

MINUTES OF THE
MEETING OF THE BOARD OF DIRECTORS
OF
NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY
HELD REMOTELY AND IN-PERSON AT THE ONE LIBERTY PLAZA OFFICES OF
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION
January 18, 2022

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

Rachel Loeb (chairperson)
HeeWon Brindle-Khym
Albert De Leon
Anthony Del Vecchio
Barry Dinerstein, alternate for Anita Laremont,
Chair of the City Planning Commission of The City of New York
Andrea Feirstein
Jacques-Philippe Piverger
James Prendamano
Robert Santos
Betty Woo, alternate for Georgia M. Pestana,
Corporation Counsel of The City of New York

The following directors and alternates were not present:

Marlene Cintron
Khary Cuffe
Vacant, alternate for Scott M. Stringer,
Comptroller of The City of New York
Sarah Mallory, alternate for Vicki Been,
Deputy Mayor for Housing and Economic Development
Shanel Thomas

Rachel Loeb, President of New York City Economic Development Corporation (“NYCEDC”) and Chairperson of the New York City Industrial Development Agency (“NYCIDA” or the “Agency”) convened the meeting of the Board of Directors of NYCIDA at 9:22 a.m., at which point a quorum was present. The meeting was held at the offices of NYCEDC and 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: 5027 5343#.

1. Adoption of the Minutes of the November 16, 2021 Meeting Minutes

Ms. Loeb asked if there were any comments or questions relating to the minutes of the November 16, 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 November 30, 2021 (Unaudited)

Carol Ann Butler, Assistant Vice President of NYCEDC, presented the Agency's Financial Statements for the five-month period ending November 30, 2021 (Unaudited). Ms. Butler reported that for the five-month period the Agency recognized revenues from project finance fees from four transactions totaling \$500,000. In addition, revenues derived from compliance, application, post-closing and termination fees amounted to \$755,000 for the year to date. Ms. Butler also reported that \$1,900,000 in operating expenses, largely consisting of the monthly management fee, were recorded for the Agency for the five-month period that ended on November 30, 2021 (Unaudited). Due to the adoption of the GASB Statement No. 91 implementation for conduit debt obligations, the Agency has restated November 30, 2020 by omitting the Mets and Yankees conduit debt transactions across its financial statements.

3. Best Choice Trading Corporation

Jenny Osman, an Assistant Vice President for NYCEDC, presented for review and adoption an inducement and authorizing resolution for an Industrial Program transaction for the benefit of Best Choice Trading Corporation and recommended the Board adopt a SEQRA determination that the project is an unlisted action. Ms. Osman described the project and its benefits, as reflected in Exhibit A.

There being no comments or questions, a motion to approve the inducement and authorizing resolution and the SEQRA determination attached hereto as Exhibit B for the benefit of Best Choice Trading Corporation was made, seconded and unanimously approved.

4. SSC Richmond RD LLC

Noah Schumer, a Senior Project Manager for NYCEDC, presented for review and adoption an inducement and authorizing resolution for an Industrial Program transaction for the benefit of SSC Richmond RD LLC and recommended the Board adopt a negative SEQRA determination that the project is an unlisted action. Mr. Schumer described the project and its benefits, as reflected in Exhibit C.

There being no further comments or questions, a motion to approve the inducement and authorizing resolution and the SEQRA determination attached hereto as Exhibit D for the benefit of SSC Richmond RD LLC was made, seconded and unanimously approved.

5. 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 9:34 a.m.


Assistant Secretary

Dated: March 8, 2022
New York, New York

Exhibit A

Project Summary

Best Choice Trading Corporation (the “Company”), a New York corporation, is a wholesale distributor of frozen fish, seafood, and dry goods. The Company seeks financial assistance in connection with the acquisition, construction, renovation, furnishing and/or equipping of an existing approximately 15,700 square foot building located on an approximately 15,749 square foot parcel of land located at 179 Stewart Avenue, Brooklyn, New York (the “Facility”). The Facility will be owned by an affiliate of the Company, Ideal Palace LLC, a New York limited liability company, and leased by the Company for use as a dry storage facility in connection with its wholesale distribution business. 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.

Current Location

146 Stewart Avenue
Brooklyn, New York 11237

Project Location

179 Stewart Avenue
Brooklyn, New York 11237

Actions Requested

- Inducement and Authorizing Resolution for an Industrial Program transaction.
- Adopt a SEQRA determination that the proposed project is an Unlisted Action.

Prior Action

Inducement Resolution approved April 19, 2019, and September 9, 2008.

Anticipated Closing

March 2022

Impact Summary

Employment	
Jobs at Application:	9.5
Jobs to be Created at Project Location (Year 3):	6.5
Total Jobs (full-time equivalents):	16
Projected Average Hourly Wage (excluding principals):	\$17.03
Highest/Lowest Hourly Wage:	\$16.85/\$18.85

Estimated City Tax Revenues	
Impact of Operations (NPV 25 years at 6.25%)	\$1,695,073
One-Time Impact of Renovation	\$90,676
Total impact of operations and renovation	\$1,785,749
Additional benefit from jobs to be created	\$676,129

Best Choice Trading Corporation

Estimated Cost of Benefits Requested: New York City	
Building Tax Exemption (NPV, 25 years)	\$263,494
Land Tax Abatement (NPV, 25 years)	\$492,922
Sales Tax Exemption	\$46,800
Agency Financing Fee	(\$26,250)
Total Value of Benefits provided by Agency	\$776,966
Available As-of-Right Benefits (ICAP)	\$40,283
Agency Benefits In Excess of As-of-Right Benefits	\$736,683

Costs of Benefits Per Job	
Estimated Total Cost of Benefits per Job	\$48,560
Estimated City Tax Revenue per Job	\$153,638

Estimated Cost of Benefits Requested: New York State	
Sales Tax Exemption	\$45,500
Total Cost to NYS	\$45,500

Sources and Uses

Sources	Total Amount	Percent of Total Financing
Equity	\$8,210,000	100%
Total	\$8,210,000	100%

Uses	Total Amount	Percent of Total Costs
Land and Building Acquisition	\$6,610,000	81%
Hard Costs	\$1,200,000	15%
Soft Costs	\$100,000	1%
Furnishings, Fixtures, & Equipment and Machinery & Equipment Costs	\$200,000	2%
Closing Fees	\$100,000	1%
Total	\$8,210,000	100%

Fees

	Paid At Closing	On-Going Fees (NPV, 25 Years)
Agency Fee	\$26,250	
Project Counsel	\$25,000	
Annual Agency Fee	\$1,000	\$12,485
Total	\$52,250	\$12,485
Total Fees	\$64,735	

Best Choice Trading Corporation

Financing and Benefits Summary

The Project will be entirely financed with \$8,210,000 of Company equity. The Company will draw from its brokerage account, that has a net account value of \$19,945,557.85 as of December 31st, 2021, to finance the project. Despite losses in operating income due to the ongoing COVID-19 pandemic, the Company has a strong cash position, allowing them to confidently finance the expansion of their business. Prior to 2020, the Company grew its gross profit by 33% between fiscal year 2018 and fiscal year 2019. This growth, demonstrated in the historic financials is representative of the strength of the business. The financial assistance proposed to be conferred by the Agency will consist of a land and building tax abatement for a period of 25 years and exemption from City and State sales and use taxes.

Company Performance and Projections

The Company has grown and expanded since its founding in 1991. The business model has evolved from wholesale distribution to include “direct sell” and “cash and carry” sales. In thirty years of operation, the Company has expanded its storage facilities four times. It is about to embark on its fifth expansion to better aggregate and distribute dry goods and frozen seafood products to its customers. The COVID-19 pandemic had a clear impact on the Company, reducing revenues by 31%. The Company pivoted after the mandatory shut down to fill gaps in the supply of frozen fish and seafood for other food distributors and wholesalers. This pivot allowed the Company to experience only a 1% decrease in net income in 2020. Since then, the Company has continued to serve this market as its other customers, predominantly restaurants, have re-opened their doors.

The Project will allow the Company to carry a broader array of products and to better serve as a “one-stop-shop” for its customers. The Company projects net income to increase 10% within one year of Project completion while also projecting just a 2% increase in the cost of goods. The Company’s projections also indicate that the cost of goods will remain at 93% of revenues, as indicated in the historic financials.

Inducement

- I. Without the proposed financial assistance provided by the Agency, the Company would not be able to maintain and grow its customer base through becoming a one-stop-shop that can meet all its customers’ wholesale purchasing needs.
- II. In order to meet growing demand, the Company must expand its facilities, capacity, and diversity of offerings, yet without the proposed financial incentives, the Company would not be able to expand and remain competitive in New York City.
- III. But for the assistance provided by the Agency, the Project would not occur, or would occur out of state.

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 in New York City.
- II. Financial assistance is required to induce the Project.
- III. The Project will generate approximately \$8,210,000 of private-sector investment.
- IV. The Project is likely to be completed in a timely manner.

Applicant Summary

The Company is a family-operated wholesale distributor of frozen fish and seafood in East Williamsburg. The Company was originally founded in the basement of a family member’s restaurant in 1991. Not long after, growing customer demand pushed the Company to relocate to a separate 4,000 square foot building. By 1998, the Company had again outgrown its location and the owners acquired a 19,000 square foot facility in East Williamsburg, Brooklyn, at 146 Stewart Avenue. Just 10 years later, the Company applied for and received Agency benefits in relation to the acquisition, renovation, and fit out of an adjacent building at 150 Stewart Avenue. The financial assistance conferred

Best Choice Trading Corporation

by the Agency allowed the Company to expand its operations into an even more efficient “Direct Sell Model” to customers. In 2019, the Company applied for and received Agency benefits again in relation to the acquisition, renovation, and fit out of a building at 501 Scholes Street, near the Company’s other facilities, which allowed the Company to diversify its frozen wholesale offerings. The Company weathered the worst of the Covid-19 pandemic with a robust customer base and enough equity to continue expanding their business to better serve their customers.

Lee Fung Fong, CEO and Founder

Mr. Lee is the 100% sole owner of the Company. He immigrated to the United States in 1983 at the age of 17 and lived in Chinatown and worked odd jobs at his brother’s restaurant during his high school years. After graduating high school, Mr. Lee attended SUNY Albany where he majored in Business and continued to work at his brother’s restaurant whenever he could. When Mr. Lee graduated from college in 1990, he decided to start his own wholesale frozen seafood distribution business. The Company has been in operation ever since.

Employee Benefits

Benefits include on-the-job training, paid personal time and complimentary breakfast and lunch served to all employees of the Company every day.

Recapture

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

SEQRA Determination

Unlisted action which, if implemented, will not result in significant adverse environmental impacts. The completed Environmental Assessment Form for this project has been reviewed and signed by Agency staff.

Due Diligence

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

Compliance Check:	Satisfactory
Living Wage:	Compliant
Paid Sick Leave:	Compliant
Affordable Care Act:	Exempt
Bank Account:	HSBC Bank, Chase Bank
Bank Check:	Relationships are reported to be satisfactory.
Supplier Checks:	Relationships are reported to be satisfactory.
Customer Checks:	Relationships are reported to be satisfactory.
Unions:	Not applicable
Background Check:	No derogatory information was found.

Best Choice Trading Corporation

Attorney: Ying Hui He
Ying Hui He, Esq
139 Center Street, Suite 812
New York, New York 10013

Accountant: Winnie NG
Winne NG CPA
1254 41st Street
Brooklyn, New York 11218

Consultant/Advisor: Valcia Miceli
Val Funding Inc
16 Clay Street
New City, New York 10956

Community Board: Brooklyn, CB #1

Best Choice Trading Corp.

Seafood Importer and Wholesaler

146 Stewart Ave., Brooklyn, N.Y. 11237
Tel: 718-366-2999 Fax: 718-366-5155

Ms. Jenny Osman
Project Manager NYCIDA
Strategic Investment Group
NYC Economic Development Corporation
One Liberty Plaza
New York, New York 10006

November 6, 2021

Dear Ms. Osman,

Best Choice Trading Corporation is a wholesale distributor of frozen fish and seafood and was incorporated in 1991 and is owned 100% by Mr. Lee Fung Fong.

My company was started in the basement of a relative's restaurant by using the freezer in the basement and the office upstairs of the restaurant which eliminated any overhead cost and therefore I was able to concentrate on investing any dollars in marketing the company. In 1993 because of growth, the company relocated to a 4,000 square foot facility at 12-18 Woolworth Street which had refrigeration and freezers that I needed therefore I did not have to invest in any equipment or any capital improvements. In a short time thereafter with the growth of the company in 1998 the company had to relocate once again and I purchased a 19,000 square foot facility at 146 Stewart Ave. Brooklyn New York.

Over the years my company grew and the lack of freezer space in New York the company was forced to rent freezer space at locations in New Jersey. In 2008 looking to a solution to remain in New York and not move to another state where I became fully aware of various tax, financing and other incentives being offered and where the operating cost of doing business is much less. I located a facility at 150 Stewart Ave. next to my present facility at 146 Stewart Ave. which became available for purchase therefore to be able to remain in New York with the assistance of New York City Industrial Development I bought the building which allowed me to expand my present facility at 146 Stewart Ave. by 8,940 square feet adding all freezer space and renovating and reorganizing the current facility for the purpose of maximizing the physical capabilities and economic potential of the company. It enabled me to carry forward with the future plans of expanding the operation as an importer of the product where the company would deal directly with the manufacturer and by pass the middleman and pass the savings on to our clients.

Once again in 2018 even though we had 27,940 square feet of combined space we were turning away customers who wanted me to commit to more products but due to the lack of freezer space we could not accommodate the additional volume. In order to avoid relocating my

Best Choice Trading Corp.

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operation out of New York I identified an 8,844 square foot facility located a block and a half from my present facility at 501 Scholes Street which I could renovate by raising the roof to accommodate the construction of a State-of-the-Art freezer to house the frozen seafood. This purchase and renovation would sustain our growth and expand our market to Korean, Mexican and Indian customers and remain competitive. Notwithstanding the desirability of the site we knew we could not do it without the assistance of NYCIDA. In 2019 with the assistance of NYCIDA we were able to purchase the facility and made the entire building a State-of-the-Art freezer to expand and house our frozen seafood.

Through the expansion of the building at 501 Scholes Street into a freezer facility there was still great need for what is called Dry Goods in the industry. Dry Goods are supplement products such as Rice, Seaweed, Ginger, Wasabi, Panko just to name a few that the customers who purchase my frozen fish products purchase. Over the years of my operation I carried a very small quantities of Dry Goods but never had the space and my customers would have to go elsewhere for the Dry Good products. To further the economic potential of the company the need to supply customers with the supplemental products and be their One Stop Shop facility we will be able to give the customer the benefit of Best Choice Trading being a wholesale distribution of the products whereas in the frozen fish products the middleman is no longer and the savings is then passed on to them.

To become the One Stop I therefore, would have to invest in a facility that would be for all the Dry Goods to be pick and pack for the customers. Purchasing the supplement products from the manufacture are in bulk and space is needed. Good fortune came to me once again. I located a facility of 15,700 square feet at 179 Stewart Ave across the street from my current facility. It is ideal for the expansion of my company into Being a One Stop Shop for both frozen fish products and supplement Dry Goods.

Notwithstanding the desirability of this site for my purpose, it must be stated that Best Choice Trading Corporation purchase and renovation of this facility is only possible if NYCIDA sponsored benefits are made available. I do not have the alternative to move my company out of New York it is not economically feasible because of the large investments that I have already made into the City. The NYCIDA benefits made these projects economically feasible. Unfortunately, without the NYCIDA benefits, the upfront capital cost and associated increase in tax liabilities would make the project not be feasible. The benefits will allow the company to control our increasing operating cost. Our continued expansion in New York are contingent on the NYCIDA incentives. The example of the importance of the supportive benefits from NYCIDA showed in this last year and a half and still on going. New York as well as the world was hit by Covid 19 which stopped everything as of March 13, 2020 and my company having the stabilization of the real estate tax benefits and sales tax incentives that we received with our NYCIDA projects allowed us to surf until the country and New York was on the road to

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reopening. This year and a half have taught us that having inventory of food products is very important. It is essential which we experienced all too well.

The City of New York will receive important benefits from a successful completion of this project. My operation will maintain our current employee base and add additional employees. We plan to work with NY Hire for those newly created positions. Furthermore, New York City will benefit from the Company's additional tax revenue, revenues generated from the economic activity of the company's business tax and employee income tax.

In summary I am firmly committed to the success of this project and my commitment to New York City IDA and New York City to continue to grow. I hope that NYCIDA will grant us at the January 18th board meeting an approval so we can continue to grow.

Sincerely

Best Choice Trading Corporation

Lee Fung Fong

President

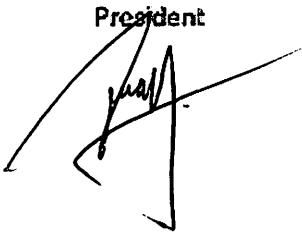
A handwritten signature in black ink, appearing to read 'Lee Fung Fong', is written over a large, stylized, handwritten letter 'A'.

Exhibit B

Resolution inducing the financing of an industrial facility for Best Choice Trading Corporation, together with its affiliate, Ideal Palace 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, Best Choice Trading Corporation (the “Applicant”), and its affiliate, Ideal Palace LLC (the “Company”), have entered into negotiations with officials of the Agency for the acquisition, renovation, construction and equipping of an approximately 15,749 square foot facility on an approximately 15,700 square foot parcel of land located at 179 Stewart Avenue, Brooklyn, New York, 11237 (the “Facility”), all for the use by the Applicant as a dry storage facility in connection with its wholesale distribution business, for lease to the Agency by the Company and sublease by the Agency to the Company for subsequent sub-sublease in whole to the Applicant, and having an approximate total project cost of approximately \$8,210,000 (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 is currently located in Brooklyn, New York, and employs approximately 9.5 full time equivalent employees within The City of New York (the “City”); that the Project will allow the Applicant to grow and expand its storage facilities and carry a broader array of products; that the Applicant has investigated alternative facilities located in New Jersey but would prefer to remain within the City; that the Applicant expects to employ approximately 6.5 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 proceed with the Project and thereby remain and expand its operations in the City; and that, based upon the financial assistance provided through the Agency, the Applicant desires to proceed with the Project and remain and expand its operations in the City; and

WHEREAS, the Agency held a public hearing with respect to the Project on January 13, 2022; 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 and the Company are necessary to induce the Applicant to remain and expand its operations in the City; and

WHEREAS, the Applicant will fund the costs of the Project with funds in the approximate amount of \$8,210,000 derived from its own equity; and

WHEREAS, in order to provide financial assistance to the Applicant and the Company for the Project, the Agency intends to grant the Applicant and the Company 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 and the Company 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 and the Company 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 the Company 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 the Company 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 and the Company 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 and the Company to proceed with the Project as herein authorized. The Applicant and the Company are 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 and the Company 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 and the Company are hereby constituted the agents 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 or the Company for such purpose.

Section 4. The execution and delivery of a Company Lease Agreement from the Company leasing the Facility to the Agency, an Agency Lease Agreement from the Agency subleasing the Facility to the Company (the "Lease Agreement") (for sub-sublease to the Company), a Sales Tax Letter from the Agency to the Company and the Applicant, and the acceptance of a Guaranty Agreement from the Company and the Applicant, the Applicant's and the Company'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 and the Company 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 and the Company. 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 such other information as the Agency has deemed necessary and appropriate to make this determination.

The Agency has determined that the proposed project, an Unlisted action, pursuant to 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 reasons supporting this determination are as follows:

- (1) The proposed project would not result in a substantial adverse change in existing traffic, air quality, or noise levels. There are public transportation services close to the new facility, as well as pedestrian and bicycle routes.
- (2) The proposed project would not result in significant adverse impacts on cultural, archaeological, architectural, or aesthetic resources or the existing neighborhood.

- (3) The proposed project would not result in significant adverse impacts to natural resources, critical habitats, or water quality.
- (4) The proposed project would not result in a change in existing zoning or land use. The proposed use would be as-of-right under zoning.
- (5) The proposed renovation would not require any subsurface disturbance and is not expected to result in any adverse impacts related to hazardous materials.
- (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, each of the Applicant and the Company covenants and agrees to comply, and to cause each of their 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 and the Company each acknowledge and agree 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 and/or the Company New York State sales or use tax savings taken or purported to be taken by the Applicant or the Company, and any agent or any other person or entity acting on behalf of the Applicant or the Company, to which the Applicant or the Company 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 the Company, or any agent or any other person or entity acting on behalf of the Applicant or the Company, 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, the Company and/or any agent or any other person or entity acting on behalf of the Applicant or the Company. The Applicant and the Company shall, and shall require each agent and any other person or entity acting on behalf of the Applicant and/or the Company, 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 and/or the Company 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 and the Company are 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 the Company 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, the Company, 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 the Company 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, the Company or any agent or other person or entity acting on behalf of the Applicant or the Company 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 and the Company real property tax abatements, and sales and use tax exemptions in an amount not to exceed \$92,300.

Section 13. This Resolution shall take effect immediately

ADOPTED: January 18, 2022

Accepted: _____, 2022

BEST CHOICE TRADING CORPORATION

By: _____

Name:

Title:

Exhibit C

Project Summary

The applicant is SSC Richmond RD LLC, a Florida limited liability company (the “Company”). The Company is an indirect wholly owned subsidiary of Convergent Energy and Power LP, a Delaware limited partnership (“Convergent”). Convergent is a developer of energy storage power projects. The Company seeks financial assistance in connection with the construction and equipping of an approximately 5-Megawatt (MW) battery energy storage system (consisting of 20MW hours of energy storage capacity) (the “Battery System”). The Battery System will be enclosed in multiple containers totaling approximately 7,700 square feet, located on a parcel of land totaling approximately 10,880 square feet at 707 Richmond Road, Staten Island, New York 10304 (Block 631, Lot 219) (the “Facility”). The Facility will be operated by the Company and will serve as a battery energy storage system capable of charging from, and discharging into, the New York power grid (the “Project”). The Project is expected to be completed by the beginning of 2023.

Project Location

707 Richmond Road
Staten Island, New York 10304

Actions Requested

- Inducement and Authorizing Resolution for an Industrial Program transaction.
- Approve a SEQRA Determinations that the Project is an Unlisted Action.

Anticipated Closing

Spring 2022

Impact Summary

Employment	
Jobs at Application:	0
Jobs to be Created at Project Location (Year 3):	1
Total Jobs (full-time equivalents)	1
Projected Average Hourly Wage (excluding principals)	\$55.00

Estimated City Tax Revenues	
Impact of Operations (NPV 2 years at 6.25%)	\$753,124
One-Time Impact of Renovation	\$378,163
Total impact of operations and renovation	\$1,131,287

SSC Richmond RD LLC

Estimated Cost of Benefits Requested: New York City	
Sales Tax Exemption	\$316,796
Agency Financing Fee	(\$134,750)
Total Value of Benefits provided by Agency	\$182,046
Agency Benefits in Excess of Available As-of-Right Benefits	\$182,046

Costs of Benefits Per Job	
Estimated Total Cost of Benefits per Job	\$182,046
Estimated City Tax Revenue per Job	\$1,131,287

Estimated Cost of Benefits Requested: New York State	
Sales Tax Exemption	\$307,996
Total Cost to NYS	\$307,996

Sources and Uses

Sources	Total Amount	Percent of Total Financing
Equity	\$8,500,000	100%
Total	\$8,500,000	100%

Uses	Total Amount	Percent of Total Costs
Land Acquisition	\$50,000	0.5%
Furnishings, Fixtures, Machinery & Equipment	\$5,600,000	66%
Hard Costs	\$2,057,000	24%
Soft Costs	\$493,000	6%
Closing Fees	\$300,000	3.5%
Total	\$8,500,000	100%

Fees

	Paid At Closing	On-Going Fees (NPV, 2 Years)
Agency Fee	\$134,750	
Project Counsel	\$25,000	
Annual Agency Fee	\$1,000	\$1,827
Total	\$160,750	\$1,827
Total Fees	\$162,577	

Financing and Benefits Summary

The Company will finance the Project with approximately \$8,500,000 in equity from Convergent. The Project will receive incentives under the NYSEDA Retail Storage Incentive Program, as well as compensation under the Value of Distributed Energy Resources ("Value Stack") tariffs established by the New York State Public Service Commission. The financial assistance proposed to be conferred by the Agency will consist of exemption from City and State sales and use taxes.

Company Performance and Projections

The Project will serve as a battery energy storage system capable of charging from and discharging into the New York power grid. Battery energy storage 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 energy storage system is helping regulate the supply and demand for energy in New York. The Project will receive compensation under the VDER tariff established by the New York State Public Service Commission for distributed energy resources. For the Projects, ConEd will determine the value of the energy deployed to the grid using the Value Stack methodology, and will compensate the Project in the form of a bill credit. The Project will also allow ConEd customers to subscribe to the project; the customers will receive a bill credit from ConEd in exchange for their subscription. The Project is expected to reduce greenhouse gas emissions by displacing the use of existing, older, and higher-emitting fossil fuel-powered peaker plants. Based on an analysis of the Project, it is estimated that the Battery Storage system will result in a reduction of 2,177 short tons of carbon dioxide over 15 years.

Inducement and Agency Policy Considerations

The Agency finds that the Project is likely to be completed in a timely manner and meets one or more considerations from Section II-B of the Agency's Uniform Tax Exemption Policy ("UTEPP"), including the following:

- I. Financial assistance is required to induce the Project, because the Project would not be financially viable without Agency benefits.
- II. The Project will have a positive effect upon the environment.
- III. The Project involves an industry which the City seeks to foster.

Applicant Summary

Founded in 2011 with a focus on energy storage project development, Convergent has more than \$300M of contracted projects in North America, representing approximately 163MW / 337MWh of storage and 42 MW of solar capacity across its portfolio of operating, contracted or in-construction projects. Convergent manages all aspects of energy storage development for its grid operator, utility, and industrial customers, and reduces electricity costs, guarantees power quality and reliability, and solves infrastructure problems. In 2019, Convergent was purchased by Energy Capital Partners, a firm that specializes in the ownership of and investment in power generation and renewable and storage assets.

Johannes Rittershausen, Chief Executive Officer

As the Chief Executive Officer, Mr. Rittershausen is responsible for strategic planning, business development, investor relations, capital planning, and organizational stewardship at Convergent. Mr. Rittershausen co-founded Convergent in 2011 and has guided its growth from a two-person company into the leading independent developer of energy storage solutions in North America. Prior to Convergent, he spent five years at Southern California Edison, working as a senior project manager in corporate strategic planning. He holds a BA from Pomona College and an MA from Georgetown University.

Frank Genova III, Chief Financial Officer and Chief Operating Officer

Mr. Genova is responsible for technology evaluation, asset development, project and corporate finance, and corporate M&A. He helped found Convergent after six years working in project development and finance at Fisher Brothers and Plaza Construction, focusing on renewable development, renewable integration, complex mechanical and electrical system integration, and corporate strategy. Mr. Genova holds a BA from Villanova University in Mechanical Engineering and an MBA in Finance, Phi Kappa Phi from Fordham University's Graduate School of Business.

Chris Streeter, Chief Information Officer and Chief Risk Officer

Mr. Streeter is responsible for the quantitative analysis of energy markets and grid infrastructure, regulatory and compliance activities, and the design, production, deployment, and maintenance of software systems to optimize

SSC Richmond RD LLC

storage asset operations and financial returns. Prior to joining Convergent, he spent eight years as a strategy consultant, both as an independent contractor and as a member of the firm AltshulerGray, LLC, focusing on complex data analysis and profit maximization evaluation frameworks. Mr. Streeter graduated with honors from Harvard University with an A.B. in Biology.

Recapture

Pursuant to UTEP, all benefits subject to recapture for a 10-year period beginning on the operations commencement date.

SEQRA Determination

The Project is an Unlisted action which, if implemented, will not result in significant adverse environmental impacts, and staff recommends the Board adopt a Negative Declaration for the Project. The completed Environmental Assessment Form for the Project has been reviewed and signed by Agency staff.

Due Diligence

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

Compliance Check:	N/A
Living Wage:	Compliant
Paid Sick Leave:	Compliant
Affordable Care Act:	Compliant
Bank Account:	Chase Bank
Bank Check:	Relationships are reported to be satisfactory.
Supplier Checks:	Relationships are reported to be satisfactory.
Customer Checks:	Relationships are reported to be satisfactory.
Unions:	N/A
Background Check:	No derogatory information was found.
Attorney:	Daniel Spitzer Hodgson Russ LLP 605 Third Avenue, Suite 2300 New York, New York 10158
Accountant:	Sumeet Sikka Convergent Energy + Power LP 7 Times Square Tower, Suite 3504 New York, New York 10036
Community Board:	Staten Island, CB 1



November 5, 2021

RE: SSC Richmond RD LLC Application

Dear New York City Industrial Development Agency Team,

SSC Richmond RD LLC (aka "Staten Island Energy Storage 1") is pleased to submit an application for our energy system project to participate in the NYCIDA program. Staten Island Energy Storage 1 is a wholly owned indirect subsidiary of New York City based Convergent Energy and Power LP ("CEP"), a leading independent developer of energy storage solutions in North America, managing a 120+ MW project portfolio that is operating or under construction. CEP set a record in 2019 with a 10-megawatt battery system with a two-hour duration and continues to be a leader in the industry. CEP is owned by private-equity firm ECP, an international leader in investing in power generation, renewable and storage assets and critical sustainability and decarbonization infrastructure.

The project was acquired in the second quarter of 2021 by Convergent SMT LLC, a wholly-owned subsidiary of CEP, from a third party developer. CEP utilized a project acquisition company "Convergent SMT LLC" to acquire the project entity "SSC Richmond Rd LLC" from SMT Energy LLC.

This project is comprised of a 5 MW / 20 MWh Battery Energy Storage System in the West New Brighton-Silver Lake-Grymes Hill section of Staten Island (Richmond County) New York and occupies roughly 7,700 sq ft of an unaddressed parcel at 707 Richmond Road in Staten Island, NY, identified as Block 631, Lot 219 on the Tax Map. The project will offer subscriptions to customers to lower electric bills. The project will play an important role in reducing greenhouse gas emissions by reducing the need for fossil fuel peaker plants (which are mainly located in environmental justice communities) in the City.

In addition to the many public benefits conferred by the energy storage system, the construction of the project will result in approximately 20 construction jobs. Construction will begin in 2022 and is expected to be completed in 2023.

Although New York State and City have prioritized energy storage projects, this project cannot move forward without financial assistance from the NYCIDA. Like similarly situated renewable energy projects across the State, the real property taxation and sales tax expenses faced by the project would result in expenses that would prevent the project from being financially viable. This project is not receiving NYSEDA or other state assistance. The financial assistance sought from the NYCIDA will ensure Richmond Rd has the ability to move forward. The benefits of the project will be directly realized through the energy subscription program; further energy storage provides increased grid resiliency to the City.

Increased deployment of energy storage will support the goals of the City's Climate Mobilization Act and New York State's Climate Leadership and Community Protection Act by helping build a more sustainable future. We are pleased to have this opportunity to work with the NYCIDA to promote energy storage, thereby reducing the cost of electricity and harmful effects of emissions on New York City communities.

Kind Regards,

Frank J. Genova III

Chief Operating and Financial Officer

SSC Richmond Rd LLC

Exhibit D

Resolution inducing the purchase of equipment and other personal property for SSC Richmond RD LLC, a Florida limited liability company, as a participant in an industrial incentive program (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, SSC Richmond RD LLC, a Florida limited liability company (the “Applicant”), has entered into negotiations with officials of the Agency for the construction, and equipping of an approximately 5-Megawatt (MW) battery energy storage system (consisting of 20MW hours of energy storage capacity) (the “Battery System”). The Battery System will be enclosed in multiple containers totaling approximately 7,700 square feet (the “Facility”), located on a parcel of land totaling approximately 10,880 square feet at 707 Richmond Road, Staten Island, New York 10304 (Block 631, Lot 219) (the “Property”). The Facility will be operated by the Applicant on leased land and will serve as a battery energy storage system capable of charging from, and discharging into, the New York power grid (the “Project”), and having an approximate total project cost of approximately \$8,200,000; 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 a wholly owned indirect subsidiary of Convergent Energy and Power LP, a Delaware limited partnership (“Convergent”), who is an owner-operator and developer of solar power and battery energy storage power projects across North America; that the Applicant expects to employ approximately 1.0 full time equivalent employee within the three years following the completion of the Project; that the Applicant will receive compensation under the Value of Distributed Energy Resources tariffs established by the New York State Public Service Commission; 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 commence 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 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 City and State 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 and any or other personal property in connection with the Project (the "Eligible Items") 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 Eligible Items to the Agency, an Equipment Lease Agreement from the Agency subleasing the Eligible Items to the Applicant (the "Equipment Lease"), the Project Agreement between the Agency and the Applicant, a Sales Tax Agent Authorization Letter from the Agency to the Applicant, 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 Agency, as lead agency ("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 the Agency's review of information provided by the Applicant and such other information as the Agency has deemed necessary and appropriate to make its determination.

The Agency 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 reasons supporting this determination are as follows:

1. The proposed Project would not result in a substantial adverse change in existing traffic, air quality, or noise levels. The proposed Project will lower cost of electricity and provide cleaner electricity generation from a reduced reliance on peak generation plants.
2. The proposed Project would not result in significant adverse impacts on cultural, archaeological, architectural, or aesthetic resources or the existing neighborhood.
3. The proposed Project would not result in significant adverse impacts to natural resources, critical habitats, or water quality
4. The proposed Project would not result in a change in existing zoning or land use. The existing uses would be continuing to be as-of-right under zoning.
5. A Phase I was conducted for the Property and two Recognized Environmental Conditions (RECs) were identified, including two adjacent underground storage tanks/spills. To resolve the RECs, a limited Phase II in the area of the RECs was conducted. The Phase II included soil borings and groundwater monitoring. These analyses did not identify any petroleum impacts onsite. Therefore, the Agency does not expect any negative impacts from

this Project with regard to hazardous materials. The study concludes that as long as the subject Property retains its commercial status, no further action is recommended at this time. A vapor barrier should be installed in the event of any change in status or occupancy.

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 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 City and State sales and use tax exemptions in an amount not to exceed \$624,792.

Section 13. This Resolution shall take effect immediately

ADOPTED: January 18, 2022

Accepted: _____, 2022

SSC Richmond RD LLC

By: _____

Name:

Title: