

NYC Neighborhood Capital Corporation
Minutes of the Meeting of the Board of Directors
October 2, 2020

A meeting of the Board of Directors (the “Board”) of NYC Neighborhood Capital Corporation (“NYCNCC” or the “Corporation”) was held on October 2, 2020 at 2:30pm by audio and video conference.

The following directors or their designated representatives were present:

- Elizabeth Verostek, Deputy Chief Financial Officer, NYCEDC
- Susan Goldfinger, Senior Vice President, NYCEDC
- Gbenga Dawodu, Senior Vice President, NYCEDC
- Rebecca Gafvert, Vice President, NYCEDC
- Jervonne Singletary, Vice President, NYCEDC
- Julieanne Herskowitz, Vice President, NYCEDC

The following directors or their designated representatives were not present:

- James Patchett, President, NYCEDC
- James Katz, Chief of Staff, NYCEDC
- Melanie McMann, Senior Vice President, NYCEDC

Also present were the following members of NYCEDC staff:

- Fred D’Ascoli, Chief Financial Officer, NYCEDC
- Spencer Hobson, Executive Vice President, NYCEDC
- Amy Chan, Controller, NYCEDC
- Eric Clement, Managing Director, NYCEDC
- Dan Broom, Vice President, NYCEDC
- Christine Robinson, Assistant Vice President, NYCEDC
- Mac Thayer, Assistant Vice President, NYCEDC
- Ashley Dills, Senior Vice President, United Fund Advisors

Mr. Thayer convened the meeting of the Board of NYCNCC at 2:30 p.m., at which time a quorum was present.

1. Approval of Previous Meeting Minutes

Mr. Thayer brought up the first item for consideration, which was approval of the minutes of the Board meeting held on June 24, 2020.

Mr. Thayer asked for a motion to approve the minutes of the June 24, 2020 meeting. The motion was made, seconded and unanimously approved with no abstentions or recusals.

2. Audited Financial Statements for fiscal year ending June 30, 2020

Ms. Robinson provided a review of the FY 2020 Financial Statements for NYCNCC. She noted that NYCNCC had received a \$50M NMTC award in fiscal year 2020 related to the CY2019 CDFI NMTC Awards round, and that NYCNCC had closed two projects in the fiscal year. Ms. Verostek stated that the Audit Committee had met with the Auditor to review the financial statements, and that the Audit Committee approved the financial statements and recommended that the full Board also approve them. Mr. Thayer asked for a motion to approve the audited financial statements. The motion was made, seconded and unanimously approved with no abstentions or recusals.

3. Investment Report for fiscal year ending June 30, 2020

Mr. Thayer provided a summary of NYCNCC's FY 2020 Investment Report. He stated that NCC's investment objectives were the preservation of capital, maintenance of liquidity and maximization of return. Mr. Thayer stated that investment income from interest earned on bank accounts, CDs and securities was \$15,549 for the fiscal year ended June 30, 2020. Mr. Thayer asked for a motion to approve the FY 2020 Investment Report. The motion was made, seconded and unanimously approved with no abstentions or recusals.

4. CY2019 NMTC Award authorizations (CY2019 Allocation Agreement)

Mr. Thayer stated that NYCNCC had received a \$50M NMTC award related to the CY 2019 CDFI NMTC awards round, which was announced in July of 2020. Mr. Thayer requested permission from the board to accept the award, and subsequently to enter into an Allocation Agreement with the CDFI Fund and to create 5 new sub-CDE entities to execute transactions. Mr. Thayer asked for a motion to accept the award, enter into an Allocation Agreement with the CDFI Fund and to create 5 new sub-CDE entities. The motion was made, seconded and unanimously approved with no abstentions or recusals.

5. CY2020 NMTC Application Authorizations

Mr. Thayer noted that NYCNCC typically submitted an annual NMTC application to the CDFI Fund, and requested board approval to submit another NMTC application to the CDFI Fund in the upcoming CY2020 round. Mr. Thayer noted that the application was due on November 16th. Ms. Gafvert asked if NYCNCCC was requesting a specific NMTC Allocation amount. Mr. Thayer stated that NYCNCC typically requested between \$70 and \$80 million in NMTC Allocation, and would do so again on the upcoming application. Ms. Dills confirmed that this was correct. Mr. Thayer asked for a motion to submit a NMTC application in the FY 2020 round. The motion was made, seconded and unanimously approved with no abstentions or recusals.

6. GrowNYC Hunts Point Regional Food Hub Project

Mr. Thayer provided a summary of the GrowNYC Hunts Point Regional Food Hub project. He spoke about the organization, the project, community impact and support, jobs, project financing, operating pro forma, organization financial statements, NMTC structure, timeline and Advisory Board approvals.

Ms. Hesrokwitz asked if NYCEDC would be charging GrowNYC rent. Mr. Thayer stated that NYCEDC would be charging GrowNYC rent according to a pre-set formula based on GrowNYC achieving certain social impact milestones. Mr. Dawodu asked how GrowNYC's rental revenue from third party tenants at the facility would impact GrowNYC's overall revenue. Mr. Thayer stated that the project was

designed to be financially self-sufficient, and as a corollary that the larger GrowNYC organization anticipated a reduction in government grant funding which it planned to replace with increased philanthropic support. Ms. Gafvert noted that the project had been in the planning for several years, and asked why the timeline was longer than other projects. Mr. Thayer stated that as much of the project was grant funded, these financing sources had taken a long time to be approved and finalized which created a longer timeline.

Mr. Thayer asked for a motion to approve the GrowNYC Hunts Point Regional Food Hub project. The motion was made, seconded and unanimously approved with no abstentions or recusals.

7. Community Healthcare Network Jamaica Health Clinic Project

Mr. Thayer provided a summary of the Community Healthcare Network Jamaica Health clinic project. He spoke about the organization, the project, community impact and support, jobs, project financing, operating pro forma, organization financial statements, NMTC structure, timeline and Advisory Board approvals. Mr. Thayer asked for a motion to approve the CHN Jamaica Health Clinic Project. The motion was made, seconded and unanimously approved with no abstentions or recusals.

8. Public Authorities Accountability Act (PAAA) Items

Mr. Thayer provided a summary of PAAA items including the Report on Operations and accomplishments for fiscal year ending June 30, 2020, (b) the Performance Measurements Report for fiscal year ending June 30, 2020, (c) the Board self-evaluation survey for fiscal year ending June 30, 2020, (d) PAAA Report for fiscal year ended June 30, 2019, (e) Report of the Board of Directors for fiscal year ended June 30, 2020 (NPCL Format). Mr. Dawodu asked if there were any key takeaways from the board self-evaluation survey. Mr. Thayer stated that the board had responded favorably and positively to all of the survey questions. Mr. Thayer asked for a motion to approve the annual PAAA items. The motion was made, seconded and unanimously approved with no abstentions or recusals.

9. Other Business.

Mr. Dawodu and Ms. Gafvert commended NYCNCC's investment track record and suggested that NCC's work could potentially be more publicized within the organization as it may be of interest to NYCEDC staff. Mr. Dawodu suggested that in light of NYCEDC's recent work on racial equity, the Corporation staff and board might consider ways to incorporate racial equity considerations into NCC's investments. Ms. Gafvert suggest that racial equity could also be considered during the project origination process. Ms. Herskowitz suggested that the Corporation's staff and board also revisit and study utilizing NYCNCC excess funds for mission aligned purposes.

10. Adjournment

There being no further business to come before the Board at the meeting, pursuant to a motion made, seconded and unanimously approved, the meeting of the Board was adjourned at 3:30 p.m.

Approved by:

NYC NEIGHBORHOOD CAPITAL CORPORATION

By: Mac Thayer
Mac Thayer, Executive Director