

**NYCIDA Enforcement Action Report
November 17, 2020**

Description of Enforcement Actions and Entities

The enclosed report (beginning on page 2) provides a description of enforcement actions and names of entities against which enforcement actions have been taken.

Number of Ongoing Projects Outstanding

As of November 5, 2020, there were 313 ongoing projects outstanding.

Percentage of Projects Subject to Enforcement Action

The percentage of projects with respect to which enforcement actions are being undertaken (7) as compared to the ongoing projects outstanding (313) is 2%.

Defaulted Projects Not Currently Subject to an Enforcement Action

The number of projects for which events of default under program agreements have taken place and which are not currently subject to an enforcement action is 7.

Settlements Reached

Since the September 2020 NYCIDA Enforcement Action Report, no settlements were reached.

Project Information

There are 14 projects on this report.

The NAICS Classification breakdown of these projects is as follows:

| NAICS Classification | # of Projects | % of Projects in Report |
|---|----------------------|--------------------------------|
| Manufacturing | 5 | 36% |
| Educational Services | 1 | 7% |
| Periodic Publishers | 1 | 7% |
| Other Services (except Public Administration) | 1 | 7% |
| Merchant Wholesalers | 1 | 7% |
| Real Estate Development | 1 | 7% |
| Reupholstery and Furniture Repair | 1 | 7% |
| Electrical Contractors | 1 | 7% |
| Commercial Bakeries | 1 | 7% |
| Television Broadcasting | 1 | 7% |

| # | Active Project Name | Project Category | Closing Date | Field Visit(s) | Date Notice of Event of Default Issued | Date Project was Terminated | Default Category | Agency Enforcement Action | Current Status | Type of Financial Assistance | NAICS Classification | Borough | Board Authorized Assistance (Estimated) |
|---|--|----------------------|--------------|---|--|-----------------------------|---|--------------------------------------|--|------------------------------|---|---------------|---|
| 1 | Marathon Energy | Industrial Incentive | 7/11/2017 | 10/10/2018 11/04/2019 | N/A | N/A | Project was not completed by Project Completion Date | N/A | NYCIDA is working with Company to resolve outstanding issues | MRT, PILOT, ST | Manufacturing | Queens | \$ 3,385,604 |
| 2 | Bronx Parking Development Company, LLC | Not For Profit Bond | 12/1/2007 | N/A | N/A | N/A | Payment Default | N/A | The Company is in negotiations with representatives of the holders of the majority of bonds on the terms of a restructuring agreement. | B | Other Services (except Public Administration) | Bronx | \$ 108,004,317 |
| 3 | Magen David Yeshivah | Not For Profit Bond | 6/26/2002 | 12/13/2012 | 4/30/2010 (T) | N/A | Payment Default | N/A | Institution and bondholders are discussing a workout. | B, MRT | Educational Services | Brooklyn | \$ 87,500 |
| 4 | Gotham Seafood Corp. | Industrial Incentive | 1/5/2016 | 11/21/2017, 4/11/2018 | N/A | N/A | Project was not completed by Project Completion Date | N/A | NYCIDA is working with Company to resolve outstanding issue. | ST, PILOT | Fish and Seafood Merchant Wholesalers | Manhattan | \$ 2,162,906 |
| 5 | Java Street Pier | Land Sale | 8/11/2016 | 5/1/2017, 5/23/2018 | N/A | N/A | Project missed Commencement Date and was not completed by Project Completion Date | N/A | NYCIDA is working with Company to resolve outstanding issue. | Land Sale | Real Estate Development | Brooklyn | N/A |
| 6 | Carlton House Restoration, Inc | Industrial Incentive | 11/25/2014 | 10/21/2016, 4/23/2018 | N/A | N/A | Project was not completed by Project Completion Date | N/A | NYCIDA is working with Company to resolve outstanding issue. | ST, PILOT, MRT | Reupholstery and Furniture Repair | Queens | \$ 1,084,581 |
| 7 | NBC Universal, Inc. | Commercial Incentive | 12/20/1988 | N/A | 7/2/2020 (A) | N/A | Unauthorized use of sales tax benefit | Notice of Default issued on 7/2/2019 | NYCIDA is working with Company to resolve the outstanding issue | PILOT, ST, NYCPUS | Television Broadcasting | Manhattan | \$ 1,500,000 |
| 8 | Cubit Power One, Inc. | Industrial Incentive | 8/19/2015 | 12/3/2015, 10/18/2016, 6/7/2017, 4/25/2018 | N/A | N/A | Project was not completed by Project Completion Date | N/A | NYCIDA is working with Company to resolve outstanding issue. | PILOT | Ice Manufacturing, Industrial Gas Manufacturing | Staten Island | \$ 2,694,316 |

| # | Inactive Project Name | Project Category | Closing Date | Field Visit(s) | Date Notice of Event of Default Issued | Date Project was Terminated | Default Category | Agency Enforcement Action | Current Status | Type of Financial Assistance | NAICS Classification | Borough | Board Authorized Assistance |
|---|--|-------------------------------|--------------|--|--|-----------------------------|--|--|---|------------------------------|------------------------|---------------|-----------------------------|
| 1 | Glendale Architectural Wood Products, Inc. | Industrial Incentive | 4/17/2000 | 2/24/2011, 10/11/2011 | 9/10/2014 (A) | 6/16/2015 | Failed to Make PILOT Payment(s), Sold Project Facility | Agency Issued Notice of Default on 9/10/2014 and terminated project on 6/16/2015. Notice of Demand Issued on 2/2/2018. | Agency terminated PILOT, property placed back on tax rolls. Company owes outstanding payment. Notice of Demand Issued on 2/2/2018. | P, ST, MRT | Manufacturing | Queens | \$ 334,508 |
| 2 | Smith Electric Vehicles Corp. | Industrial Incentive | 8/3/2012 | 2/5/2013, 10/31/2013 | 2/12/2014 (A) | 2/17/2015 | Failed to Make PILOT Payment(s), Failed to Complete Project, Failed to Submit Proof of Insurance | Agency Issued a Notice of Event of Default on 2/12/2014 and terminated project on 2/17/2015. Recapture Payment Demand Notice sent to Company on 2/9/2014, 12/15/2015, & 8/9/2019 | Agency terminated PILOT, property placed back on tax rolls. The matter has been referred to the NYC Law Department. Litigation commenced on 10/31/16. Default Judgement received on 7/11/2018. NYC Law Department is currently reviewing collection. | P, ST | Manufacturing | Bronx | \$ 1,855,660 |
| 3 | Time, Inc | Commercial Incentive (S/L) | 11/1/1999 | 12/15/2008 | N/A | 3/15/2010 | Project owes recapture due to reductions in employment | Recapture Payment Demand Notice sent to Company on 2/9/2014. | Project terminated on 3/15/2010. Recapture Payment Demand Notice sent to Company on 2/9/2014. On 12/15/2015 an updated Recapture Payment Demand Notice was sent to Company. Recapture request to initiate litigation was sent to NYC Law Department on 4/28/2016. An updated demand letter was sent on 8/9/2019. A summons and complaint was filed by NYC Law on 10/7/2020 in which IDA is seeking to recover \$7.9 million in recapture. | BIR, ST | Periodical Publishers | Manhattan | N/A |
| 4 | Surprise Plastics, Inc. | Manufacturing Facilities Bond | 9/13/2002 | 7/31/2008, 5/20/2009, 7/1/2011 | 8/20/2010 (A) | 3/31/2014 | Ceased Operations, Failed to Make PILOT Payment(s), Failed to Pay Annual Administrative Fee, Failed to Submit Proof of Insurance | Agency issued Notice of Event of Default on 8/20/2010 and terminated project on 3/31/14. | Agency terminated PILOT, property placed back on tax rolls. Recapture of \$873,755.70 was collected at termination. As to the collection of the remaining recapture owed, the matter has been referred to the NYC Law Department; litigation commenced on 3/6/2015. A judgment was entered on 7/10/19. NYC Law Department is investigating enforcement. | B, MRT, P, ST | Manufacturing | Brooklyn | \$ 1,789,317 |
| 5 | Fairway Bakery LLC | Industrial Incentive | 5/22/2013 | 4/10/2013, 7/11/2013, 10/21/2013 | N/A | N/A | Project owes recapture due to termination during Recapture Period | N/A | Fairway rejected IDA Leases, which terminated on 5/6/20 and property was placed back on tax rolls on 5/7/20. On 7/8/20, IDA sent a recapture notice and has filed proofs of claim seeking recapture in the bankruptcy proceeding. | P, ST | Commercial Bakeries | Bronx | \$ 8,278,059 |
| 6 | Walsh Electrical Contracting, Inc. | Industrial Incentive | 10/28/2013 | 10/5/2015, 4/12/2017 | 8/22/2017 (A) | 10/26/2017 | Company failed to pay July 1, 2017 PILOT bill and ceased operations | Agency issued Event of Default on 8/22/2017 and terminated project on 10/26/2017. | Agency terminated PILOT, property placed back on tax rolls and issued Event of Default on 8/22/2017. The matter has been referred to NYC Law Department. | ST, PILOT MRT | Electrical Contractors | Staten Island | \$ 578,366 |

Note: Under the column "Date Notice of Event of Default Issued", "(A)" indicates that the EOD was issued by the Agency and "(T)" indicates that the EOD was issued by the Trustee.