURES, AND CHANGES IN CURRENT NET ASSETS**

	Last Year (Actual) 2019	Current Year (Estimated) 2020	Next Year (Adopted) 2021	Proposed 2022	Proposed 2023	Proposed 2024
<u>REVENUE & FINANCIAL SOURCES</u>						
Operating Revenues						
Charges for services	12,332,604	8,974,054	7,742,563	10,471,595	10,576,595	10,685,982
Rental & financing income	230,481,470	205,414,664	144,453,659	243,720,699	252,505,378	264,530,512
Other operating revenues	42,562,021	29,738,956	45,999,437	69,492,359	68,173,820	52,438,142
Nonoperating Revenues						
Investment earnings	9,151,298	4,175,744	1,200,000	1,236,000	1,273,080	1,311,272
Municipal subsidies/grants	468,805,639	464,209,844	578,668,075	516,000,000	516,000,000	521,396,519
Total Revenues & Financing Sources	763,333,032	712,513,262	778,063,733	840,920,653	848,528,873	850,362,428
<u>EXPENDITURES</u>						
Operating Expenditures						
Salaries and wages	66,873,565	71,566,942	69,979,698	72,279,139	74,447,514	76,680,939
Professional services contracts	648,904,753	616,556,934	730,576,248	694,832,205	697,995,000	699,744,285
Other operating expenditures	98,702,685	79,751,691	72,559,166	70,985,694	71,284,952	72,303,393
Total Expenditures	814,481,004	767,875,567	873,115,113	838,097,039	843,727,465	848,728,617
Change in Net Assets Before Capital Contributions	(51,147,972)	(55,362,305)	(95,051,379)	2,823,615	4,801,407	1,633,811
Capital Contributions	164,651,034	81,321,196	11,600,000	-	-	-
Excess (deficiency) of revenues and capital contributions over expenditures	113,503,062	25,958,891	(83,451,379)	2,823,615	4,801,407	1,633,811

ATTACHMENT B

NYC ECONOMIC DEVELOPMENT CORPORATION
FISCAL YEAR 2021 BUDGET

	Actual FY 2019	Adopted FY 2020 Budget	Est. Year-End FY 2020	Projected FY 2021 Budget	Projected FY 2022 Budget	Projected FY 2023 Budget	Projected FY 2024 Budget
Revenues:							
Real Estate Sales, net	9,251,897	58,275,997	6,674,025	5,000,000	44,146,168	33,528,500	25,700,000
Property Rentals	230,481,470	269,861,508	205,414,664	144,453,659	243,720,699	252,505,378	264,530,512
Grants from City, State, Federal, Private	468,805,639	561,010,013	464,209,844	578,668,075	516,000,000	516,000,000	521,396,519
Fee Income	12,332,604	11,178,418	8,974,054	7,742,563	10,471,595	10,576,595	10,685,982
Other Income	33,310,124	14,160,174	23,064,931	40,999,437	25,346,191	34,645,320	26,738,142
Total Operating Revenues	754,181,734	914,486,111	708,337,518	776,863,733	839,684,653	847,255,793	849,051,156
Expenses:							
Project Costs	114,879,808	177,750,568	143,676,673	168,529,836	83,900,000	83,927,000	83,954,810
Program Costs	372,720,199	425,650,000	342,661,612	425,305,766	425,314,939	425,324,387	425,334,119
Property Rentals & Related Operating Expenses	161,304,746	218,578,046	130,218,649	136,740,646	185,617,266	188,743,613	190,455,357
Personnel Services	66,873,565	76,461,319	71,566,942	69,979,698	72,279,139	74,447,514	76,680,939
Office Rent	18,911,528	13,719,114	13,192,258	11,707,773	11,707,773	11,707,773	11,707,773
Contract and Other Expenses	57,657,328	28,764,736	27,282,186	29,193,766	26,827,873	27,375,855	27,950,032
Other General & Admin. Expenses	22,133,829	37,725,965	39,277,247	31,657,626	32,450,048	32,201,323	32,645,588
Total Operating Expenses	814,481,004	978,649,748	767,875,567	873,115,113	838,097,039	843,727,465	848,728,617
Operating Income	(60,299,270)	(64,163,638)	(59,538,049)	(96,251,379)	1,587,615	3,528,327	322,539
Non-Operating Revenues (Expenses):							
Income from Investments	9,057,544	5,046,907	4,175,744	1,200,000	1,236,000	1,273,080	1,311,272
Non-Operating Income (Expense)	93,755	-	-	-	-	-	-
Total Non-Operating Revenues (Expenses)	9,151,298	5,046,907	4,175,744	1,200,000	1,236,000	1,273,080	1,311,272
Change In Net Assets Before Capital Contributions	(51,147,972)	(59,116,730)	(55,362,305)	(95,051,379)	2,823,615	4,801,407	1,633,811
Capital Contributions (Vessels/Assets)	164,651,034	-	81,321,196	11,600,000	-	-	-
Total net position, beginning of year	448,248,546	561,751,609	561,751,609	587,710,499	504,259,120	507,082,735	511,884,142
Total net position, end of year	561,751,609	502,634,878	587,710,499	504,259,120	507,082,735	511,884,142	513,517,953

EXHIBIT B

TENANT RELIEF
Board of Directors Meeting
June 24, 2020

PROJECT: Providing relief to tenants, subtenants, permittees and other occupants of property owned or leased by NYCEDC that are adversely impacted by COVID-19

In March 2020, NYCEDC's Board authorized NYCEDC to provide up to three months of relief with regard to rent, fees, charges and other occupancy payments owed to NYCEDC by tenants, subtenants, permittees and other occupants of property owned or leased by NYCEDC that experienced hardship related to COVID-19. NYCEDC is seeking to increase the length of the period with regard to which a person or entity may be given relief to up to a total of six months and to specify that such relief may include deferrals.

PROPOSED RESOLUTION: To authorize the President and any empowered officer to defer, reduce, release and/or waive up to 100% of up to six months (instead of the previously authorized three months) of any rent, fee, charge or other occupancy payment owed to NYCEDC under a lease, sublease, permit or other occupancy agreement or arrangement in which NYCEDC is the lessor, sublessor or permittor or is otherwise the grantee of occupancy rights

NYCEDC STAFF: Julie Stein, Senior Vice President, Asset Management
Winthrop Hoyt, Senior Vice President, Asset Management
Rachel Loeb, Executive Vice President