



MINUTES OF THE REGULAR MEETING  
OF THE EXECUTIVE COMMITTEE  
OF  
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION  
September 30, 2020

A regular meeting of the Executive Committee 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, September 30, 2020.

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

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

Matthew Hiltzik, a Director of NYCEDC, members of NYCEDC staff and members of the public also were present.

The meeting was chaired by Michael Schlein, Chairperson of NYCEDC, and called to order at 9:42 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. Approval of the Minutes of the June 17, 2020 Special Meeting of the Executive Committee

There were no questions or comments with respect to the minutes of the June 17, 2020 special meeting of the Executive Committee, as submitted. A motion to approve such minutes, as submitted, was made, seconded and unanimously adopted.

2. Approval of the Minutes of the August 12, 2020 Regular Meeting of the Executive Committee

There were no questions or comments with respect to the minutes of the August 12, 2020 regular meeting of the Executive Committee, as submitted. A motion to approve such minutes, as submitted, was made, seconded and unanimously adopted.

### 3. 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) The New 42<sup>nd</sup> Street, Inc.: Site 8ER Loan Amendment and Rent Reset Agreement

Patrick Conway, a Vice President of NYCEDC, presented a proposal for (i) an amendment to restructure the loan repayment schedule of the loan and security agreement that NYCEDC entered into in March 2019, under which NYCEDC provided an interest-free bridge loan to The New 42<sup>nd</sup> Street, Inc. (“New 42”) to alleviate the cash flow deficit incurred by New 42 during the pendency of proceedings to reset the rents payable by 42<sup>nd</sup> Street Associates LP (the “Tenant”) to New 42 and the City under their respective ground leases of portions of Site 8ER on 42nd Street in Manhattan, and (ii) a rent reset agreement (the “Reset Agreement”) pursuant to which NYCEDC will make payments to New 42 in light of the rent amount New 42 will receive from the Tenant pursuant to the rent reset, on substantially the terms set forth in Exhibit A hereto.

In answer to a question from Mr. McSpirtt, Mr. Conway explained that both of the ground leases for Site 8ER provided that their respective base rents were to be reset in September 2018, and that New 42 and NYCEDC worked with the Tenant to reset the base rent through a structured process that was provided under the leases. In response to a comment from Mr. Schlein, Mr. Conway stated that it was a long and complicated process. Rachel Loeb, an Executive Vice President of NYCEDC, added that NYCEDC spent a lot of time working with New 42 to make sure that it could remain solvent, while also ensuring that NYCEDC was protected.

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

#### (b) Modifications to Previous Authorizations – Academy Express, L.L.C. Service Contract

Adam Lomasney, an Assistant Vice President of NYCEDC, presented a proposal for (i) an amendment to NYCEDC’s contract (the “Academy Contract”) with Academy Express, L.L.C. for the provision of MetroCard-compatible express bus service between the South Shore of Staten Island and Midtown Manhattan during peak weekday morning and evening hours, to provide for an extension of the term of the Academy Contract for an additional 12 months until September 7, 2021, and to provide for modified bus service and for COVID-19 cleaning and disinfecting, and (ii) any other necessary agreements related thereto, on substantially the terms set forth in Exhibit B hereto.

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

(c) Property Maintenance Program

At this time, Nathan Moran, an Assistant Director of NYCEDC, in connection with a restart of the CleaNYC program as part of the Mayor's recently announced cleanliness initiative to address quality of life concerns in the City, presented a proposal for (i) an amendment to NYCEDC's existing contract with The Doe Fund, Inc. ("Doe Fund") for labor and supervision for property maintenance services (the "Property Maintenance Services") and social services to Doe Fund staff, to provide additional funds for labor and supervision, and possibly supplies, equipment and machinery and other service-related expenses (including possibly social services to Doe Fund staff), for certain Property Maintenance Services primarily related to cleaning through December 31, 2020, (ii) contracts and purchases for supplies, parts, equipment, machinery, waste containers, transportation, and possibly other services, as needed, with contractors and vendors to be determined for project services through December 31, 2020, and possibly using existing approved retainer contracts and amendments thereto for such matters, and (iii) any agreements necessary to obtain funds for these project services and purchases, all for various locations throughout the City managed by NYCEDC or with regard to which NYCEDC is asked to perform these services by the City, on substantially the terms set forth in Exhibit C hereto.

In answer to a question from Mr. Wilkins, Mr. Moran stated that there were local BIDS that provided similar cleaning services and quality of life initiatives to help the City and that although NYCEDC would not be partnering with them directly, the efforts of those groups were factored into NYCEDC's selection criteria for where NYCEDC would undertake its work, as NYCEDC wanted to focus on areas that had the greatest need and that did not have local BIDS to provide similar services. In answer to a second question from Mr. Wilkins, Mr. Moran explained that a central focus of the service was increased trash pickup and cleaning and sweeping of sidewalks, and that NYCEDC's efforts alongside those of the City's Department of Sanitation would greatly help to improve the quality of life conditions throughout the City. Mr. Moran added that NYCEDC was in close contact with the Department of Sanitation and would be partnering with it throughout the process of this initiative.

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

4. Approvals

With respect to the items set forth in Sections 3(a) – (c) 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.

5. COVID-19 Discussion

In answer to a question from Mr. Schlein, Mr. Patchett discussed various efforts aimed at helping the City's restaurants get through the winter, including the previous week's announcement that outdoor dining would be allowed to continue through the winter, and that outdoor heating also would be permitted, as well as tenting where possible.

6. Adjournment

There being no further business to come before the meeting, pursuant to a motion made, seconded and unanimously approved the Executive Committee meeting was adjourned at 10:07 a.m.

\_\_\_\_\_  
Assistant Secretary

Dated: \_\_\_\_\_  
Brooklyn, 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**

**THE NEW 42<sup>nd</sup> STREET, INC.: SITE 8ER LOAN AMENDMENT AND RENT RESET AGREEMENT**

**Executive Committee Meeting  
September 30, 2020**

**Project Description:**

The New 42<sup>nd</sup> Street, Inc. (“New 42”) is a not-for-profit corporation established to restore and oversee several historic theaters in the Times Square neighborhood of Manhattan. As a result of the COVID 19 pandemic, the organization has closed its theaters and rehearsal space until July 1, 2021.

The City of New York (the “City”) and New 42 are the ground lessors of an approximately 61,000 square foot City-owned site on 42<sup>nd</sup> Street known as Site 8ER, through two separate mirror ground leases (the “Leases”). Site 8ER is part of the 42<sup>nd</sup> Street Development Project (“42DP”) and is leased to 42<sup>nd</sup> Street Associates LP (“Tenant”). NYCEDC is the City’s lease administrator for 42DP, which includes Site 8ER. In addition to other charges, Tenant pays a base rent for Site 8ER that is allocated between the City and New 42. The Leases provide that the base rent would be reset for the period of September 1, 2018 through August 31, 2033.

Prior to the base rent reset, NYCEDC entered into a Loan and Security Agreement (the “Loan Agreement”) in March 2019, under which NYCEDC provided an interest-free bridge loan (the “Loan”) to New 42. The Loan proceeds were to be used to alleviate the cash flow deficit New 42 incurred during the pendency of the rent reset proceeding for the period beginning September 1, 2018. Under the Loan Agreement, New 42 could borrow up to \$3,228,750 but it has only borrowed \$2,502,460 of the total amount. Currently, New 42 is required to start repaying the Loan on September 16, 2020, and the Loan must be fully repaid by March 15, 2021. New 42 has requested a restructuring of the repayment schedule so that the Loan can be repaid in 60 equal monthly payments beginning September 1, 2021.



On August 31, 2020, Tenant's base rent for the Site was reset by the parties while they were participating in an arbitration proceeding held in accordance with the Leases. Pursuant to amendments to each of the Leases, New 42 will be paid a smaller percentage of the total base rent paid by Tenant to New 42 and the City for the reset period than New 42 would have been paid for that period under the original terms of the Leases. Accordingly, NYCEDC has agreed that, pursuant to a Site 8ER Rent Reset Agreement (the "Reset Agreement"), it will make payments ("Adjustment Payments") to New 42 to make up the difference. As a result of these payments, New 42 will receive the same proportion of base rent from Site 8ER as it would have under the original terms of the Leases. The Adjustment Payments will be paid over the period beginning 30 days after entering into the Reset Agreement until approximately seven years thereafter.

<b>Borough:</b>	Manhattan
<b>Type of Contracts:</b>	Amendment to the Loan Agreement and a Reset Agreement
<b>Amounts to be Approved:</b>	Restructuring of the repayment schedule of the outstanding principal of the New 42 Loan (totaling \$2,502,460), whereby the entire principal would be repaid in 60 equal monthly payments of \$41,707.67 to be paid on the first of each month beginning September 1, 2021.  NYCEDC will make Adjustment Payments to New 42 totaling \$835,000 over the period beginning 30 days after entering into the Reset Agreement until approximately seven years thereafter. \$5,000 will be paid in the first year and thereafter there will be monthly payments in varying dollar amounts not to exceed \$14,166 per month.
<b>Type of Funds:</b>	NYCEDC programmatic budget funds
<b>Procurement Method:</b>	Sole source
<b>Last Exec. Comm. Approval:</b>	August 8, 2018 (for the New 42 Loan)

**Agreements to be Approved:** Amendment to the Loan Agreement to restructure the New 42 Loan repayment schedule and the Reset Agreement pursuant to which NYCEDC will make Adjustment Payments to New 42, substantially as described herein

**Proposed Resolution:** To authorize the President and any empowered officer to enter into the amendment to the Loan Agreement and into the Reset Agreement, substantially as described herein

**Relevant Staff:** Patrick Conway, Vice President, Asset Management  
Darryl Connelly, Senior Vice President, Asset Management  
Winthrop Hoyt, Senior Vice President, Asset Management  
Richard E. Palumbo, Senior Counsel, Legal

**Project Code:** 1768

**EXHIBIT B**

**MODIFICATIONS TO PREVIOUS AUTHORIZATIONS**  
**Executive Committee Meeting**  
**September 30, 2020**

**Proposed Resolution:** To modify a previous authorization of the Executive Committee substantially as described herein and to authorize the President and any empowered officer to enter into any necessary agreements related thereto.

The proposed modifications are being undertaken on a sole source basis in order to prevent any interruption in service.

Contractor	Project Site Address(es), Borough	Amount and Type of Funds	Project Work	Proposed Modification	Project Code	Last Exec. Comm. Approval
Academy Express, L.L.C. ("Academy")	Bus service between the South Shore of Staten Island and Midtown Manhattan	Up to an additional \$2,700,000 for the extension of the service under Academy's contract, to be paid by funds made available by the City. Academy will also retain monies received from farebox collections and advertising revenue.	<p>Provision of MetroCard-compatible express bus service between the South Shore of Staten Island and Midtown Manhattan during peak weekday morning and evening hours, on two routes (that are subject to change) that have been agreed to by the operator, NYCEDC and City DOT.</p> <p>Due to lower ridership resulting from the ongoing pandemic, the buses will be operating with reduced service and will operate with reduced capacity in order to accommodate social distancing guidelines. Funding for COVID-19 cleaning and disinfecting costs is to be included until mutually agreed otherwise by Academy and City DOT.</p>	<p>An extension of the contract term for an additional twelve months until September 7, 2021 and to provide for modified bus service and for COVID-19 cleaning and disinfecting as described under Project Work.</p> <p>Increase in maximum contract price of up to \$2,700,000; such amount to include reimbursement for COVID-19 cleaning and disinfecting costs of up to \$3,000 per month. For the year ending September 7, 2020, the annual payment was up to \$3,800,000. Academy will continue to retain fare box collections and advertising revenue, in addition to revenue paid by NYCEDC..</p>	1379	September 27, 2019

**Relevant Staff:** Adam Lomasney, Assistant Vice President, Ports & Transportation  
Andrew Genn, Senior Vice President, Ports & Transportation  
Caroline Nguyen, Senior Counsel, Legal Department

**EXHIBIT C**

**PROPERTY MAINTENANCE PROGRAM  
Executive Committee Meeting  
September 30, 2020**

**Project Description:** Provision of certain Property Maintenance Program services primarily related to cleaning through December 31, 2020, for various locations throughout the City managed by NYCEDC or with regard to which NYCEDC is asked to perform these services by the City

**Borough:** Citywide

**Type of Contracts:** Contracts for services, supplies, equipment and possibly machinery

**Amount to be Approved:** Up to \$800,000 for certain Property Maintenance Program services undertaken by The Doe Fund, Inc. ("Doe Fund") and related expenses, such funds being in addition to the funds authorized by the Executive Committee for the Property Maintenance Program on June 24, 2020. Funds not so used (estimated not to exceed \$50,000) may be used for Vendor Contracts and Purchases (as defined below).

**Type of Funds:** City Tax Levy funds (up to \$750,000) for Doe Fund services and related expenses and NYCEDC programmatic budget funds (up to \$50,000) for related expenses

**Procurement Methods:**

- A sole source amendment (the "Doe Fund Amendment") to the existing Property Maintenance Program contract with Doe Fund, which was competitively procured
- Other NYCEDC service and supply contracts, and other contracts and expenditures for supplies, equipment and machinery under the Property Maintenance Program, in almost all cases will be procured using the small purchase procurement method

**Last Exec. Comm. Approval:** June 24, 2020

**Agreements to be Approved:**

- The Doe Fund Amendment, to provide additional funds for labor and supervision, and possibly supplies, equipment and machinery and other service related

expenses (including possibly social services to Doe Fund staff), for certain Property Maintenance Program services through December 31, 2020

- Contracts and purchases for supplies, parts, equipment, machinery, waste containers, transportation, and possibly other services, as needed, with contractors and vendors to be determined for Project services through December 31, 2020, and possibly using existing approved retainer contracts and amendments thereto for such matters (together, the “Vendor Contracts and Purchases”)
- Any needed Funding Source Agreements

**Scope of Work:** Certain Property Maintenance Program services Citywide primarily related to cleaning. General activities may include, without limitation:

- clearing and fencing of vacant lots
- street and sidewalk cleaning
- clearing of periodic dumping that occurs by the roadside and on vacant lots
- miscellaneous services

It is anticipated that the cleaning services under the Doe Fund Amendment will primarily be with regard to locations with regard to which NYCEDC has been asked to perform such services by the City but may also be at locations managed by NYCEDC.

Doe Fund may provide support services to staff to assist their development and ability to lead independent and productive lives.

**Proposed Resolution:** To authorize the President and any empowered officer to enter into contracts and contract amendments and make expenditures for the Property Maintenance Program, and to enter into any needed Funding Source Agreements, substantially as described herein

**Relevant Staff:** Nathan Moran, Assistant Director, Property Operations  
Henry Yi, Counsel, Legal

**Project Code:** 2357