



**NOTICE OF  
REGULAR MEETING OF DIRECTORS  
OF  
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION  
AUGUST 12, 2020**

A regular meeting of the Board of Directors of New York City Economic Development Corporation ("NYCEDC") will be held **telephonically** on Wednesday, August 12, 2020. The meeting will begin at 8:30 a.m.

The agenda for the meeting is as follows:

- I. Approval of Minutes of the June 24, 2020 Regular Meeting of the Board of Directors
- II. Report of NYCEDC's President
- III. Amendment to Sublease with Our World Neighborhood Charter School
- IV. Such other business as may properly come before the meeting

Mark Silversmith  
Assistant Secretary

Brooklyn, New York  
Dated: July 31, 2020

Please note that if you wish to attend the meeting and be able to speak at the meeting you must dial 866 868-1282 and use participant code 6045129.



**REGULAR MEETING OF DIRECTORS  
OF  
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION  
August 12, 2020**

**Table of Contents**

I. Definitions .....	1
II. Minutes of the June 24, 2020 Regular Meeting of the Board of Directors .....	2
III. Contracts and Other Matters	
• Report of NYCEDC's President .....	3
• Amendment to Sublease with Our World Neighborhood Charter School .....	4

## 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
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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



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.

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Assistant Secretary

Dated: \_\_\_\_\_  
New York, New York



**ATTACHMENT 1**

**DEFINITIONS**

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**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**

	<b>Last Year (Actual) 2019</b>	<b>Current Year (Estimated) 2020</b>	<b>Next Year (Adopted) 2021</b>	<b>Proposed 2022</b>	<b>Proposed 2023</b>	<b>Proposed 2024</b>
<b><u>REVENUE &amp; FINANCIAL SOURCES</u></b>						
<b>Operating Revenues</b>						
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
<b>Nonoperating Revenues</b>						
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
<b>Total Revenues &amp; Financing Sources</b>	<b>763,333,032</b>	<b>712,513,262</b>	<b>778,063,733</b>	<b>840,920,653</b>	<b>848,528,873</b>	<b>850,362,428</b>
<b><u>EXPENDITURES</u></b>						
<b>Operating Expenditures</b>						
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
<b>Total Expenditures</b>	<b>814,481,004</b>	<b>767,875,567</b>	<b>873,115,113</b>	<b>838,097,039</b>	<b>843,727,465</b>	<b>848,728,617</b>
<b>Change in Net Assets Before Capital Contributions</b>	<b>(51,147,972)</b>	<b>(55,362,305)</b>	<b>(95,051,379)</b>	<b>2,823,615</b>	<b>4,801,407</b>	<b>1,633,811</b>
Capital Contributions	164,651,034	81,321,196	11,600,000	-	-	-
<b>Excess (deficiency) of revenues and capital contributions over expenditures</b>	<b>113,503,062</b>	<b>25,958,891</b>	<b>(83,451,379)</b>	<b>2,823,615</b>	<b>4,801,407</b>	<b>1,633,811</b>

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
<b>Revenues:</b>							
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
<b>Total Operating Revenues</b>	<b>754,181,734</b>	<b>914,486,111</b>	<b>708,337,518</b>	<b>776,863,733</b>	<b>839,684,653</b>	<b>847,255,793</b>	<b>849,051,156</b>
<b>Expenses:</b>							
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
<b>Total Operating Expenses</b>	<b>814,481,004</b>	<b>978,649,748</b>	<b>767,875,567</b>	<b>873,115,113</b>	<b>838,097,039</b>	<b>843,727,465</b>	<b>848,728,617</b>
<b>Operating Income</b>	<b>(60,299,270)</b>	<b>(64,163,638)</b>	<b>(59,538,049)</b>	<b>(96,251,379)</b>	<b>1,587,615</b>	<b>3,528,327</b>	<b>322,539</b>
<b>Non-Operating Revenues (Expenses):</b>							
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	-	-	-	-	-	-
<b>Total Non-Operating Revenues (Expenses)</b>	<b>9,151,298</b>	<b>5,046,907</b>	<b>4,175,744</b>	<b>1,200,000</b>	<b>1,236,000</b>	<b>1,273,080</b>	<b>1,311,272</b>
<b>Change In Net Assets Before Capital Contributions</b>	<b>(51,147,972)</b>	<b>(59,116,730)</b>	<b>(55,362,305)</b>	<b>(95,051,379)</b>	<b>2,823,615</b>	<b>4,801,407</b>	<b>1,633,811</b>
Capital Contributions (Vessels/Assets)	164,651,034	-	81,321,196	11,600,000	-	-	-
<b>Total net position, beginning of year</b>	<b>448,248,546</b>	<b>561,751,609</b>	<b>561,751,609</b>	<b>587,710,499</b>	<b>504,259,120</b>	<b>507,082,735</b>	<b>511,884,142</b>
<b>Total net position, end of year</b>	<b>561,751,609</b>	<b>502,634,878</b>	<b>587,710,499</b>	<b>504,259,120</b>	<b>507,082,735</b>	<b>511,884,142</b>	<b>513,517,953</b>

**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





August 12, 2020

To the Members of the Board:

As we reflect on the last few months here at EDC, I'm proud of what we have been able to accomplish. The City is looking toward the future and how we can make New York a better place to live, work, and do business. Here are some of the ways in which we are pursuing those goals:

**Supporting the City's economic reopening:**

- Our efforts to produce COVID-19 test kits are yielding results. To date, we've delivered 320,000 test kits to NYC Health + Hospitals sites around the five boroughs.
- We have partnered with NYC SBS to launch the NYC PPE + Reopening Supplies Marketplace to help businesses purchase local supplies in order to operate safely and efficiently. The Marketplace is a one-stop-shop for face masks and shields, gloves, cleaning and disinfectant products, thermometers, physical barriers and portable furniture.
- We are deploying staff to assist DOE in efforts to reopen schools.
- Key infrastructure projects like Pier 42, NYC Ferry Homeport 2, Brooklyn Cruise Terminal and MiNY capital work are restarting.

**We are bringing our properties back to life:**

- This summer, we've partnered with Rooftop Films to bring an exciting, socially distant activity to the Brooklyn Waterfront. The Brooklyn Army Terminal will host a summer drive-in movie series through October showing independent and studio released films.
- Late last month, the Brooklyn Army Terminal also hosted The NY Mechanical Gardens Bike Co-Op, and the Fearless Flyers (a cycling nonprofit serving the LGBTQ+ community) to assemble 50 bicycles for frontline healthcare workers at Maimonides Hospital.
- Beginning in April, Basketball City at Pier 36 has housed an active GetFoodNYC site, where emergency food supplies are stored and picked up for distribution to New Yorkers in need.

**We are getting back to our day-to-day activities:**

- After receiving overwhelming support from the local community, Bartlett Dairy recently closed on a land purchase via EDC and NYCIDA benefits, allowing it to open a new distribution facility in Queens. The project brings a family business that provides milk to our schools back to the city.
- Last month, in collaboration with NYC DOT and NYC Parks, we celebrated the completion of the Atlantic Avenue Extension project and opened the newly created Gateway Park in Queens. The project ensures improved access between the Van Wyck Expressway and the Jamaica LIRR/Air Tran station transit hub all while creating a new park and open space.

And while returning to our day-to-day functions as an economic development organization is providing a sense of normality, we know we can't go back to the old way of doing things. COVID-19 has laid bare even more starkly the inequalities that exist within our city, including access to healthcare, food, and

broadband. The events of the past several months have shown the systemic racism and injustice that exist within our city and across the nation.

That is why at EDC, we have taken a series of steps to put equity at the center of our work. Internally, we are aggressively ramping up recruitment and hiring efforts to further diversify our workforce, and we are implementing mandatory all-staff trainings on race and equity. Externally, we are looking at how our work addresses these issues. Over the next few months, we are undertaking an intentional internal effort to guide us in this area.

We will continue to keep you informed of the progress being made in these areas. As always, please do not hesitate to contact me or any member of the staff with questions or thoughts.

Sincerely,

A handwritten signature in black ink, appearing to read 'James Patchett', with a long horizontal line extending to the right.

James Patchett

**AMMENDMENT TO SUBLEASE WITH OUR WORLD NEIGHBORHOOD  
CHARTER SCHOOL  
Board of Directors Meeting  
August 12, 2020**

**OVERVIEW:** NYCEDC proposes to enter into an amendment to a sublease with Our World Neighborhood Charter School (“OWN”) to extend its term substantially as described below.

**LESSOR:** The City of New York

**LESSEE AND  
SUBLESSOR:** NYCEDC

**SUBLESSEE:** OWN

**SITE LOCATION  
AND  
DESCRIPTION:**

The subleased property is located at 36-12 35<sup>th</sup> Avenue in Astoria, Queens (Block 640, Lot 24) (the “Premises”). The Premises includes a building that is approximately 43,500 square feet and a playground that is approximately 4,000 square feet. The property is within the former Army Pictorial Center, now known as the Astoria Studios Historic District (“ASHD”).

**PROPOSED**

**EXTENSION TERM:** Ten years (October 1, 2020 – September 30, 2030), with a five year optional extension (October 1, 2030 – September 30, 2035)

**BASE RENT:** Initial Extension Term:

The base rent for the first sublease year of the extension term shall be \$522,000. Escalations will be as follows:

Year	Escalation	Rent/Yr	Rent/SF Building Space/Yr
1	0.00%	\$522,000.00	\$12.00
2	2.00%	\$532,440.00	\$12.24
3	2.25%	\$544,419.90	\$12.52
4	2.50%	\$558,030.40	\$12.83
5	2.75%	\$573,376.23	\$13.18
6	3.00%	\$590,577.52	\$13.58
7	3.00%	\$608,294.85	\$13.98
8	3.00%	\$626,543.69	\$14.40
9	3.00%	\$645,340.00	\$14.84
10	3.00%	\$664,700.20	\$15.28

The base rent for the first year of the sublease extension is approximately \$12 per square foot of building space, which is approximately \$.50 per square foot less than the appraised value. Among the reasons for charging less than the appraised value is that OWN has committed to make \$800,000 in capital improvements to the Premises (which is equal to approximately \$1.84 per square foot for each square foot of building space for each of the 10 years of the initial extension term.)

Optional 5 Year Extension Term:

A new appraisal with appraiser and scope of appraisal to be agreed upon by OWN and NYCEDC will be conducted to determine the FMV of the Premises for the optional 5 year extension term commencing October 1, 2030 (which appraisal may take into account the restrictions in the deed for the Premises from the United States described below). Base rent for Year 11 shall be set at the higher of (1) the new appraised value per square foot of building space (reduced as described in the next paragraph) or (2) a 15% increase from the previous year's base rent. Base rent for each year thereafter shall increase by three percent.

In calculating base rent, the amount of the reduction in the appraised value for Year 11 described in the above paragraph will be (a) the annual amount of amortization (per square foot of building space) of NYCEDC approved and verified capital improvements undertaken by OWN during the initial 10 year extension term of the Sublease if such amount was amortized over ten years, minus (b) \$.50 per square foot of building space.

Minimum payments for Years 2030 – 2035 are as follow:

<b>Year</b>	<b>Escalation</b>	<b>Rent/Yr</b>	<b>Rent/SF Building Space/Yr</b>
1	15.00%	\$764,405.23	\$17.57
2	3.00%	\$787,337.39	\$18.10
3	3.00%	\$810,957.51	\$18.64
4	3.00%	\$835,286.24	\$19.20
5	3.00%	\$860,344.82	\$19.78

**USE:**

Charter elementary school educating children in grades kindergarten through five.

**CAPITAL  
IMPROVEMENTS:**

OWN has committed to no less than \$800,000 in capital improvements over the initial 10 year term of the sublease extension.

**APPRAISED  
VALUE:**

Based upon a 2020 appraisal, the annual fair market rental value of a sublease for the Premises for highest and best use subject to a film related deed restriction mandated in the February 17, 1982 deed from the United States of America to the City further outlined below, is \$543,750 or approximately \$12.50/sf of building space (rounded up to \$545,000).

**PROJECT  
DESCRIPTION:**

By deed dated February 17, 1982, the United States of America conveyed to the City certain parcels ("Parcels"), including the Premises, located in the ASHD. The City leases the Parcels to NYCEDC through 2099. The Parcels are subject to a deed restriction which requires tenants to be involved with a film related use.

OWN is a New York City publicly-funded charter that has invested over \$3,500,000 in the Premises. OWN also operates a nearby middle school for grades six through eight. At the two locations, OWN educates a total of over 700 children.

As of October 1, 2000, NYCEDC entered into an Agreement of Lease (the "Sublease") for the Premises for a term of 10 years with one five-year renewal period, which Sublease, as amended, was further amended and assigned by the then sublessee to OWN in 2007. The Sublease was extended by 5 years as of October 1, 2015, following an RFP for the Premises.

On December 31, 2019, NYCEDC released a new RFP for the sublease of the Premises and received one response-from OWN (other respondents withdrew after a fuller understanding of RFP requirements). Rather than enter into a new sublease for the Premises, NYCEDC proposes to amend the current Sublease to extend its term. OWN proposed to continue its current use of the Premises including its film curriculum and to expend at a minimum \$800,000 on capital improvements.

OWN will reimburse NYCEDC \$17,450 for appraisal costs and costs of a building conditions report associated with the RFP for the Premises.

With the extension of the Sublease, OWN will be able to carry out its current charter term, plan for the next one and be able to finance its committed improvements. The Sublease provides and will continue to provide that the Sublease may be terminated in the event that OWN no longer has charter school accreditation.

**PURPOSE OF DISPOSITION/  
BENEFIT TO THE PUBLIC:**

In addition to contributing to overall economic activity and increasing tax revenues, the proposed Sublease extension(s) will retain permanent jobs in New York and allow OWN to educate approximately 500 students.

**ZONING:**

M1-5 (subject to deed restriction for film-related use)

**PUBLIC APPROVALS:**

No public approvals required

**PROPOSED RESOLUTIONS:**

The approval of amendment(s) to the Sublease between NYCEDC and OWN to permit extensions of the Sublease substantially as described above.

The Board of Directors further resolves that there is no reasonable alternative to the proposed Sublease amendment(s) that will achieve the same purpose as such transfer.

**NYCEDC PROJECT CODE:**

5297

**STAFF:**

Susan Goldfinger, Senior Vice President, Real Estate Transaction Services  
Eric Rivera, Senior Associate, Real Estate Transaction Services  
Darryl Connelly, Senior Vice President, Asset Management  
Jinquan Liang, Assistant Vice President, Asset Management  
Randi Cohen, Senior Counsel, Legal

# Attachment A – Aerial Map

## Site Location

**Borough:** Queens  
**Neighborhood:** Astoria  
**Block:** 640 Lot: 24  
**Community Board:** 1



 Site



0 150 300 Feet

 NYCEDC

NYCEDC MGIS <7/24/12>