

MINUTES OF THE
MEETING OF THE BOARD OF DIRECTORS
OF
NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY
HELD REMOTELY PURSUANT TO EXECUTIVE ORDER
ISSUED BY THE GOVERNOR OF THE STATE OF NEW YORK
April 27, 2021

The following directors and alternates were present, constituting a quorum:

HeeWon Brindle-Khym
Marlene Cintron
Brian Cook, alternate for Scott M. Stringer,
Comptroller of The City of New York
Albert De Leon
Pedram Mahdavi, alternate for Vicki Been,
Deputy Mayor for Housing and Economic Development
Anthony Del Vecchio
Barry Dinerstein, alternate for Marisa Lago,
Chair of the City Planning Commission of The City of New York
Andrea Feirstein
Jacques-Philippe Piverger
James Prendamano
Shanel Thomas
Robert Santos
Betty Woo, alternate for James Johnson,
Corporation Counsel of The City of New York

The following directors and alternates were not present:

Khary Cuffe

Eric Clement, Senior Managing Director of New York City Economic Development Corporation (“NYCEDC”), convened the meeting of the Board of Directors of the New York City Industrial Development Agency (“NYCIDA” or the “Agency”) at 9:07 a.m., at which point a quorum was present. The meeting was held pursuant to Executive Order 202.1 issued by the Governor of the State of New York, and all extensions to Executive Order 202.1 issued thereafter, remotely by conference call, during which interested members of the public were invited to listen in by dialing 1 (866) 868-1282 and entering the Passcode: 9636 862#.

1. Adoption of the Minutes of the March 9, 2021 Meeting Minutes

Mr. Clement asked if there were any comments or questions relating to the minutes of the March 9, 2021 Board of Directors meeting. There were no comments or questions; a motion to approve such minutes was made, seconded and unanimously approved.

2. Financial Statements for February 2021 (Unaudited)

Carol Ann Butler, Assistant Vice President of NYCEDC, presented the Agency's Financial Statements for the period ending February 28th, 2021 (Unaudited). Ms. Butler reported that for the eight-month period the Agency recognized revenues from project finance fees from eight transactions totaling \$12.8 million of which \$7.7 million was received from the issuance of 2020 Yankee Stadium refunding bonds that occurred on October 6th, 2020 and \$4.6 million was received from the Queens Ballpark Company 2021 refunding bonds that occurred on February 24th, 2021. In addition, revenues derived from compliance, application, post-closing and termination fees amounted to approximately \$1 million for the year-to-date. Ms. Butler also reported that approximately \$3 million in operating expenses, largely consisting of the monthly management fee, were recorded for the Agency for the eight-month period that ended on February 28th, 2021 (Unaudited). Lastly the Agency incurred \$1.6 million in special project fees largely from the annual Workforce1 Industrial and Transportation Career Center Satellites program.

3. Fiscal Year 2022 Board Meeting Dates

Emily Marcus, an Assistant Vice President for NYCEDC and Deputy Executive Director of the Agency, presented for review the Board meeting dates for Fiscal Year 2022, as reflected in Exhibit A.

There being no comments or questions, a motion to approve the schedule of the Agency's Board meeting dates for Fiscal Year 2022 attached hereto as Exhibit A was made, seconded and unanimously approved.

4. Bespoke Harlem West LLC

Jenny Osman, a Senior Project Manager for NYCEDC, presented for review and adoption an inducement and authorizing resolution for a Food Retail Expansion to Support Health Program transaction for the benefit of Bespoke Harlem West LLC and recommended the Board adopt a SEQRA determination that the project will not have a significant adverse effect on the environment. Ms. Osman described the project and its benefits, as reflected in Exhibit B.

There being no comments or questions, a motion to approve the inducement and authorizing resolution and SEQRA determination attached hereto as Exhibit C for the benefit of Bespoke Harlem West LLC was made, seconded and unanimously approved.

5. East River ESS, LLC

Noah Schumer, a Project Manager for NYCEDC, presented for review and adoption an Industrial Program transaction for the benefit of East River ESS, LLC and recommended the Board adopt a SEQRA determination that the project will not have a significant adverse effect on the environment. Mr. Schumer described the project and its benefits, as reflected in Exhibit D.

In response to a question from Ms. Brindle-Khym, Mr. Schumer stated that the company provided the names of two potential contractors who they have been communicating with, one of whom would be responsible for overseeing the entire construction of the project, and that both of them have very strong union relationships which is important to Agency staff and the Board. Mr. Schumer stated that Agency staff felt comfortable knowing that they would be in charge of overseeing the construction.

There being no comments or questions, a motion to approve the inducement and authorizing resolution and SEQRA determination attached hereto as Exhibit E for the benefit of East River ESS, LLC was made, seconded and unanimously approved.

6. Service Contract Proposal for Inwood Map Split Services

Kate Ward, an Assistant Vice President for NYCEDC, presented for review and adoption a service contract proposal with NYCEDC in an amount of up to \$58,000 to engage Philip Habib and Associates, who will create five new maps necessary for the City's Department of City Planning's review and approval as part of implementing the City's 2018 Inwood NYC Plan. Douglas Land described the project and its benefits, as reflected in Exhibit F.

In response to a question from Mr. Cook, Ms. Ward stated that Academy Street and the re-mapping will be handed by the City's Department of Parks & Recreation since those parcels of land are within their jurisdiction, but they will not be re-mapped as park land. In response to a question from Mr. Cook, Ms. Ward stated that the affordable housing project that is being financed by the City's Department of Housing, Preservation and Development and the other development sites were re-zoned where M.I.H. is applicable. In response to a question from Mr. Cook, Ms. Ward stated that any environmental work that needs to get done will be approved through the Uniform Land Use Approval Process.

There being no comments or questions, a motion to approve the service contract proposal with NYCEDC attached hereto as Exhibit F was made, seconded and unanimously approved.

7. Adjournment

There being no further business to come before the Board of Directors at the meeting, pursuant to a motion made, seconded and unanimously approved, the meeting of the Board of Directors was adjourned at 9:30 a.m.

A handwritten signature in cursive script, appearing to read "Arthur Hauer", written over a horizontal line.

Assistant Secretary

Dated: June 15, 2021

New York, New York

Exhibit A

NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY

April 27, 2021 Meeting

Meetings of the Board of Directors of the Agency during Fiscal Year 2022 shall be held on the respective dates indicated below.

Tuesday July 27, 2021

Tuesday September 21, 2021

Tuesday November 16, 2021

Tuesday January 18, 2022

Tuesday March 8, 2022

Tuesday April 26, 2022

Tuesday June 14, 2022

Exhibit B

Project Summary

Bespoke Harlem West LLC (the “Company”), a Brooklyn-based developer and a New York domestic limited liability company seeks financial assistance in connection with the acquisition, construction, renovation, furnishing and equipping of a new ground-up, approximately 17,533 square foot retail condominium to be located on the ground floor and basement level within an approximately 221,811 square foot mixed-use facility (the “Facility”) located on an approximately 23,521 square foot parcel of land (the “Project”). The Facility will be owned by the Company and leased to, and operated as, a full-service supermarket by LM V INC, a New York domestic business corporation doing business as Lincoln Market (the “Operator”). Based on a review of the Project, Agency staff has concluded that the Project is likely to be completed within two years of the closing date.

Project Location

300 West 122nd Street
 New York, New York 10027

Actions Requested

- Inducement and Authorizing Resolution for FRESH program transaction.
- Adopt a negative declaration for this project. The proposed project will not have a significant adverse effect on the environment.

Anticipated Closing

September 2021

Impact Summary

Employment	
Jobs at Application:	25
Jobs to be Created at Project Location (Year 3):	22.5
Total Jobs (full-time equivalents)	47.5
Projected Average Hourly Wage (excluding principals)	\$17.25
Highest Wage/Lowest Wage	\$25 per hr/\$15 per hr

Estimated City Tax Revenues	
Impact of Operations (NPV 25 years at 6.25%)	\$5,681,029
One-Time Impact of Renovation	367,009
Total impact of operations and renovation	\$6,048,038
Additional benefit from jobs to be created	\$2,738,834

Estimated Cost of Benefits Requested: New York City	
Building Tax Exemption (NPV, 25 years)	\$1,218,041
Land Tax Abatement (NPV, 25 years)	\$82,930
Sales Tax Exemption	\$176,029
Agency Financing Fee	(\$71,743)
Total Value of Benefits provided by Agency	\$1,405,257
Available As-of-Right Benefits (ICAP)	\$504,447
Agency Benefits In Excess of As-of-Right Benefits	\$900,810

Bespoke Harlem West LLC

Costs of Benefits Per Job	
Estimated Total Cost of Benefits per Job in Year 3	\$18,964
Estimated City Tax Revenue per Job in Year 3	\$184,987

Estimated Cost of Benefits Requested: New York State	
Sales Tax Exemption	\$171,139
Total Cost to NYS	\$171,139

Sources and Uses

Sources	Total Amount	Percent of Total Financing
Commercial Loans	\$13,673,025	90%
Equity	\$1,502,363	10%
Total	\$15,175,388	100%

Uses	Total Amount	Percent of Total Costs
Land Costs	\$5,584,543	37%
Hard Costs	\$4,159,574	27%
Soft Costs	\$1,289,908	8%
Furnishings, Fixtures & Equipment and Machinery & Equipment	\$1,000,058	7%
Closing Fees	\$3,141,305	21%
Total	\$15,175,388	100%

Fees

	Paid At Closing	On-Going Fees (NPV, 25 Years)
Agency Fee	\$71,724	
Project Counsel	35,000	
Annual Agency Fee	1,250	15,607
Total	107,974	15,607
Total Fees	\$123,581	

Financing and Benefits Summary

10% of the Project will be financed with company equity, equivalent to approximately \$1.5 million dollars and the remaining 90% will be financed with commercial loans totaling approximately \$13.7 million dollars. The Company reported approximately \$131 million in total assets at the end of calendar year 2020, which is sufficient to cover the equity portion of the Project's financing. The financing for the Project comprises approximately 8% of total financing for the entire mixed-use development. As such, the equity for the Project is equivalent to 8% of the development's total equity financing for the entire mixed-use development which is \$18,560,000.

In addition to Company and sponsor equity, the Project will be financed by construction loans from Madison Realty Capital, subordinate loans, and a brownfield remediation loan provided by Enhanced Tax Credit Lending, LLC. Based on a review of the Project's financials we estimate a debt service coverage ratio of 1.15 at Project stabilization.

Bespoke Harlem West LLC

The Company projects a 28% increase of net operating income between the first year of operations and second year of operations and expenses are projected to remain stable during the three years after the development begins selling units and tenating its commercial and community spaces.

The Operator projects 3% increase in year-end cash between year 1 of operations and year 2 of operations and an increase of 4% between year 2 and year 3 of operations. This growth is consistent with proformas reviewed by the FRESH program in the past. Similarly consistent with other supermarket proformas, the Operator projects COGs to be consistently 75% of gross revenue.

The financial assistance proposed to be conferred by the Agency will consist of payments in lieu of City real property taxes and an exemption from City and State sales and use taxes.

Company Performance and Projections

The Company is an established real estate developer in New York City. The Company experienced a gross profit of nearly \$19 million at the end of calendar year 2020. In the Company's projections for the development, the Company projects negative net earnings in the first year of operations, but positive net earnings beginning in the second year of operations.

The Operator already has 5 other supermarkets under their management. The Operator's other stores in Brooklyn are in similar neighborhoods to the Project location. The Operator also plans to apply to participate in the NYC Department of Health's "Get The Good Stuff" program which would allow community members enrolled in the SNAP program to buy more fruits and vegetables at no extra cost to them at the Project supermarket.

Inducement

- I. City policy, as set forth by the Food Retail Expansion to Support Health (FRESH) program, aims to promote the establishment and retention of neighborhood grocery stores in underserved communities.
- II. High barriers to entry in opening new supermarkets have been exacerbated by the ongoing COVID-19 pandemic and without the FRESH benefit the Project will struggle to best serve the community through affordable pricing and senior discounts.
- III. The Project location is a former gasoline service station and parking garage that were blighted and required significant environmental remediation and the FRESH program will help the Project be more financially viable despite the significant cost of remediation.

UTEP Considerations

The Agency finds that the Project meets one or more considerations from Section I-B of the Agency's Uniform Tax Exemption Policy ("UTEP"), including the following:

- I. The Project will create or retain permanent private-sector jobs.
- II. Financial assistance is required to induce the Project.
- III. The Project will generate approximately \$15,000,000 in private-sector investment.
- IV. The Project involves the grocery industry, which the Agency seeks to retain and foster.

Applicant Summary

The Company will be the property owner of the Facility and is a privately owned, full-service real estate development firm that has been active in real estate development, through its principals or affiliates, over the last 10 years. During this time, the Company's principals and affiliates have developed over 12 projects representing over 600,000 square feet of rentable space.

Bespoke Harlem West LLC

Rachel Medalie, Manager, Bespoke Harlem West LLC

Rachel Medalie is a seasoned real estate developer and broker who has purchased, sold, rented, and developed several projects over the years. Rachel also has several condominium projects undergoing development in Harlem and Brooklyn. Ms. Medalie has been working as a real estate broker for over 10 years. She was Rookie of the Year at The Corcoran Group and later joined Douglas Elliman over 6 years ago when she joined the Alexander Team. Ms. Medalie's experience on development projects has made her well acquainted with the development process from marketing to sell-out.

Khalid Innab, Owner, LM V INC d/b/a Lincoln Market

Khalid Innab continues a family legacy of owning grocery stores in New York City. Since starting out on his own 4 years ago with one store in Brooklyn, Mr. Innab now owns and operates 5 supermarkets in Brooklyn. Mr. Innab prides himself on being able to address the needs of the entire community surrounding each Lincoln Market supermarket. He does this by offering senior citizen discounts at all of his stores, offering robust weekly sales, free delivery for all orders, accepting SNAP and WIC, donating to local food pantries and by working with a company called Too Good To Go which helps the store to assemble \$25 worth of perishables within 2-3 days of expiration to be sold for just \$5.

Employee Benefits

The Operator plans to offer benefits to its supermarket employees. Employees receive up to 40 hours of paid sick leave every year which is accrued as one hour of paid sick leave for every 30 hours worked, up to the maximum benefit of 40 hours of paid sick leave. The rate of accrual is the same for both full-time and part-time employees. Employees can carry over up to 40 hours of unused paid sick leave into the next calendar year. Managers and employees who have been with the company for more than 5 years receive 2-weeks of paid vacation each year. The operator will provide health insurance coverage in compliance with the Affordable Care Act.

When it comes to on-the-job training, each new employee is trained for the specific position they have been hired for. The employee receives 3 days of training, (or more as necessary) to ensure that each employee can properly fulfill his or her job requirements, including compliance with governmental requirements. Employees in certain positions, such as butchers, cheese mongers and deli workers, are required to have at least 3 years of experience and as such may require less training.

Recapture

Pursuant to UTEP, all benefits are subject to recapture for a 10-year period.

SEQRA Determination

No significant adverse environmental impacts, staff recommends the Board adopt a Negative Declaration for this project. The completed Environmental Assessment Form for this project has been reviewed and signed by Agency staff.

Bespoke Harlem West LLC

Due Diligence

The Agency conducted a background investigation of the Company and its principals and found no derogatory information.

Compliance Check:	Not Applicable
Living Wage:	Exempt
Paid Sick Leave:	Compliant
Affordable Care Act:	ACA Coverage Offered
Bank Account:	Madison Realty Capital 520 Madison Avenue, Suite 3501 New York, NY 10022
Bank Check:	Relationships are reported to be satisfactory.
Supplier Checks:	Relationships are reported to be satisfactory.
Customer Checks:	Not Applicable
Unions:	Not Applicable
Background Check:	No derogatory information was found.
Attorney:	Christopher D. McDonald, Esq Mund & McDonald PLLC 55 Cherry Lane, Suite 101 Carle Place, NY 11514
Accountant:	Yehuda Eckhaus, CPA 158 Union Street Brooklyn, NY 11213
Consultant/Advisor:	Not Applicable
Community Board:	Manhattan, CB #10

March 1, 2021

Jenny Osman, FRESH Director
New York City Economic Development Corporation
One Liberty Plaza
New York, New York 10006

Re: NYCIDA Board Inducement for Proposed Supermarket at 300 W. 122nd Street, New York, N.Y.

Dear Ms. Osman,

Bespoke Harlem West LLC is developing a mixed-use condominium containing 170 residential units and a full-service supermarket.

Bespoke Harlem West LLC is a privately owned, full-service real estate development firm that has been active in real estate development, through its principals or affiliates, over the last ten (10) years. During this time, they have has developed over 12 projects comprising over 600,000 square feet of rentable space. Bespoke Harlem West LLC has the necessary expertise to complete the development of the project in a manner that creates value for the Harlem community.

The subject of this application, 300 W. 122nd Street, New York, NY, formerly a gasoline service station and parking garage, was a blight that required significant remediation. Once the project is completed, the project will be a beacon for the residents of Harlem and the surrounding area. With its many transportation options and central location, the full-service supermarket will provide sustainable and healthy food choices for the residents of the building and the broader Harlem community.

The approximately 17,553 square foot supermarket, including 15,231 square feet on grade with basement storage of 2,322 square feet at 300 W. 122nd Street is being designed in conjunction with the operator of Lincoln Market Supermarkets. Having experience operating in neighborhoods undergoing demographic change, Lincoln Market has the experience needed to open and operate a quality and affordable neighborhood supermarket in this under-served Harlem community. Lincoln Market will provide a variety of fresh fruit, vegetables, meat and a full line supermarket product mix, and deliver these greatly needed necessities at affordable price points. To ensure Lincoln Market meets the needs of the lower income portion of the community, it will participate in both the Supplemental Nutrition Assistance Program (SNAP) and The Special Supplemental Nutrition Program for Women, Infants and Children (WIC). Lincoln Market will also offer a discount program for seniors. Lincoln Market will ensure that the residents of the building and the broader Harlem community will have an affordable and full-service supermarket within which to fulfill their nutritional needs.

As we are sure you are aware, there are high barriers to entry in developing properties and starting

supermarket businesses in the City of New York. These high-barriers have been exacerbated by the ongoing pandemic. The FRESH benefits are an essential component for the anticipated success of the project and the supermarket operations.

Bespoke Harlem West LLC anticipates completing construction by February 1, 2022. The supermarket will then need to complete its build-out, which is expected to be completed by December 1, 2023, at which time the supermarket will be fully operational. The development budget for the supermarket at 300 W. 122nd Street is approximately \$15,175,388.60, exclusive of the fit-out to be provided by the operator.

Thank you for your time and your support of our endeavor to bring healthy and fresh food options to the Harlem community.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

Bespoke Harlem West LLC

By:

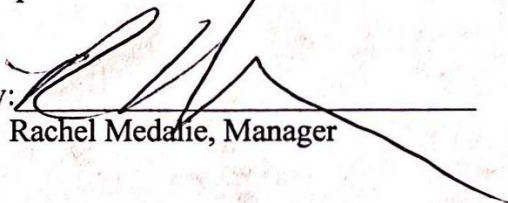

Rachel Medalie, Manager

Exhibit C

Resolution inducing the financing of a commercial facility for Bespoke Harlem West LLC as a Straight-Lease Transaction and authorizing and approving the execution and delivery of agreements in connection therewith

WHEREAS, New York City Industrial Development Agency (the “Agency”) is authorized under the laws of the State of New York, and in particular the New York State Industrial Development Agency Act, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended, and Chapter 1082 of the 1974 Laws of New York, as amended (collectively, the “Act”), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, civic, commercial and research facilities and thereby advance the job opportunities, general prosperity and economic welfare of the people of the State of New York and to improve their prosperity and standard of living; and

WHEREAS, Bespoke Harlem West LLC, a New York limited liability company (the “Applicant”), has entered into negotiations with officials of the Agency for the acquisition, construction, renovation, furnishing and equipping, as applicable, of a commercial facility in New York, New York (the “Facility”), consisting of a retail condominium unit (the “Condominium Unit”) containing approximately 17,533 square feet located on the ground floor and basement level within an approximately 221,811 square foot mixed-use facility on an approximately 23,521 square foot parcel of land located at 300 West 122nd Street, New York, New York 10027, which Condominium Unit has been leased to LM V INC, a New York corporation, d/b/a Lincoln Market (the “Operator”), all for the use by the Operator in its operations as a full-service supermarket, for lease to the Agency by the Applicant, and sublease by the Agency to the Applicant for subsequent sub-sublease in whole to the Operator, and having an approximate total project cost of approximately \$15,175,389 (the “Project”); and

WHEREAS, the Applicant has submitted a Project Application (the “Application”) to the Agency to initiate the accomplishment of the above; and

WHEREAS, the Application sets forth certain information with respect to the Applicant and the Project, including the following: that the Applicant, which was formed in 2018 in order to undertake the Project, is currently located in Brooklyn, New York, and employs approximately 0 full time equivalent employees within The City of New York (the “City”); that the Project will meet all requirements of the City’s Food Retail Expansion to Support Health Program (“FRESH”); that the Applicant expects the Operator to employ approximately 22.5 additional full time equivalent employees within the three years following the completion of the Project; that the Applicant must obtain Agency financial assistance in the form of a straight-lease transaction to enable the Applicant to complete the Project and lease the Condominium Unit to the Operator, which will expand supermarket operations in the City; and that, based upon the financial assistance provided through the Agency, the Applicant desires to proceed with the Project; and

WHEREAS, based upon the Application, the Agency hereby determines that Agency financial assistance and related benefits in the form of a straight-lease transaction between the Agency and the Applicant are necessary to induce the Applicant to complete the Project and lease the Condominium Unit to the Operator, which will expand supermarket operations in the City; and

WHEREAS, in order to finance a portion of the costs of the Project, Madison Realty Capital, Enhanced Tax Credit Lending, LLC. and any other financial institution as may be approved by a certificate of determination of an Agency officer (collectively, the “Lender(s)”) are expected to enter into loan arrangements with the Applicant pursuant to which the Lender(s) will lend approximately \$13,673,025 to the Applicant, and the Agency and the Applicant will grant mortgages on the Facility to the Lender(s) (the “Lender Mortgage(s)”), with the remaining costs of the Project to be financed with funds in the approximate amount of \$1,502,363 derived from company and sponsor equity; and

WHEREAS, for purposes of refinancing from time to time the indebtedness secured by the Lender Mortgage(s) (the “Original Mortgage Indebtedness”) (whether such refinancing is in an amount equal to or greater than the outstanding principal balance of the Original Mortgage Indebtedness), the Applicant may from time to time desire to enter into new mortgage arrangements, including but not limited to consolidation with mortgages granted subsequent to the Lender Mortgage(s); and therefore the Applicant may request the Agency to enter into the mortgage instruments required for such new mortgage arrangements (“Refinancing Mortgage(s)”); and

WHEREAS, the Act allows the Agency to provide financial assistance for a project at which facilities or property primarily used in making retail sales of goods or services to customers who personally visit such facilities to obtain such goods or services to constitute more than one-third of the total project cost if, among other alternative requirements:

(1) the project is located in a “highly distressed area,” defined in Section 854(18) of the Act, to include an area in which a census tract, or tracts or block numbering area or areas or such census tract or block numbering areas contiguous thereto, which, according to the most recent census data available has (i) a poverty rate of at least 20% for the year to which the data relates or at least 20% of households receiving public assistance and (ii) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates; and

(2) the Agency determines after a public hearing that undertaking the project will serve the public purposes of Article 18-A of the Act by increasing the overall number of permanent, private sector jobs in New York State; and

WHEREAS, the Agency has determined: that the Project is contiguous to Census Tract 197.01 in Manhattan; that the poverty rate calculated from the most recent census data (American Community Survey 2014-2018 5-Year Estimate) for Census Tract 197.01 indicates that for the year to which the census data relates approximately 26.7% of the population was living below the poverty level; that the unemployment rate in Census Tract 197.01 for the year to

which the census data relates was approximately 7.3%, while the statewide unemployment rate for such year was 4.3%; that 7.3% is greater than 1.25 times the statewide rate of 4.3%; and that, therefore, the proposed Project meets the statutory requirements of being located in a “highly distressed area”; and

WHEREAS, based upon the Application, the Agency hereby determines that Agency financial assistance and related benefits in the form of a straight-lease transaction between the Agency and the Applicant will serve the public purposes of Article 18-A of the Act by increasing the overall number of permanent, private sector jobs in New York State and that Agency financial assistance and related benefits in the form of a straight-lease transaction between the Agency and the Applicant are necessary to induce the Applicant to complete the Project and lease the Condominium Unit to the Operator, which will expand supermarket operations in the City; and

WHEREAS, in order to provide financial assistance to the Applicant for the Project, the Agency intends to grant the Applicant financial assistance through a straight-lease transaction in the form of real property tax abatements and sales tax exemptions all pursuant to the Act;

NOW, THEREFORE, NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY HEREBY RESOLVES AS FOLLOWS:

Section 1. The Agency hereby determines that the Project and the provision by the Agency of financial assistance to the Applicant pursuant to the Act in the form of a straight-lease transaction will promote and is authorized by and will be in furtherance of the policy of the State of New York as set forth in the Act and hereby authorizes the Applicant to proceed with the Project. The Agency further determines that

(a) the Project shall not result in the removal of any facility or plant of the Applicant or any other occupant or user of the Facility from outside of the City (but within the State of New York) to within the City or in the abandonment of one or more facilities or plants of the Applicant or any other occupant or user of the Facility located within the State of New York (but outside of the City);

(b) no funds of the Agency shall be used in connection with the Project for the purpose of preventing the establishment of an industrial or manufacturing plant or for the purpose of advertising or promotional materials which depict elected or appointed government officials in either print or electronic media, nor shall any funds of the Agency be given in connection with the Project to any group or organization which is attempting to prevent the establishment of an industrial or manufacturing plant within the State of New York;

(c) the Project is located in a “highly distressed area” (as defined in Section 854(18) of the Act); and

(d) the proposed action of the Agency described herein must be confirmed by the Mayor of the City.

Section 2. To accomplish the purposes of the Act and to provide financial assistance to the Applicant for the Project, a straight-lease transaction is hereby authorized subject to the provisions of this Resolution.

Section 3. The Agency hereby authorizes the Applicant to proceed with the Project as herein authorized. The Applicant is authorized to proceed with the Project on behalf of the Agency as set forth in this Resolution; provided, however, that it is acknowledged and agreed by the Applicant that (i) nominal leasehold title to or other interest of the Agency in the Facility shall be in the Agency for purposes of granting financial assistance, and (ii) the Applicant is hereby constituted the agent for the Agency solely for the purpose of effecting the Project, and the Agency shall have no personal liability for any such action taken by the Applicant for such purpose.

Section 4. The execution and delivery of a Company Lease Agreement from the Applicant leasing the Facility to the Agency, an Agency Lease Agreement from the Agency subleasing the Facility to the Applicant (the "Lease Agreement") (for sub-sublease to the Operator), a Sales Tax Letter from the Agency to the Applicant, the Lender Mortgage(s), the Refinancing Mortgages and the acceptance of a Guaranty Agreement from the Applicant and the Applicant's owners and/or principals in favor of the Agency (the "Guaranty Agreement") (each document referenced in this Section 4 being, collectively, the "Agency Documents"), each being substantively the same as approved by the Agency for prior transactions, is hereby authorized. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director and General Counsel of the Agency are each hereby authorized to execute, acknowledge and deliver each such Agency Document. The execution and delivery of each such agreement by one of said officers shall be conclusive evidence of due authorization and approval.

Section 5. The officers of the Agency and other appropriate officials of the Agency and its agents and employees are hereby authorized and directed to take whatever steps may be necessary to cooperate with the Applicant to assist in the Project.

Section 6. All covenants, stipulations, obligations and agreements of the Agency contained in this Resolution and contained in the Agency Documents shall be deemed to be the covenants, stipulations, obligations and agreements of the Agency to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Agency and its successors from time to time and upon any board or body to which any powers or duties affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Agency or the members thereof by the provisions of this Resolution or the Agency Documents shall be exercised or performed by the Agency or by such members, officers, board or body as may be required by law to exercise such powers and to perform such duties.

No covenant, stipulation, obligation or agreement herein contained or contained in the Agency Documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member, director, officer, agent or employee of the Agency in his or her individual capacity and neither the members nor the directors of the Agency nor any officer executing any Agency Document shall be liable personally for any amounts payable thereunder or arising from claims thereon or be subject to any personal liability or accountability by reason of the execution and delivery or acceptance thereof.

Section 7. The officers of the Agency are hereby designated the authorized representatives of the Agency, and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution. The Agency recognizes that due to the unusual complexities of the transaction it may become necessary that certain of the terms approved hereby may require modifications which will not affect the intent and substance of the authorizations and approvals by the Agency herein. The Agency hereby authorizes the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or General Counsel to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution. The approval of such modifications shall be evidenced by a certificate of determination of an Agency officer.

Section 8. Any expenses incurred by the Agency with respect to the Project shall be paid by the Applicant. By acceptance hereof, the Applicant agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the Project.

Section 9. This Resolution is subject to approval based on an investigative report with respect to the Applicant. The provisions of this Resolution shall continue to be effective for one year from the date hereof, whereupon the Agency may, at its option, terminate the effectiveness of this Resolution (except with respect to the matters contained in Section 8 hereof).

Section 10. The Agency, as lead agency, is issuing this determination pursuant to the State Environmental Quality Review Act ("SEQRA") (Article 8 of the Environmental Conservation Law) and implementing regulations contained in 6 N.Y.C.R.R. Part 617. This determination is based upon the Agency's review of information provided by the Applicant and such other information as the Agency has deemed necessary and appropriate to make this determination.

The Agency has determined that the Project, an Unlisted action in accordance with SEQRA and the implementing regulations, would not have a significant effect on the environment and that a Draft Environmental Impact Statement will not be prepared for the Project. The reasons supporting this determination are as follows:

- (1) The Project would not result in a substantial adverse change in existing traffic, air quality, or noise levels. Customers arriving at the site would utilize public transit and would not result in a substantial increase in traffic.
- (2) The Project would not result in significant adverse impacts on cultural, archaeological, architectural, or aesthetic resources or the existing neighborhood.
- (3) The Project would not result in significant adverse impacts to natural resources, critical habitats, or water quality.
- (4) The Project would not result in a change in existing zoning or land use. The proposed building would be as-of-right under zoning.
- (5) The Applicant has completed the New York State Department of Environmental Conservation's ("NYSDEC") Brownfield remedial program and received a Certificate of Completion. No adverse effect is expected as long as the NYSDEC-approved Site Management Plan's activities are followed.
- (6) No other significant effects upon the environment that would require the preparation of an Environmental Impact Statement are foreseeable.

Section 11. In connection with the Project, the Applicant covenants and agrees to comply, and to cause its respective contractors, subcontractors, agents, persons or entities to comply, with the requirements of General Municipal Law Sections 875(1) and (3), as such provisions may be amended from time to time.

(1) The Applicant acknowledges and agrees that pursuant to General Municipal Law Section 875(3) the Agency shall have the right to recover, recapture, receive, or otherwise obtain from the Applicant New York State sales or use tax savings taken or purported to be taken by the Applicant, and any agent or any other person or entity acting on behalf of the Applicant, to which the Applicant is not entitled or which are in excess of the maximum sales or use tax exemption amount authorized in Section 12 of this Resolution or which are for property or services not authorized or taken in cases where the Applicant, or any agent or any other person or entity acting on behalf of the Applicant, failed to comply with a material term or condition to use property or services in the manner required by this Resolution or any agreements entered into among the Agency, the Applicant and/or any agent or any other person or entity acting on behalf of the Applicant. The Applicant shall, and shall require each agent and any other person or entity acting on behalf of the Applicant, to cooperate with the Agency in its efforts to recover, recapture, receive, or otherwise obtain such New York State sales or use tax savings and shall promptly pay over any such amounts to the Agency that it requests. The failure to pay over such amounts to the Agency shall be grounds for the Commissioner of the New York State Department of Taxation and Finance (the "Commissioner") to assess and determine New York

State sales or use taxes due from the Applicant under Article Twenty-Eight of the New York State Tax Law, together with any relevant penalties and interest due on such amounts.

(2) The Applicant is hereby notified (provided that such notification is not a covenant or obligation and does not create a duty on the part of the Agency to the Applicant or any other party) that the Agency is subject to certain requirements under the General Municipal Law, including the following:

(i) In accordance with General Municipal Law Section 875(3)(c), if the Agency recovers, recaptures, receives, or otherwise obtains, any amount of New York State sales or use tax savings from the Applicant, any agent or other person or entity, the Agency shall, within thirty days of coming into possession of such amount, remit it to the Commissioner, together with such information and report that the Commissioner deems necessary to administer payment over of such amount. The Agency shall join the Commissioner as a party in any action or proceeding that the Agency commences to recover, recapture, obtain, or otherwise seek the return of, New York State sales or use tax savings from Applicant or any other agent, person or entity.

(ii) In accordance with General Municipal Law Section 875(3)(d), the Agency shall prepare an annual compliance report detailing its terms and conditions described in General Municipal Law Section 875(3)(a) and its activities and efforts to recover, recapture, receive, or otherwise obtain State sales or user tax savings described in General Municipal Law Section 875(3)(b), together with such other information as the Commissioner and the New York State Commissioner of Economic Development may require. Such report shall be filed with the Commissioner, the Director of the Division of the Budget of The State of New York, the New York State Commissioner of Economic Development, the New York State Comptroller, the Council of the City of New York, and may be included with the annual financial statement required by General Municipal Law Section 859(1)(b). Such report shall be filed regardless of whether the Agency is required to file such financial statement described by General Municipal Law Section 859(1)(b). The failure to file or substantially complete such report shall be deemed to be the failure to file or substantially complete the statement required by such General Municipal Law Section 859(1)(b), and the consequences shall be the same as provided in General Municipal Law Section 859(1)(e).

(3) The foregoing requirements of this Section 11 shall apply to any amounts of New York State sales or use tax savings that the Agency recovers, recaptures, receives, or otherwise obtains, regardless of whether the Agency, the Applicant, or any agent or other person or entity acting on behalf of the Applicant characterizes such benefits recovered, recaptured, received, or otherwise obtained, as a penalty or liquidated or contract damages or otherwise. The foregoing requirements shall also apply to any interest or penalty that the Agency imposes on any such amounts or that are imposed on such amounts by operation of law or by judicial order or otherwise. Any such amounts or payments that the Agency recovers, recaptures, receives, or otherwise obtains, together with any interest or penalties thereon, shall be deemed to be New York State sales or use taxes and the Agency shall receive any such amounts or payments, whether as a result of court action or otherwise, as trustee for and on account of New York State.

Section 12. In connection with the Project, the Agency intends to grant the Applicant real property tax abatements and sales and use tax exemptions in an amount not to exceed \$347,168.

Section 13. This Resolution shall take effect immediately

ADOPTED: April 27, 2021

Accepted: _____, 2021

BESPOKE HARLEM WEST LLC

By: _____

Name:

Title:

Exhibit D

PROJECT SUMMARY

East River ESS, LLC, a Delaware limited liability company (the “Company”), is an indirect wholly owned subsidiary of Hanwha Energy USA Holdings Corporation, a Delaware corporation that does business as 174 Power Global (“174 PG”). 174 PG is a developer of solar power and battery energy storage power projects and an independent power producer operating in North America. The Company seeks financial assistance in connection with the construction and equipping of an approximately 100-megawatt battery storage system (consisting of 400 megawatt hours of storage capacity) (the “Battery System”). The Battery System will be enclosed in multiple containers totaling approximately 130,680 square feet, located on a 4.4-acre parcel of land at 31-03 20th Avenue in Astoria, Queens (the “Facility”). The Facility will be operated by the Company on land leased from New York Power Authority (NYPA) and the Facility will serve as a large-scale battery storage system capable of charging from, and discharging into, the New York power grid (the “Project”). For the first seven years of operations, the project will operate under a fixed price contract with Consolidated Edison Company of New York, in the New York Independent System Operator’s (NYISO) wholesale energy, capacity and ancillary services markets. The Project is expected to begin construction in December 2021 and begin operating by December 2022.

Project Location

31-03 20th Avenue
Astoria, Queens 11105

Actions Requested

- Inducement and Authorizing Resolution for an Industrial Program transaction.
- Adopt a negative declaration for the Project. The Project will not have a significant adverse effect on the environment.

Prior Actions

- Board Approval of a Preliminary Inducement Resolution on July 28th 2020

Anticipated Closing

Fall 2021

Impact Summary

Employment	
Jobs at Application:	0
Jobs to be Created at Project Location (Year 3):	5
Total Jobs (full-time equivalents)	5*
Projected Average Hourly Wage (excluding principals)	\$41.50
Highest/Lowest Hourly Wage	\$52.00/30.00

Estimated City Tax Revenues	
Impact of Operations (NPV 25 years at 6.25%)	\$81,727,898
One-Time Impact of Renovation	\$5,954,046
Total impact of operations and renovation	\$87,681,944
Additional benefit from jobs to be created	\$1,572,379

*Note: workers operating on site will be hired by a third-party contractor.

East River ESS, LLC

Estimated Cost of Benefits Requested: New York City	
Building and Land Tax Exemption (NPV, 25 years)	\$77,856,869
MRT Benefit	\$1,780,514
Sales Tax Exemption	\$5,287,892
Agency Financing Fee	(\$1,443,149)
Total Cost to NYC Net of Financing Fee	\$83,482,126
Available As-of-Right Benefits (NYS DTF RPTL Section 487 Exemption)	\$64,479,392
Agency Benefits in Excess of As-of-Right Benefits	\$19,002,734
Costs of Benefits Per Job	
Estimated Total Cost of Net City Benefits per Job	\$3,800,547
Estimated City Tax Revenue per Job	\$17,850,845

Estimated Cost of Benefits Requested: New York State	
MRT Benefit	\$958,739
Sales Tax Exemption	\$5,141,006
Total Cost to NYS	\$6,099,745

Sources and Uses

Sources	Total Amount	Percent of Total Financing
Commercial Loan	\$109,570,115	80%
Equity	\$27,392,529	20%
Total	\$136,962,644	100%

Uses	Total Amount	Percent of Total Costs
Leasing Costs	\$3,191,590	2%
Hard Costs	\$30,880,776	23%
Soft Costs	\$3,791,971	3%
Furnishings, Fixtures & Equipment	\$95,892,164	70%
Closing Fees	\$3,206,143	2%
Total	\$136,962,644	100%

Fees

	To be paid at Closing	On-Going Fees (NPV, 25 Years)
Agency Fee	\$1,443,149	
Project Counsel	Hourly	
Annual Agency Fee	\$1,250	\$15,607
Total	\$1,444,399	\$15,607
Total Fees	\$1,460,006	

East River ESS, LLC

Financing and Benefits Summary

It is anticipated that the Company will finance the Project with a 12-month commercial construction loan of approximately \$109,570,115 from Credit Agricole, and equity of approximately \$27,392,529. The loan will bear interest at a rate of Libor plus 1.25% (indicative rate of 3.55% as April 16th), and it will be secured by a first-priority perfected security interest in 100% of the assets of the Company. The financial assistance proposed to be conferred by the Agency will consist of payments in lieu of City real property taxes, partial exemption from City and State mortgage recording taxes and exemption from City and State sales and use taxes.

Company Performance and Projections

The Project would serve as a large-scale battery storage system capable of charging from and discharge into the New York power grid. The Project is planned to be up to 100-megawatts (MWs) and would be able to discharge at 100 MWs for 4-hours or at a lesser power rating for longer duration, depending on the system needs. Battery systems can purchase wholesale power from the market when the power is at lower cost and sell the power into the wholesale market when prices are higher. In doing so the Battery System is helping regulate the supply and demand for energy in New York. The Project would operate in the New York Independent System Operator's (NYISO) wholesale energy, capacity and ancillary services markets with Con Edison capturing the value of products sold from the storage system into these markets.

This Project is expected to reduce greenhouse gas emissions by displacing the use of existing, older and higher-emitting fossil fuel-powered peaker plants that are nearing the end of their useful life. Based on an analysis of the Project, it is estimated that the Battery Storage system would result in a reduction of 1,172,399 short tons of carbon dioxide over the life of the Agency deal. This is equivalent to removing around 9,190 passenger vehicles from the road on an annual basis.

Inducement

- I. The Project would not be financially viable without Agency benefits.
- II. The Project will greatly expand energy storage capacity within New York City, helping to facilitate the City's goal of reducing greenhouse gas emissions. Renewable energy sources like wind and solar provide power intermittently. Battery storage capacity allows that electricity to be captured during periods of excess generation and deployed during periods of peak demand and lower generation.

UTEP Considerations

The Agency finds that the Project meets one or more considerations from Section I-B of the Agency's Uniform Tax Exemption Policy ("UTEP"), including the following:

- I. Financial assistance is required to induce the Project.
- II. The Project is likely to be completed in a timely manner.

Applicant Summary

The Company is a subsidiary of Hanwha Energy USA Holdings, Inc. ("HEUSAH"). HEUSAH also does business as 174 Power Global ("174PG"). Founded in December 2013, 174PG is a leading development company of solar power and battery energy storage power projects and an independent power producer in North America. The 174PG team is part of the Hanwha group, a FORTUNE Global 500 company deeply invested in the renewable energy business and uniquely motivated to fully execute on project opportunities. With deep expertise across the full spectrum of the project development cycle, 174PG works closely with landowners, local communities, financial investors and other partners to build highly productive, utility scale power plants throughout North America.

Henry Yun, PhD, President and Chief Executive Officer

Henry Yun brings over 20 years of executive leadership to his role as President and CEO of the Company, having held various executive management and technical positions at Hanwha affiliates and Intel Corporation. As CEO of 174PG, he has led the growth from start-up stage to over \$250 Million in annual revenue in 3 years. As a thought leader in the energy industry he has authored numerous technical publications, served on boards of several clean energy

East River ESS, LLC

startups and been awarded 4 U.S. patents. He holds an MBA from the Kellogg School of Management at Northwestern University and Ph.D. in Engineering from the University of Washington.

Doyeop Jason Kim, Chief Strategy Officer and Director of Business Planning

Doyeop Jason Kim is CSO and Director of Business Planning & Strategy of 174PG, based at 174PG's headquarters in Irvine, CA. Mr. Kim has over 10 years of senior leadership, having held various business planning and strategy positions with 174PG, Hanwha QCELLS GmbH, Hanwha Solar Energy, and Siemens. Mr. Kim received his B.A from Northwestern University.

Carolyn Byun, Chief Operating Officer and General Counsel

Carolyn Byun is COO and General Counsel of 174PG and has over 18 years of experience in corporate, M&A, venture capital, and litigation areas of law. Ms. Byun was previously in charge of legal and regulatory affairs for Hanwha Solar America, Hanwha Q CELLS USA Corp., and Hanwha Q CELLS America dealing with PV Research & Development, Corporate Development, Module Sales, EPC, and Project Development and Financing. Ms. Byun manages a team of 7 attorneys, and they have successfully closed the project acquisition, development, and financing of over 1 GW of solar projects within the last 3 years. Ms. Byun holds a B.A. in Political Science and M.A. in Sociology from Stanford University and a J.D. from Cornell Law School.

Employee Benefits

Employees are expected to be employed by contractors. Typical market benefits packages include Healthcare, dental, vision and retirement plans.

Recapture

Pursuant to UTEP, all benefits are subject to recapture for a 10-year period.

SEQRA Determination

Agency staff has reviewed the environmental impacts of the proposed actions and recommends that the Agency adopt a SEQRA determination that such actions will not generate any additional significant adverse environmental impacts beyond those identified and analyzed in (a) the Company's Full Environmental Assessment Form (FEAF) Parts 1, 2, and 3 and (b) the Lead Agency's Notice of Completion, dated March 31, 2021 issued by NYPA as Lead Agency. Accordingly, Staff recommends that the Agency adopt the Agency Findings Statement attached as Exhibit A to the attached resolution, which includes the finding that the proposed Agency actions in connection with the Project will not generate any additional significant adverse environmental impacts beyond those identified and analyzed in the FEAF.

Due Diligence

The Agency conducted a background investigation of the Company and 174PG and their principals and found no derogatory information.

Living Wage:	Compliant
Paid Sick Leave:	Compliant
Affordable Care Act:	Compliant
Bank Account:	No derogatory information was found.
Bank Check:	No derogatory information was found.
Supplier Checks:	Not Applicable

East River ESS, LLC

Customer Checks: No derogatory information was found.

Unions: Not Applicable

Background Check: No derogatory information was found.

Attorney: Steven Polivy, Esq.
Akerman LLP
666 5th Avenue, 20th floor
New York, NY 10103

Accountant: Mandy Lui
Hanwha Energy USA Holdings Corporation
300 Spectrum Center Drive, STE 1020
Irvine CA 92618

Consultant/Advisor: Not Applicable

Community Board: Queens, CB #1



EAST RIVER ESS, LLC
300 SPECTRUM CENTER DRIVE, SUITE 1020,
IRVINE, CALIFORNIA 92618
T+1 949 748 5970

April 13, 2020

New York City Industrial Development Agency
110 William Street
New York, NY 100038

To Whom It May Concern:

East River ESS, LLC (“Company”) is preparing to build a project that serves as a large-scale battery storage system capable of charging from and discharge into the New York power grid. Initially, the project would be expected to be under a fixed price contract with Consolidated Edison Company of New York (“Con Edison”). The project would operate in the New York Independent System Operator’s (“NYISO”) wholesale energy, capacity and ancillary services markets with Con Edison capturing the value of products sold from the storage system into these markets for the first 7 years.

Battery system are eligible to sell capacity service to the NYISO market. Capacity is a term for active plant that is available to release power into the grid. Battery systems can purchase wholesale power from the market when the power is at a lower cost and sell the power into the wholesale market when prices are higher. There are a number of ancillary services batteries can sell to the market, which include spinning reserves and frequency response.

The genesis of this project started when the State of New York sought to increase the total percentage of renewable energy consumed in the State. As part of the evolution from a fossil fuel based energy supply to that of renewable generation, large batteries would need to be installed to, quoting the New York State Energy Storage Roadmap and Department of Public Service / New York State Energy Research and Development Authority Staff Recommendations, “smooth and time-shift renewable generation and minimize curtailment (the need to reduce output due to grid limits). As New York’s grid becomes smarter and more decentralized, storage will be deployed to store and dispatch energy when and where it is most needed. Storage will also allow New York to meet its peak power needs without relying on its oldest and dirtiest peak generating plants, many of which are approaching the end of their useful lives.” Given the State’s goals for energy storage, the New York State Energy Research and Development Agency was tasked to develop a monetary subsidy to spur investment in the market and the state Public Service Commission issued orders for all New York electricity utilities to procure services from battery storage systems. The procurement of services from battery storage and the state incentive would spur private investment and allow storage systems to be financed by offering steady capital to investors for battery storage systems.

Given the unique nature of this venture, potential alternatives without NYCIDA straight lease financial assistance is limited. Although Company is entering into what is undoubtedly becoming a stable and lucrative industry and has a well thought-out business plan in hand, the usage of such investors has proved impractical. The availability of financing assistance would provide Company with a financial model that allows it to achieve profitability without detrimental affect to its other objectives.



Thus, absent the straight lease benefits this project could become too costly to finance and could end up forcing the developers to fold the project altogether.

In closing, Company provides a unique opportunity for the City of New York to help fund a forward-looking industry that will create environmentally friendly jobs, sustainable development and a renewable fuel product that will help clean up the city's air. Projects such as this secure New York City's vitality and leadership, provide opportunities to revitalize economically depressed areas, support the rural economy and maintain and grow the manufacturing sector in these areas.

Sincerely,

EAST RIVER ESS, LLC

By: Hanwha Energy USA Holdings Corporation
d/b/a 174 Power Global (formerly 174 Power Global Corporation)

Its: Manager

A handwritten signature in black ink, appearing to read 'Henry Yun', written over a horizontal line.

By:
Name: Henry Yun
Its: President

cc: Mr. Steven Polivy

Exhibit E

Resolution inducing the financing of an industrial facility for East River ESS, LLC, as a Straight-Lease Transaction and authorizing and approving the execution and delivery of agreements in connection therewith

WHEREAS, New York City Industrial Development Agency (the “Agency”) is authorized under the laws of the State of New York, and in particular the New York State Industrial Development Agency Act, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended, and Chapter 1082 of the 1974 Laws of New York, as amended (collectively, the “Act”), to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial and research facilities and thereby advance the job opportunities, general prosperity and economic welfare of the people of the State of New York and to improve their prosperity and standard of living; and

WHEREAS, East River ESS, LLC, a Delaware limited liability company (the “Applicant”), has entered into negotiations with officials of the Agency for the acquisition, construction, and equipping of an approximately 100 megawatt battery storage system (consisting of 400 megawatt hours of storage capacity) (the “Battery System”). The Battery System will be enclosed in multiple containers totaling approximately 130,680 square feet, located on an approximately 4.4 acre parcel of land at 31-03 20th Avenue in Astoria, Queens (the “Facility”). The Facility is to be located on land owned by New York Power Authority and will be leased to and operated by the Applicant and will serve as a large-scale battery storage system capable of charging from, and discharging into, the New York power grid (the “Project”), for the first seven years of operation, the Project will operate under a fixed price contract with Consolidated Edison Company of New York (ConEd) and in the New York Independent System Operator’s (NYISO) wholesale energy, capacity and ancillary services markets, and having an approximate total project cost of approximately \$132,920,334; and

WHEREAS, the Applicant has submitted a Project Application (the “Application”) to the Agency to initiate the accomplishment of the above; and

WHEREAS, the Application sets forth certain information with respect to the Applicant and the Project, including the following: that the Applicant, is an indirect wholly owned subsidiary of Hanwha Energy USA Holdings Corporation, a Delaware corporation that does business as 174 Power Global (“174PG”), who is a developer of solar power and battery energy storage power projects and an independent power producer operating in North America; that the Applicant was selected by Consolidated Edison Company of New York (“ConEd”) from a request for proposal as a non-wires solution to ensure that ConEd could provide electricity during peak demand hours offsetting the need to use peak generation power plants; that the proposed Project would ensure demand for electricity could be met by ConEd without extensive infrastructure upgrades; that the Applicant expects to employ approximately 5 full time equivalent employees within the three years following the completion of the Project; that the Applicant must obtain Agency financial assistance in the form of a straight-lease transaction to enable the Applicant to proceed with the Project and thereby expand its operations in the City; that without the Agency’s financial assistance the Applicant would not be able to complete the

Project, and that, based upon the financial assistance provided through the Agency, the Applicant desires to proceed with the Project and expand its operations in the City; and

WHEREAS, based upon the Application, the Agency hereby determines that Agency financial assistance and related benefits in the form of a straight-lease transaction between the Agency and the Applicant is necessary to induce the Applicant to expand its operations in the City; and

WHEREAS, in order to finance a portion of the costs of the Project, Credit Agricole Corporate and Investment Bank (such financial institution, or any other financial institution as may be approved by a certificate of determination of an Agency officer, the “Lender”) has agreed to enter into loan arrangements with the Applicant pursuant to which the Lender will lend approximately \$116,000,000 to the Applicant, and the Agency and the Applicant will grant a mortgage or mortgages on the Facility to the Lender (collectively, the “Lender Mortgage”) and the Applicant will grant a security interest in all of the assets of the Applicant to the Lender (the “Security Agreement”); and

WHEREAS, for purposes of refinancing from time to time the indebtedness secured by the Lender Mortgage (the “Original Mortgage Indebtedness”) (whether such refinancing is in an amount equal to or greater than the outstanding principal balance of the Original Mortgage Indebtedness), the Applicant may from time to time desire to enter into new mortgage arrangements, including but not limited to consolidation with mortgages granted subsequent to the Lender Mortgage; and therefore the Applicant may request the Agency to enter into the mortgage instruments required for such new mortgage arrangements (“Refinancing Mortgage(s)”); and

WHEREAS, in order to provide financial assistance to the Applicant for the Project, the Agency intends to grant the Applicant financial assistance through a straight-lease transaction in the form of real property tax abatements, a partial exemption of City and State mortgage recording taxes and sales and use tax exemptions, all pursuant to the Act;

NOW, THEREFORE, NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY HEREBY RESOLVES AS FOLLOWS:

Section 1. The Agency hereby determines that the Project and the provision by the Agency of financial assistance to the Applicant pursuant to the Act in the form of a straight-lease transaction will promote and is authorized by and will be in furtherance of the policy of the State of New York as set forth in the Act and hereby authorizes the Applicant to proceed with the Project. The Agency further determines that:

(a) the Project shall not result in the removal of any facility or plant of the Applicant or any other occupant or user of the Facility from outside of the City (but within the State of New York) to within the City or in the abandonment of one or more facilities or plants of the Applicant or any other occupant or user of the Facility located within the State of New York (but outside of the City);

(b) no funds of the Agency shall be used in connection with the Project for the purpose of preventing the establishment of an industrial or manufacturing

plant or for the purpose of advertising or promotional materials which depict elected or appointed government officials in either print or electronic media, nor shall any funds of the Agency be given in connection with the Project to any group or organization which is attempting to prevent the establishment of an industrial or manufacturing plant within the State of New York; and

(c) not more than one-third of the total Project cost is in respect of facilities or property primarily used in making retail sales of goods or services to customers who personally visit such facilities within the meaning of Section 862 of the New York General Municipal Law.

Section 2. To accomplish the purposes of the Act and to provide financial assistance to the Applicant for the Project, a straight-lease transaction is hereby authorized subject to the provisions of this Resolution.

Section 3. The Agency hereby authorizes the Applicant to proceed with the Project as herein authorized. The Applicant is authorized to proceed with the Project on behalf of the Agency as set forth in this Resolution; provided, however, that it is acknowledged and agreed by the Applicant that (i) nominal leasehold title to or other interest of the Agency in the Facility shall be in the Agency for purposes of granting financial assistance, and (ii) the Applicant is hereby constituted the agent for the Agency solely for the purpose of effecting the Project, and the Agency shall have no personal liability for any such action taken by the Applicant for such purpose.

Section 4. The execution and delivery of a Company Lease Agreement from the Applicant leasing the Facility to the Agency, an Agency Lease Agreement from the Agency subleasing the Facility to the Applicant (the "Lease Agreement") (for sub-sublease to the Applicant or its affiliate), a Project Agreement between the Agency and the Applicant, a Sales Tax Agent Authorization Letter from the Agency to the Applicant, the Lender Mortgage, the Refinancing Mortgages and, if applicable, the acceptance of a Guaranty Agreement from the Applicant and/or the Applicant's owners and/or principals in favor of the Agency (the "Guaranty Agreement") (each document referenced in this Section 4 being, collectively, the "Agency Documents"), each being substantively the same as approved by the Agency for prior transactions, is hereby authorized. The Chairperson, Vice Chairperson, Executive Director, Deputy Executive Director and General Counsel of the Agency are each hereby authorized to execute, acknowledge and deliver each such Agency Document. The execution and delivery of each such agreement by one of said officers shall be conclusive evidence of due authorization and approval.

Section 5. The officers of the Agency and other appropriate officials of the Agency and its agents and employees are hereby authorized and directed to take whatever steps may be necessary to cooperate with the Applicant to assist in the Project.

Section 6. All covenants, stipulations, obligations and agreements of the Agency contained in this Resolution and contained in the Agency Documents shall be deemed to be the covenants, stipulations, obligations and agreements of the Agency to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements

shall be binding upon the Agency and its successors from time to time and upon any board or body to which any powers or duties affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Agency or the members thereof by the provisions of this Resolution or the Agency Documents shall be exercised or performed by the Agency or by such members, officers, board or body as may be required by law to exercise such powers and to perform such duties.

No covenant, stipulation, obligation or agreement herein contained or contained in the Agency Documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member, director, officer, agent or employee of the Agency in his or her individual capacity and neither the members nor the directors of the Agency nor any officer executing any Agency Document shall be liable personally for any amounts payable thereunder or arising from claims thereon or be subject to any personal liability or accountability by reason of the execution and delivery or acceptance thereof.

Section 7. The officers of the Agency are hereby designated the authorized representatives of the Agency, and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution. The Agency recognizes that due to the unusual complexities of the transaction it may become necessary that certain of the terms approved hereby may require modifications which will not affect the intent and substance of the authorizations and approvals by the Agency herein. The Agency hereby authorizes the Chairperson, Vice Chairperson, Executive Director, Deputy Executive Director or General Counsel to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution. The approval of such modifications shall be evidenced by a certificate of determination of an Agency officer.

Section 8. Any expenses incurred by the Agency with respect to the Project shall be paid by the Applicant. By acceptance hereof, the Applicant agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the Project.

Section 9. This Resolution is subject to approval based on an investigative report with respect to the Applicant. The provisions of this Resolution shall continue to be effective for one year from the date hereof, whereupon the Agency may, at its option, terminate the effectiveness of this Resolution (except with respect to the matters contained in Section 8 hereof).

Section 10. The New York Power Authority, as lead agency (“NYPA” and the “Lead Agency”), issued its determination pursuant to the State Environmental Quality Review Act (“SEQRA”) (Article 8 of the Environmental Conservation Law) and implementing regulations contained in 6 N.Y.C.R.R. Part 617. The determination is based upon NYPA’s review of information provided by the Applicant and such other information as NYPA has deemed necessary and appropriate to make its determination.

NYPA has determined that the proposed project, an Unlisted Action in accordance with Article 8 of the Environmental Conservation Law, the State Environmental Quality Review Act (“SEQRA”) and the implementing regulations, would not have a significant effect on the environment and that a Draft Environmental Impact Statement will not be prepared.

The Agency, as set forth in the Findings Statement set forth in Exhibit A hereto and incorporated by reference herein, has considered the Full Environmental Assessment Form Parts 1, 2 and 3 (“FEAF”), the Expanded Environmental Assessment and the lead agency’s negative declaration in making its determination. The Agency finds that with respect to the SEQRA analysis, the Lead Agency has made a thorough and comprehensive analysis of the relevant areas of concern under SEQRA and its implementing regulations. Furthermore, the Agency has carefully considered the Lead Agency’s determination of an Unlisted action for the proposed Project and finds that this document is an accurate reflection of the FEAF and Lead Agency Findings Statement related to the Agency proposed action of conferring financial assistance for the construction of the Facility. The Agency hereby adopts and incorporates by reference the Lead Agency’s Unlisted determination of no significant adverse impact on the quality of the environment.

Section 11. In connection with the Project, the Applicant and the covenants and agrees to comply, and to cause each of its contractors, subcontractors, agents, persons or entities to comply, with the requirements of General Municipal Law Sections 875(1) and (3), as such provisions may be amended from time to time.

(1) The Applicant acknowledges and agrees that pursuant to General Municipal Law Section 875(3) the Agency shall have the right to recover, recapture, receive, or otherwise obtain from the Applicant New York State sales or use tax savings taken or purported to be taken by the Applicant, and any agent or any other person or entity acting on behalf of the Applicant, to which the Applicant is not entitled or which are in excess of the maximum sales or use tax exemption amount authorized in Section 12 of this Resolution or which are for property or services not authorized or taken in cases where the Applicant, or any agent or any other person or entity acting on behalf of the Applicant, failed to comply with a material term or condition to use property or services in the manner required by this Resolution or any agreements entered into among the Agency, the Applicant and/or any agent or any other person or entity acting on behalf of the Applicant. The Applicant shall, and shall require each agent and any other person or entity acting on behalf of the Applicant, to cooperate with the Agency in its efforts to recover, recapture, receive, or otherwise obtain such New York State sales or use tax savings and shall promptly pay over any such amounts to the Agency that it requests. The failure to pay over such amounts to the Agency shall be grounds for the Commissioner of the New York State Department of Taxation and Finance (the “Commissioner”) to assess and determine New York

State sales or use taxes due from the Applicant under Article Twenty-Eight of the New York State Tax Law, together with any relevant penalties and interest due on such amounts.

(2) The Applicant is hereby notified (provided that such notification is not a covenant or obligation and does not create a duty on the part of the Agency to the Applicant or any other party) that the Agency is subject to certain requirements under the General Municipal Law, including the following:

(i) In accordance with General Municipal Law Section 875(3)(c), if the Agency recovers, recaptures, receives, or otherwise obtains, any amount of New York State sales or use tax savings from the Applicant, any agent or other person or entity, the Agency shall, within thirty days of coming into possession of such amount, remit it to the Commissioner, together with such information and report that the Commissioner deems necessary to administer payment over of such amount. The Agency shall join the Commissioner as a party in any action or proceeding that the Agency commences to recover, recapture, obtain, or otherwise seek the return of, New York State sales or use tax savings from Applicant or any other agent, person or entity.

(ii) In accordance with General Municipal Law Section 875(3)(d), the Agency shall prepare an annual compliance report detailing its terms and conditions described in General Municipal Law Section 875(3)(a) and its activities and efforts to recover, recapture, receive, or otherwise obtain State sales or user tax savings described in General Municipal Law Section 875(3)(b), together with such other information as the Commissioner and the New York State Commissioner of Economic Development may require. Such report shall be filed with the Commissioner, the Director of the Division of the Budget of The State of New York, the New York State Commissioner of Economic Development, the New York State Comptroller, the Council of the City of New York, and may be included with the annual financial statement required by General Municipal Law Section 859(1)(b). Such report shall be filed regardless of whether the Agency is required to file such financial statement described by General Municipal Law Section 859(1)(b). The failure to file or substantially complete such report shall be deemed to be the failure to file or substantially complete the statement required by such General Municipal Law Section 859(1)(b), and the consequences shall be the same as provided in General Municipal Law Section 859(1)(e).

(3) The foregoing requirements of this Section 11 shall apply to any amounts of New York State sales or use tax savings that the Agency recovers, recaptures, receives, or otherwise obtains, regardless of whether the Agency, the Applicant, or any agent or other person or entity acting on behalf of the Applicant characterizes such benefits recovered, recaptured, received, or otherwise obtained, as a penalty or liquidated or contract damages or otherwise. The foregoing requirements shall also apply to any interest or penalty that the Agency imposes on any such amounts or that are imposed on such amounts by operation of law or by judicial order or otherwise. Any such amounts or payments that the Agency recovers, recaptures, receives, or otherwise obtains, together with any interest or penalties thereon, shall be deemed to be New York State sales or use taxes and the Agency shall receive any such amounts or payments, whether as a result of court action or otherwise, as trustee for and on account of New York State.

Section 12. In connection with the Project, the Agency intends to grant the Applicant real property tax abatements, an partial deferral of City and State mortgage recording taxes and sales and use tax exemptions in an amount not to exceed \$10,428,898.

Section 13. This Resolution shall take effect immediately

ADOPTED: April 27, 2021

Accepted: _____, 2021

East River ESS, LLC

By: _____

Name:

Title:

Exhibit A

**LEAD AGENCY FINDINGS STATEMENT
PURSUANT TO THE NEW YORK STATE ENVIRONMENTAL QUALITY REVIEW ACT**

1. INTRODUCTION AND DESCRIPTION OF THE PROPOSED ACTION

This Findings Statement has been prepared in accordance with Article 8 of the Environmental Conservation Law, the State Environmental Quality Review Act ("**SEQRA**"), and its implementing regulations promulgated at 6 NYCRR Part 617.

This Findings Statement sets forth the findings of the New York Power Authority ("**NYPA**") as Lead Agency, that are adopted by the New York City Industrial Development Agency (the "**Agency**" or "**NYCIDA**") with respect to potential environmental impacts related to a project proposed by East River ESS, LLC (the "**Applicant**") to develop, design, construct and provide an operationally ready energy storage facility at 31-03 20th Avenue (portion of Tax Block 850, Lot 100) on the site of the New York Power Authority's (NYPA) former Charles Poletti Power Plant in the Astoria area of Queens, New York ("**Site**"). East River ESS, LLC (the "**Applicant**") is an indirect, wholly owned subsidiary of Hanwha Energy USA Holdings Corporation, a Delaware corporation that does business as 174 Power Global ("**174PG**"). Founded in December 2013, 174PG is a development company of solar power and battery energy storage power projects and an independent power producer in North America.

The Applicant is seeking financial assistance from NYCIDA in the form of abatements from property tax, exemptions from City and State sales and use taxes and a partial mortgage recording tax deferral in connection with the construction and operations of a stand-alone, elevated 100-megawatt lithium-ion battery energy storage system ("**the Project**"). The Project will support the New York State Climate Leadership and Community Protection Act ("**CLCPA**")'s goal to provide three gigawatts ("**GW**") of statewide energy storage capacity by 2030. The project includes construction of a 130,680 square foot building. The total project cost is approximately \$132M. The project is anticipated to be operational by December 2022.

2. DOCUMENTS RELEVANT TO THE FINDINGS STATEMENT

The Findings Statement is based on the Applicant's Full Environmental Assessment Form Parts 1, 2 and 3 ("**FEAF**") (State Environmental Quality Review [**SEQR**"]); and b) the Lead Agency's Notice of Completion, dated March 31, 2021 issued by NYPA as Lead Agency. NYPA chose to complete FEAF rather than an EAS to ensure that all environmental questions were addressed in full detail.

In addition, as part of the environmental review, the Lead Agency

- on February 26, 2021 submitted a lead agency concurrence letter to the potential involved agencies, interested agencies and interested parties.
- completed and submitted a consistency review with the policies of New York City's Waterfront Revitalization Program (WRP) to NYC Department of City Planning.
- New York State Department of State, Coastal Management Program's Coastal Assessment Form
- Completed Phase I and II Environmental Site Assessments.

THE ENVIRONMENTAL ASSESSMENT STATEMENT/FULL ENVIRONMENTAL ASSESSMENT FORM

THE PROPOSED PROJECT AS ANALYZED IN THE FULL ENVIRONMENTAL ASSESSMENT FORM

NYPA assumed lead agency status for environmental review. Pursuant to the methodology of the *2014 CEQR Technical Manual*, and the Full Environmental Assessment Form (“FEAF”) was prepared for the proposed project to develop, design, construct and provide an operationally ready energy storage facility on the site of the New York Power Authority’s (NYPA) former Charles Poletti Power Plant in the Astoria area of Queens, New York. The East River ESS Project (Project) will consist of a 100-megawatt (MW) battery storage system with 400 megawatt hours (MWh) of storage capacity, interconnected to a Con Edison 138 kV substation adjacent to the Project site.

The Project will be designed, constructed, and operated in compliance with applicable federal, State, New York City codes and NYPA requirements, as well as NYISO’s and Con Edison’s interconnection requirements and specifications.

The Project will be composed of metal cabinets (identified as megapacks) approximately 10 feet wide by 8 feet high and 24 feet in length, housing racks of battery modules. The Project also includes a control house and an interconnecting generation tie line (gen-tie). The megapacks will be placed on four elevated platforms, each approximately 18,000 square feet of steel grate. The batteries feed into power inverters which convert the power from direct current (DC) to alternating current (AC). The power coming from the inverters is collected at a Project substation (to be developed, owned and operated by East River ESS) which in turn, is stepped up to transmission level voltage where it then feeds into the Con Edison 138 kilovolt (kV) Astoria-West switchyard located immediately east of the Project site and serving as the point of interconnection to the transmission grid. The gen-tie will be approximately 150 to 650 feet in length depending on the final route, and both underground and overhead options are under consideration.

The initial design consists of +/- 127 megapacks containing battery modules, a bi-directional inverter, a thermal management system, and AC main breaker all pre-installed and pre-tested within a single enclosure. In addition, the design includes one switchgear enclosure and one station transformer. The proposed system manufacturer is a global leader in battery storage and technology, demonstrating a history of performance, availability, and support.

The Project will not require any water for operation other than that required to operate the fire suppression system in case of emergency.

The analyses in the FEAF were undertaken pursuant to SEQRA and consistent with CEQR practices. The 2014 CEQR Technical Manual generally serve as a guide with respect to environmental analysis methodologies and impact criteria for evaluating the effects of the Proposed Project. It is anticipated that the proposed project would be operational in 2022. Project is subject to SEQRA as it is not regulated as electrical transmission or generating facilities under PSC jurisdiction pursuant to Article VII or its Article X requirements (i.e., Art. VII’s and Art. X’s SEQRA exemptions do not apply to this Project).

3. THE LEAD AGENCY'S DETERMINATION OF SIGNIFICANCE

The Lead Agency's Determination of no significant adverse impacts on the environment led to the issuance of a Negative Declaration.

The Project does not exceed any New York State Department of Environmental Conservation (DEC) (6 NYCRR 617) or NYPA (21 NYCRR 461) SEQRA Type I Action threshold. Nor did the Project qualify as either a DEC or as a NYPA Type II Action. Therefore, NYPA classified the Project as a SEQRA Unlisted Action. NYPA chose the Full Environmental Assessment Form (FEAF) to ensure that all environmental questions would be addressed in detail. NYPA has chosen to conduct a coordinated review of this action with other involved agencies, who have been provided a lead agency concurrence letter and the FEAF Part 1 completed by East River ESS LLC, and NYPA as lead agency for this review.

In completing the FEAF Part 2, NYPA determined that the identified small and moderate environmental impacts will not result in any adverse environmental impacts due to the construction and operation of the Project. The total extent of the adverse environmental impacts that may result are localized and will not be significant. East River ESS's adherence to the terms and conditions of relevant environmental permits, compliance with NYPA requirements and internal environmental policies and procedures, makes it unlikely that implementing this Project will cause significant adverse environmental impacts. NYPA has reasonably determined that the localized extent, severity and short duration of these environmental impacts as discussed herein and given the regulatory controls applicable to this Project's implementation, will not require preparation of an environmental impact statement; therefore, NYPA has issued the attached Negative Declaration.

The Project will occupy approximately 4 acres of land comprised of NYPA owned land. To ensure proper on-site erosion and sedimentation control, East River ESS LCC will develop a Stormwater Pollution Prevention Plan (SWP3), and submit a General Construction Stormwater State Pollutant Discharge Elimination System (SPDES) Permit Notice of Intent (NOI) to the DEC.

Based on the information used to complete FEAF Part 1 and *Expanded Environmental Assessment* provided by East River ESS LLC, NYPA evaluated possible environmental effects that could arise from constructing and operating the Project. In completing the FEAF Part 2, NYPA determined that constructing and operating the Project would only cause moderate to large environmental impacts to energy (due to the Project being part of the integrated bulk electric system) and flooding (due to the Project being within the 100-year and 500-year floodplains) as discussed below. In addition, NYPA determined that constructing and operating the Project would cause certain small impacts, which are also discussed below.

Although NYPA did not identify any potentially small to significant adverse impacts involving community plans, it should be noted that this Project will promote green technologies in an area historically used for fossil fuel generation and will contribute toward New York State's Climate Leadership and Community Protection Act (CLCPA) goals. Additionally, New York City (City) has committed to advancing energy

storage development to achieve its objectives of creating a resilient low-carbon energy supply, improving air quality, and reducing greenhouse gas emissions by 80 percent from 2005 levels by 2050. The City has established an energy storage resource deployment target of 500 MW in NYC by 2025. These initiatives complement the State's CLCPA goals.

The Lead Agency's reasons supporting this determination include the following:

1. Impact on Land: The Project will be constructed over a period of 11-14 months, which will include ground disturbance activities limited to placing supports/footings for the platforms and installing an underground tie-line. Geological conditions were evaluated in a Geotechnical Engineering Report prepared by TerraCon Consultants – New York. The adjoining Con Edison property is currently under a DEC RCRA corrective action permit. The ground disturbances will be minimized with the reuse of existing foundations in part due to the site being within an area of potential MGP waste that is subject to NYS DEC site investigation and remediation programs with Con Edison. Potential impacts of MGP waste are further addressed in this review under "Impact to Human Health" and under "Impact on Noise, Odor, and Light". Another reason for the limited ground disturbance is the location is within the 100-year floodplain and the structures will consist of elevated platforms, which will be addressed further in the "Impact on Flooding" section. The surface area for the project is asphalt and concrete paved with stone stormwater infiltration basins.

2. Impacts on Surface Water: The proposed action may affect the East River (Hell Gate tidal strait), due to construction proximity to tidal wetlands or the riverbank, and that the proposed action could cause a stormwater discharge that could lead to siltation or other degradation of the East River without proper controls. These impacts are limited in time to the construction and will be addressed in a stormwater pollution prevention plan (SWPPP), including the Soil Erosion and Sediment Control Plan, and controls to prevent any such discharge (whether surface flow or through an unpermitted drainage discharge). Potential impacts are limited by the existing bulkhead that runs along project site's shoreline, which should prevent any chance of sloughing off soils into the Hell Gate tidal strait. During operation, direct and indirect stormwater discharges to the East River will be managed under a SWPPP. The surface area for the project is asphalt and concrete paved with stone stormwater infiltration basins. The proposed project will not produce discharges of any process water during operation.

3. Impact on Groundwater: Applicant's review of prior site reports and geotechnical soil borings found that the groundwater at the site is generally greater than 8 feet below grade. The Project will not require the use of potable water. Fire suppression will be through available water supply at the site. The potential for leaching contaminants is limited to the loss of containment through multiple barriers, such as after a catastrophic failure, e.g. a fire requiring water-suppression that overflows to the surrounding area. Existing infiltration basins located within the Project area will be maintained or replaced in-kind and operated in accordance with the requirements of the Deconstruction of the Charles Poletti Power Plant SWPPP. Groundwater in Astoria is not used as a source of potable water.

4. Impact on Flooding: The proposed project is located within the 100-year and 500-year floodplains in an already developed location. This project is the installation of battery storage on the site of a former

power plant within the Astoria Complex, which is a key location for utility infrastructure within New York City. The design of the project will ensure the battery megapacks will be above the height of a 100-year and 500-year flood for the life expectancy of the project based on estimated sea level rise according to projections made by NYC Panel on Climate Change. This project will not exacerbate impact of flooding nor attract additional development within the floodplain.

5. Impacts on Air: The construction and operation of this project will not result in any emissions affecting air quality; rather, this project will show beneficial effects on air quality should battery energy storage result in reduced reliance on combustion turbines within New York City. The circumstance that could result in an impact to air would be limited to catastrophic failure event, which is a minimal risk based on the technology to be used and design of the facility. The proposed project will be constructed in accordance with applicable codes regarding fire protection. NYPA will consult with FDNY regarding the required fire suppression. FDNY will issue an operational permit to East River ESS giving it jurisdiction over the facility's operational fire prevention and response.

6. Impact on Plants and Animals: A review of information regarding federally protected species was obtained via the USFWS' Information, Planning, and Conservation (IPAC) system in January 2020. The review noted a total of four threatened, endangered, or candidate species that may occur in the vicinity of the proposed project: three birds (common names being the piping plover, red knot, and roseate tern) and one plant (common name is seabeach amaranth). However, none of the species are known to inhabit the project site, which does not have the desired habitat features of sandy or gravel beach or intertidal areas. No New York State listed plants or animals were identified and USFWS review did not identify critical habitats for the species identified. The Project's location within an existing industrial area reduces potential impacts to terrestrial resources such as vegetation communities, wildlife and threatened and/or endangered species. As there is no suitable habitat for the species identified by the USFWS and it is not expected that any of these species are present on the Project Site, the proposed project is not anticipated to result in adverse impacts to federally listed species.

7. Impact on Aesthetic Resources: Although the proposed project may be visible from one or more scenic or aesthetic resources (primarily from the East River and Randall's Island), the project is similar to the aesthetic qualities of the surrounding industrial/utility area. The proposed project is visible from publicly accessible vantage points on Randall's Island park, Metro-North commuter railway, and vessels traversing the Hell Gate tidal strait. The situation or activity in which viewers are engaged while viewing the proposed project are routine travel by residents, including travel to and from work, and recreational or tourism based activities.

8. Impact on Energy: The Project facility will be a component of the bulk electric system in the New York Control Area subject to NYISO requirements. The Project will support grid reliability through system balancing, participation in wholesale market, enabling renewable integration, Transition and Distribution ("T&D") support and peak shaving. The Project will operate with an approximate efficiency of 92.5%, which meets or exceeds industry norms for energy storage. Operation of the Project (battery charging and discharge) is metered. The Project will be charged using power from the grid (the adjacent 138 kV Astoria West substation) during non-peak times and, when needed, the stored electrical energy will be discharged

to the grid. The connection to the adjacent substation entails approximately 150 to 650 feet of underground or overhead cable depending on the final route. The tie-in will also entail installing ancillary electrical equipment. Energy storage will not result in additional residential, commercial or industrial electrical usage. As stated earlier, the proposed Project will help to ensure system reliability and resiliency.

9. Impact on Noise, Odor and Light: The Applicant conducted a noise impact analysis of both the construction and the operation of the Project, which is included in its Expanded Environmental Assessment submission. The noise analysis for the East River Energy Storage Project concluded that the Project: “demonstrates compliance with all applicable noise regulations, including § 24-232 of the NYC Noise Control Code, the NYC Zoning Resolution Performance Standards for Manufacturing Districts, and NYSDEC Guidance. Consequently, the Project would not result in any significant adverse noise impacts at any of the receptors analyzed and no noise control measures are warranted.”

As for light and odors, there are no significant adverse impacts. There is no nighttime construction anticipated that would cause light pollution. The exterior lighting will be to allow for limited nighttime operations (such as emergency maintenance) and as part of a security system. Constructing and operating the Project will not cause any odors. Should MGP waste be encountered during the Project’s limited excavation, appropriate controls will be implemented in accordance with NYSDEC guidance (see *New York State’s Approach to the Remediation of Former Manufactured Gas Plant Sites*). Given the project location, no public impact would be expected (NYSDEC guidance suggests that nuisance odors are experienced before any human health concerns arise from vapor exposure).

10. Impact on Human Health: The energy storage facility will not produce smoke, dust or other particulate matter emissions, noxious matter, radiation, or other health hazards. Also, the site will not store fire or explosive hazardous materials. The Li-ion battery megapacks are designed, engineered and built to minimize impact on human health. The Applicant will take necessary measures to ensure the energy storage system (ESS) operates safely during its lifetime.

Constructing and installing the ESS will generate construction and demolition (C&D) debris and potentially other solid waste. Based on proposed design, limited excavation will be required for the installation of new buried electrical conduits and the proposed stormwater management system. The Project will have a construction management plan. The plan will define temporary on-site storage practices and characterization requirements. Contaminated materials encountered in excavations will be characterized for proper off-site disposal at an appropriately licensed facility or, where feasible, reused on-site with appropriate controls. Operating the ESS is not expected to generate any solid or hazardous wastes. Should East River ESS encounter any historical MGP waste, it will be managed in accordance with all environmental regulations and NYPA environmental policies and procedures. Upon the ESS’s retirement, the Applicant (or owner/lessee at that time) will take the necessary measures to ensure that its lithium, and all other regulated substances and/or wastes, are disposed of and/or recycled at facilities approved by the US Environmental Protection Agency and/or the NYS Department of Environmental Conservation. NYPA will also approve these regulated Treatment, Storage or Disposal and/or Recycling facilities.

The Applicant will maintain a list of all on-site equipment. The Applicant will evaluate all chemicals used at the site to determine the applicability of Right-to-Know reporting-requirements.

In summary, the extent, duration, and severity of the proposed action will not result in any significant adverse environmental impacts. Furthermore, the proposed action will help to ensure system reliability, enhance resiliency, advance public policy initiatives and New York State's Climate Leadership and Community Protection Act goals. As such, NYPA has issued a Negative Declaration and an environmental impact statement will not be prepared.

4. NYCIDA (AGENCY) FINDINGS

The proposed Agency Project is a component of the Project and would involve the Agency taking action to confer financial assistance for the construction of the Facility (the "**Agency Proposed Action**").

Having considered the FEAF and Expanded Environmental Assessment and the Lead Agency's Negative Declaration, the Agency certifies that:

The Agency finds that with respect to the SEQRA analysis, the Lead Agency has made a thorough and comprehensive analysis of the relevant areas of concern under SEQRA and its implementing regulations. Furthermore, the Agency has carefully considered the Lead Agency's determination of an Unlisted action for the Proposed Project and finds that this document is an accurate reflection of the FEAF and Lead Agency Findings Statement related to the Agency Proposed Action. The Board of Directors of the Agency hereby adopts and incorporates by reference the Lead Agency's Unlisted determination of no significant adverse impact on the quality of the environment.

Exhibit F

Project Summary

The project involves the preparation of five split and reordered amended City Maps approved as demapping actions included in the 2018 Inwood NYC Plan to allow projects currently underway to move forward.

Targeted street demappings were approved as part of a series of land use actions to activate vacant and underutilized lots along the waterfront. The demappings will:

- Allow Con Edison to consolidate its uses into a new multistory facility adjacent to an existing facility
- Unlock mixed-use development on underutilized sites
- Facilitate the creation of approximately 3 acres of new parks and approximately 1,330 linear feet of public waterfront by taking the streets out of DOT jurisdiction and allowing for conversion to open space

These infrastructure and development projects are anticipated to take place on streets that exist on the official City Map but were never actually built. In order for these projects to move forward these streets need to be removed from the official City Map, a process referred to as “demapping” subject to the Uniform Land Use Approval Process, in order for these developments to move forward. These demapped streets need to be reorganized and Adopted by the Department of City Planning on separate Alteration Maps to reflect that the projects will be developed independently. Approved maps cannot be filed and Adopted until consent from adjacent property owners and other entities has been received. This map split will regroup and reorder the approved demapped streets onto separate maps so that the projects mentioned above can move forward without waiting for filing of all five of the Alteration Maps. To further support the project, it is proposed that the Agency enter into a services contract with New York City Economic Development Corporation (“NYCEDC”), to obtain services from NYCEDC that are necessary to fund the creation of street alteration maps, as described below.

Project Location

Inwood, Manhattan

Background

Inwood NYC is a comprehensive plan to ensure that Inwood remains an affordable, attractive neighborhood for working and immigrant families. It is a 59-block neighborhood rezoning approved in August 2018, and also included over \$200M in City capital and programmatic investments. One of the commitments that the City made as part of Inwood NYC was the creation of 3 acres of parkland. Sites that are currently occupied by Con Edison maintenance yards have been identified as redevelopment sites for mixed-use development pursuant to new zoning established in the Inwood NYC Plan following the construction of a consolidated maintenance facility possible after the filing of the first of five demapping alteration maps.

Goals of Inwood NYC include:

- Support Mixed Use development
- Create a Comprehensive Zoning Framework
- Improve Neighborhood Livability
- Invest in People

Services to be Provided

It is proposed that the Agency enter into a services contract with NYCEDC for actions related to the demapping of streets in Inwood. It is proposed that NYCEDC, through its subcontractor, Philip Habib and Associates will create five new maps necessary for Department of City Planning review and approval.

Inwood Map Split Services

Timeline

The proposed services contract will require NYCEDC to provide services during fiscal year 2021.

Contract Value

\$58,000

Anticipated Contract Date

May 2021

Action Requested

Authorization of the execution and delivery by the Agency of a \$58,000 services contract with NYCEDC, on a sole source basis, on the terms and for the purposes described.