



MINUTES OF A SPECIAL MEETING
OF THE LEGAL AFFAIRS COMMITTEE
OF
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION
March 18, 2021

A special meeting of the Legal Affairs Committee (the "Committee") of the Board of Directors of New York City Economic Development Corporation ("NYCEDC") was held telephonically on Thursday, March 18, 2021.

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

Cheryl Adolph
Matthew Hiltzik
Betty Woo

Members of NYCEDC staff also were present.

The meeting was chaired by Ms. Woo and called to order at 1:32 p.m. Meredith Jones, General Counsel, an 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 September 2, 2020 Legal Affairs Committee Special Meeting

There being no questions or comments with respect to the minutes of the September 2, 2020 special Committee meeting, a motion was made to approve such minutes, as submitted. Such motion was seconded and unanimously approved.

2. Legal Retainer: Nelson Mullins Riley & Scarborough LLP

Lauren Brady, a Senior Counsel of NYCEDC, presented a proposed agreement with Nelson Mullins Riley & Scarborough LLP ("Nelson Mullins") for the provision of legal counsel services in connection with the NYC Talent Financing Fund ("TFF") with respect to Income Share Agreements ("ISAs") and related matters, on substantially the terms set forth in Exhibit A hereto.

At this time, Ms. Brady provided some background and explained that NYCEDC wanted to obtain advice with respect to, and assistance in, the structuring of ISA transactions and related matters.

In answer to a question from Ms. Adolph, Ms. Brady stated that Nelson Mullins offered to do this work pro bono for NYCEDC (except for reimbursement for certain expenses), and that at this point it was expected that it would be involved in a single, initial transaction. Ms. Brady explained that Nelson Mullins had experience in this emerging area of financing. Ms. Brady also explained that no agreement had yet been signed in terms of setting up the investment structure for the TFF, but that NYCEDC was contemplating engaging with one investor from the private sector for this initial transaction. She further noted that NYCEDC had issued a separate request for proposals for a tech training provider for the TFF program, and that NYCEDC was looking to use ISAs for this type of accelerated training program to fill a gap because such a training program did not typically qualify for normal federal student loans. In answer to a second question from Ms. Adolph, Ms. Brady stated that NYCEDC would follow up with the Committee to provide a list of other examples where Nelson Mullins had worked on this type of program.

At this time, Ms. Woo stated that the New York City Law Department approved the zero-fee retention of Nelson Mullins for this matter.

It was moved that the Committee authorize NYCEDC to enter into a legal retainer agreement with Nelson Mullins substantially as described in Exhibit A hereto. The motion was seconded and unanimously approved.

3. Adjournment

There being no further business to come before the meeting, pursuant to a motion made, seconded and unanimously approved the meeting of the Committee was adjourned at 1:39 p.m.

Mark Silversmith
Mark Silversmith (Jun 24, 2021 10:45 EDT)

Assistant Secretary

Dated: 06/24/2021
Brooklyn, New York

EXHIBIT A

LEGAL RETAINER: NELSON MULLINS RILEY & SCARBOROUGH LLP
Legal Affairs Committee Meeting
March 18, 2021

Project: Legal representation of NYCEDC in connection with the NYC Talent Financing Fund (the “TFF”) with respect to Income Share Agreements (“ISAs”) and related matters

Contractor: Nelson Mullins Riley & Scarborough LLP (“Nelson Mullins”)

Agreement to be Approved: An agreement with Nelson Mullins for Project services (the “Retainer Agreement”)

Procurement Method: Sole source

Amount to be Approved: Not applicable (pro bono) for services. The Agreement will also provide for payment for certain out-of-pocket expenses, anticipated to be de minimis, if any, subject to prior approval by an NYCEDC officer.

Background: The TFF will provide outcomes-based financing to accelerated training programs that offer ISA financing to low-income New Yorkers for training for roles in New York City’s growing tech sector. ISAs remove upfront tuition costs, and only students who secure good-paying jobs pay a proportion of their monthly income for a defined period, up to a cap, for the training they received. NYCEDC will be working with SBS, the Workforce Development Corporation, and the New York City Department of Veterans’ Services to implement the Project.

Scope: Advice with respect to and assistance in the structuring of ISA transactions and related matters.

Nelson Mullins may be called upon to perform various legal services, principally:

- review of overall ISA design and legal implications of the design choices;
- create student-facing disclosures;
- review of federal regulatory risk factors associated with ISAs;
- support with obtaining feedback from the New York Department of Financial Services regarding the Project and student-facing disclosures;
- financial regulatory review of third-party service provider agreements; and
- preliminary review of the investment documentation for the Project.

It should be noted that the City’s Law Department, pursuant to its role under NYCEDC’s annual contracts with the City, has approved the pro bono retention of Nelson Mullins for this matter.

Proposed Resolution: To authorize the President and any empowered officer to enter into the Retainer Agreement substantially as described herein.

Staff: Lauren Brady, Senior Counsel, Legal