



MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION
February 3, 2021

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, February 3, 2021.

The following Directors of NYCEDC were present by conference telephone:

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

Members of NYCEDC staff and a member of the public also were present.

The meeting was chaired by James Patchett, President of NYCEDC, and called to order at 9:03 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 November 11, 2020 Regular Meeting of the Board of Directors

There being no questions or comments with respect to the minutes of the November 11, 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. Election of Officers

Under NYCEDC's Bylaws, the Board shall elect such Executive Vice Presidents and Senior Vice Presidents as it may from time to time determine and such other officers as it shall deem necessary. At this time, Mr. Patchett proposed that Lydia Downing be promoted from being a Senior Vice President and be elected as an Executive Vice President, Yolande Schüler be elected as an Executive Vice President, and each of Claudia Flores, Susan Rosenthal and Mirna Santiago be elected as a Senior Vice President. A description of certain responsibilities of Executive Vice Presidents and Senior Vice Presidents may be found in Article IV of the Bylaws. It was anticipated that Ms. Downing would oversee NYCEDC's External Affairs Division (Public Affairs, Marketing and Government & Community Relations Departments), Ms. Schüler would oversee NYCEDC's Asset Management Division, Ms. Flores would oversee Minority, Women-Owned, and Disadvantaged Business Enterprise ("M/W/DBE") matters, Ms. Rosenthal would oversee Life Sciences and Healthcare matters in NYCEDC's Initiatives Department, and Ms. Santiago would oversee NYCEDC's Diversity, Equity and Social Responsibility Department. Each would perform such duties as are assigned to her by NYCEDC's President. It was also proposed that Ms. Santiago be elected as NYCEDC's Equal Employment Opportunity Officer, in which position she would oversee Equal Employment Opportunity matters. Mr. Patchett then summarized the backgrounds of Ms. Downing, Ms. Schüler, Ms. Flores, Ms. Rosenthal, and Ms. Santiago.

A motion was made to elect Lydia Downing as an Executive Vice President (in place of her being a Senior Vice President) of NYCEDC, Yolande Schüler as an Executive Vice President of NYCEDC, Claudia Flores as a Senior Vice President of NYCEDC, Susan Rosenthal as a Senior Vice President of NYCEDC, and Mirna Santiago as a Senior Vice President and Equal Employment Opportunity Officer of NYCEDC. Such motion was seconded and unanimously approved. The position of each of Lydia Downing, Yolande Schüler, Claudia Flores, Susan Rosenthal and Mirna Santiago as an officer shall be conditioned upon the continuance of her employment by NYCEDC.

3. Vodou Foods Corporation: Amendment to Lease for Coney Island Amusement Area

Sean Freas, an Assistant Vice President of NYCEDC, presented a proposal for an amendment to NYCEDC's existing lease (the "Lease") with Vodou Foods Corporation for an approximately 37,000 square foot property located on the corner of West 12th Street and the Boardwalk in Coney Island, Brooklyn, which property is primarily used for amusement rides and entertainment, to adjust the rent for calendar year 2021 and for the balance of the Lease term, which term will expire on December 31, 2027, on substantially the terms set forth in Exhibit A hereto. A fair market rental appraisal would now be undertaken in 2021 for 2022 rent instead of in 2020 for 2021 rent as originally provided, on substantially the terms set forth in Exhibit A hereto.

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

4. Report on Investments for the Three-Month Period Ended December 31, 2020

A report on NYCEDC's investments for the three-month period ended December 31, 2020 (Exhibit B hereto) was provided to the Board of Directors for informational purposes. There were no questions with regard to this report.

5. 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.

6. 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 9:13 a.m.

Assistant Secretary

Dated: _____
Brooklyn, 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

**VODOU FOODS CORPORATION: AMENDMENT TO LEASE FOR CONEY ISLAND
AMUSEMENT AREA
Board of Directors Meeting
February 3, 2021**

**PROJECT
OVERVIEW:**

NYCEDC proposes to amend its existing Coney Island lease (the “Lease”) with Vodou Foods Corporation (“Vodou”) to adjust the rent for calendar year 2021 and for the balance of the Lease term. The property currently leased under the Lease is located on the corner of West 12th Street and the Boardwalk in Coney Island (the “Site”) and is primarily used for amusement rides and entertainment. Due to impacts from COVID-19, NYCEDC was unable to procure an appraisal to fulfill an existing Lease provision to reset the rent at fair market value on January 1, 2021. As a result, NYCEDC proposes to amend the rent provisions of the Lease substantially as described below. Other than as provided below, the terms of the existing Lease will remain in force.

CURRENT LEASE

Lessor: NYCEDC

Lessee: Vodou

Site and Use The Site is an approximately 37,000 square foot property and is approximately depicted on the site plan attached hereto as Attachment A (referred to as “Deno’s Wonder Wheel”). A one story single tenant commercial building is located on the Boardwalk and the remaining areas of the property are utilized for amusement and food uses, including the landmark Wonder Wheel.

Lease Term: The Lease term will expire on December 31, 2027.

AMENDMENT TO LEASE

Base Rent: The Lease currently provides for an appraisal to be conducted in 2020 to determine the fair market value of the rent for the Site for the highest and best use (the “Fair Market Rent”) for 2021 and for that year the rent would be the greater of the 2020 rent or the Fair Market Rent. Thereafter, each calendar year through the end of the Lease term annual rent would be equal to the previous calendar year’s annual rent, increased by a percentage equal to the percentage increase in the Consumer Price Index the previous calendar year. Due to impacts from COVID-19, NYCEDC was unable to procure an appraisal in 2020.

As a result, NYCEDC proposes to amend the provisions of the Lease relating to rent as follows. From January 1, 2021 to December 31, 2021 annual rent will be \$238,678.50, the same as 2020 annual rent. In 2021 there will be an appraisal conducted to determine the Fair Market Rent for 2022. For the 2022 calendar year the annual rent will be the greater of the 2021 calendar year rent or the Fair Market Rent for 2022. Thereafter, each calendar year commencing as of January 1, 2023 and ending December 31, 2027, annual rent will be equal to the previous calendar year's annual rent, increased by a percentage equal to the percentage increase in the Consumer Price Index the previous calendar year.

BENEFIT TO PUBLIC:

This amendment will allow for a Fair Market Rent appraisal in calendar year 2021 and related rental increase in 2022. Maintaining 2021 annual rent under the Lease at the 2020 level will also provide the Lessee with needed rent relief in the current year after being significantly impacted by the COVID-19 pandemic, when, due to the pandemic, the Coney Island Amusement Park, including Lessee's business, was prevented from operating. Supporting Lessee's business will continue the City's goal of strengthening the historic Coney Island Amusement Park and maintaining jobs for the Coney Island community.

PROPOSED RESOLUTION:

The approval of NYCEDC entering into an amendment to the Lease substantially as described above

NYCEDC PROJECT CODE:

7874

STAFF:

Sean Freas, Assistant Vice President, Asset Management
Sabrina Lippman, Vice President, Asset Management
Winthrop Hoyt, Senior Vice President, Asset Management
Karen Lapidus, Senior Counsel, Legal

Attachment A



EXHIBIT B

REPORT ON INVESTMENTS

New York City Economic Development Corporation

Three Month Period Ended December 31, 2020

New York City Economic Development Corporation Schedule of Investments

1st Quarter

| Investment Type | Total Value | Purchases | Maturities | 1st Quarter | Net Transfers | Unrealized | Total Value | Current % |
|-------------------------|-------------------|-------------------|---------------------|-----------------|---------------|---------------|-------------------|-------------|
| | 6/30/20 | | | Interest | | | | |
| | (A) | (B) | (C) | (D) | (E) | (F) | | |
| US Gov't Agencies | 8,700,276 | - | (6,000,000) | (63,197) | - | 26,985 | 2,642,122 | 4% |
| US Treasury Note | 30,877,752 | 8,226,488.53 | (399,931) | - | - | 16,826 | 38,721,136 | 59% |
| Certificates of Deposit | 200,424 | - | - | - | - | 253 | 200,677 | 0% |
| Commercial Paper | 7,995,120 | 7,996,022.22 | - | - | - | 4,138 | 15,995,280 | 24% |
| Cash Equivalents/MMF | 20,305,604 | 57 | (11,972,876) | - | - | - | 8,332,785 | 13% |
| Grand Total | 68,079,176 | 16,222,568 | (18,372,808) | (63,197) | - | 48,202 | 65,892,000 | 100% |

These amounts do not include money market mutual funds held in sweep accounts tied to commercial checking accounts

2nd Quarter

| Investment Type | Total Value | Purchases | Maturities | 2nd Quarter | Net Transfers | Unrealized | Total Value | Current % |
|-------------------------|-------------------|-------------------|---------------------|----------------|---------------|---------------|-------------------|-------------|
| | 9/30/20 | | | Interest | | | | |
| | (A) | (B) | (C) | (D) | (E) | (F) | | |
| US Gov't Agencies | 2,642,122 | 23,002,604 | - | (8,750) | - | 9,155 | 25,645,132 | 26% |
| US Treasury Note | 38,721,136 | 35,379,161.48 | (30,500,000) | - | - | 6,803 | 43,607,100 | 45% |
| Certificates of Deposit | 200,677 | - | - | - | - | 85 | 200,762 | 0% |
| Commercial Paper | 15,995,280 | 7,989,780 | (8,000,000) | - | - | 140 | 15,985,200 | 16% |
| Cash Equivalents/MMF | 8,332,785 | 4,801,767 | (523,788) | - | - | - | 12,610,763 | 13% |
| Grand Total | 65,892,000 | 71,173,312 | (39,023,788) | (8,750) | - | 16,183 | 98,048,957 | 100% |

These amounts do not include money market mutual funds held in sweep accounts tied to commercial checking accounts

Notes to Schedule of Investments

The accompanying schedule of investments includes the investments of the New York City Economic Development Corporation (“NYCEDC”). All investments are of a type permitted by NYCEDC’s investment policy which includes obligations of the US Treasury, US agencies and instrumentalities, highly rated commercial paper and certificates of deposit.

All investment balances as of December 31, 2020 are recorded at fair value and the portfolio consists of the following securities with maturities of seven (7) years or less:

| <u>INVESTMENT TYPE</u> | <u>TOTAL VALUE</u> | <u>%</u> | <u>MAXIMUM ALLOCATION PER POLICY</u> |
|--------------------------------|--------------------|----------------|--|
| FFCB | 13,003,532 | 13.26% | |
| FHLB | 10,599,050 | 10.81% | |
| FHLMC | 1,034,203 | 1.05% | |
| FNMA | 1,008,347 | 1.03% | |
| US Gov Agencies Sub-Total | 25,645,132 | 26.15% | 100% |
| US Treasury Note | 43,607,100 | 44.48% | 100% |
| Commercial Paper | 15,985,200 | 16.30% | 25% |
| Certificates of Deposit | 200,762 | 0.21% | 20% |
| Cash Equivalent/MMF | 12,610,763 | 12.86% | |
| Grand Investments Total | 98,048,957 | 100.00% | |

Interest Rate Risk – As a means of limiting its exposure to fair value losses arising from increasing interest rates, the NYCEDC limits 80% of its investments to instruments maturing within two years of the date of purchase. The remaining 20% of the portfolio may be invested in instruments with maturities up to a maximum of seven years.

Credit Risk - It is the NYCEDC’s policy to limit its investments in debt securities to those rated in the highest rating category by at least two nationally recognized bond rating agencies or other securities guaranteed by the US government or issued by its agencies. As of December 31, 2020, the Corporation’s investments in Federal National Mortgage Association (FNMA), Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB) and the Federal Home Loan Mortgage Corporation (FHLMC) were rated AA+ by Standard & Poor’s, Aaa by Moody’s and AAA by Fitch Ratings. Commercial papers held were rated A-1+ by Standard & Poor’s Corporation or P-1 by Moody’s Investor’s Service, Inc.

Custodial Credit Risk – For investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the NYCEDC will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party. Investment securities are exposed to custodial credit risk if the securities are not registered in the name of the NYCEDC and are held by the counterparty, the counterparty’s trust department or agent.

The NYCEDC manages custodial credit risk by limiting possession of its investments to highly rated institutions and/or requiring that high-quality collateral be held by the counterparty in the name of the NYCEDC. At December 31, 2020, NYCEDC was not subject to custodial credit risk.