

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  
July 27, 2021

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

Rachel Loeb (chairperson)  
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

The following directors and alternates were not present:

HeeWon Brindle-Khym  
Marlene Cintron  
Khary Cuffe  
Robert Santos

Rachel Loeb, President 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 9:00 a.m., at which point a quorum was present.

1. Adoption of the Minutes of the June 15, 2021 Meeting Minutes

Ms. Loeb asked if there were any comments or questions relating to the minutes of the June 15, 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 May 2021 (Unaudited)

Carol Ann Butler, Assistant Vice President of NYCEDC, presented the Agency's Financial Statements for the period ending May 31, 2021 (Unaudited). Ms. Butler reported that for the eleven-month period the Agency recognized revenues from project finance fees from ten transactions totaling \$12,700,000 of which \$7,700,000 was received from the 2020 Yankees refunding bonds that occurred on October 6, 2020 and \$4,600,000 was received from the Queens Baseball Stadium 2021 refunding bonds that occurred on February 24, 2021. In addition, revenues derived from compliance, application, post-closing and termination fees amounted to \$1,400,000. Ms. Butler also reported that \$4,000,000 in operating expenses, largely consisting of the monthly management fee, were recorded for the Agency for the eleven-month period that ended on May 31, 2021 (Unaudited). Lastly the Agency incurred \$1,700,000 in special project fees largely from the annual Workforce1 Industrial and Transportation Career Center Satellites program.

3. Bensonhurst Energy Storage 1, LLC

Emily Marcus, an Assistant Vice President for NYCEDC and Deputy Executive Director of the Agency, presented for review and adoption an inducement and authorizing resolution for an Industrial Program transaction for the benefit of Bensonhurst Energy Storage 1, LLC and recommended the Board adopt a SEQRA determination that the project is an unlisted action. Ms. Marcus described the project and its benefits, as reflected in Exhibit A.

In response to a question from Mr. Cook, Ms. Marcus stated that the company has not selected a construction firm yet but they plan on using union labor. In response to a question from Mr. Piverger, Ms. Marcus stated that the battery system will cost \$5 million and that the entire cost of the project will be \$7.8 million. In response to a question from Mr. Piverger, Ms. Marcus stated that projects such as this one are safe developments for communities especially given that the project site is a vacant parcel of land located in a commercial area. Ms. Marcus stated that the company will maintain the property according to zoning guidelines and that there won't be any noxious smells or audible noise throughout the community resulting from the project. Mr. Schumer stated that the battery system has been authorized by the City's Fire Department.

There being no further 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 Bensonhurst Energy Storage 1, LLC was made, seconded and unanimously approved.

4. Krasnyi Oktyabr, Inc.

Noah Schumer, a Project Manager for NYCEDC, presented for review and adoption an inducement resolution for an Industrial Program transaction for the benefit of Krasnyi Oktyabr, Inc. and recommended the Board adopt a negative 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 C.

There being no comments or questions, a motion to approve the inducement resolution and the SEQRA determination attached hereto as Exhibit D for the benefit of Krasnyi Oktyabr, Inc. was made, seconded and unanimously approved.

5. Services Contract Proposal for Brooklyn Wholesale Meat Market Engineering & Design Services

Julie Stein, a Senior Vice President of NYCEDC, presented for review and approval a proposal for a services contract with NYCEDC in an amount of up to \$300,000, which will engage a consultant to conduct a formal building conditions assessment and propose potential renovation options. Ms. Stein described the program and its benefits, as reflected in Exhibit E.

In response to a question from Mr. Cook, Ms. Stein stated that Stantec was chosen for this project because Agency staff believed they assembled the most robust team possible within budget constraints and from working with them before on other projects. In response to a question from Mr. Cook, Ms. Stein stated that this project will be included in the annual special projects report.

There being no further comments or questions, a motion to approve the services contract proposal for the Brooklyn Wholesale Meat Market Engineering & Design Services project attached hereto as Exhibit E was made, seconded and unanimously approved.

6. Services Contract Proposal for Hunts Point Community Engagement Facilitator

Marcela DeLorenzo, Senior Project Support Analyst for NYCEDC, presented for review and approval a proposal for a services contract in the amount of up to \$70,000 with NYCEDC, which will engage a consultant to lead a community-centered process to develop a new Hunts Point Vision Plan that builds upon the previous Hunts Point Vision Plan. Ms. DeLorenzo described the program and its benefits, as reflected in Exhibit F.

In response to a question from Ms. Feirstein, Ms. DeLorenzo stated that originally the project included developing a website for outreach purposes but now the website will aim to celebrate the final plan and include interviews of community members that were involved in the process. Ms. DeLorenzo stated that this decision was made recently in order to better showcase community involvement throughout the process. In response to a question from Ms. Feirstein, Ms. DeLorenzo stated that the consultant is capable of performing the extended

project's scope. In response to a question from Mr. Cook, Ms. DeLorenzo stated that NYCEDC staff would like to reach out to more community members which include a large number of Spanish-speaking residents that don't have access to internet services. Ms. DeLorenzo stated that some members of this demographic group are not always online due to the COVID-19 pandemic and that a lot of people have been unavailable because they are at work, so more in-person outreach can reach more people on the weekends and at local celebrations and neighborhood activities. In response to a question from Mr. Cook, Ms. DeLorenzo stated that translation services are included in the current scope of work. In response to a question from Mr. Piverger, Nate Gray, a Vice President for NYCEDC, stated that the total population of Hunts Point is about 30,000 people; about 12,000 people live there and about 15,000 work there. In response to a question from Mr. Piverger, Mr. Gray stated that approximately 600 to 700 individuals have been engaged through surveys, workshops and small group meetings. Mr. Gray stated that getting 125 people to attend an in-person event would have been considered a success, so NYCEDC staff were happy getting that same number of people to attend a remote event especially given the level of discussion that took place. Mr. Gray stated that NYCEDC staff are hoping to make sure that people are aware of the project and to hear from as many people as possible. Mr. Gray stated that the original contract still includes two additional public meetings, which Agency staff hope to conduct in-person if possible, and Agency staff hope to use the remaining budget in a way that broadens awareness and makes certain activities more fun, such as having a mural. The primary goal is to get as many people from the neighborhood to attend so that their views are incorporated and they're aware of the planning effort. Mr. Gray stated that once this is done NYCEDC staff hope that this vision plan is something people turn to as the document that describes what the City should be doing to improve the neighborhood. Mr. Piverger stated that community participants oftentimes represent a very small sliver of the total community, comprised of retirees and people who have a lot of time on their hands, which is not necessarily representative of the actual community, so it's good to see that effort to make sure this outreach is as comprehensive as possible. Mr. Gray stated that when NYCEDC staff began with the initial plan, which was modeled on previous work done with Pratt and Barretto Bay in Hunts Point, the first task in the original scope was to develop a stakeholder outreach engagement plan. Because NYCEDC staff did not have final sign-off on the idea, they asked the working group whether it was appropriate to include as many voices as possible and if they were speaking to the right people in the right ways. Mr. Gray stated that after the working group signed off on that plan NYCEDC staff began to execute it, so groups such as THE POINT Community Development Corporation and the Hunts Point Alliance for Children were able to give input as to the best way to reach people. In response to a question from Ms. Thomas, Ms. DeLorenzo stated that given the 12,000 residents and 500 that work and live in the area NYCEDC staff are considering ways to help increase the workforce for residents as part of the final plan. In response to a question from Ms. Thomas, Ms. DeLorenzo stated that the current plan does not include a specific number of jobs but is more visionary so that number will become more concrete once more agencies get involved.

There being no further comments or questions, a motion to approve the services contract proposal for the Hunts Point Vision Plan 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 9:31 a.m.

Arthur Hauer  
Assistant Secretary

Dated: 9/21/21  
New York, New York

Exhibit A

### Project Summary

The applicant is Bensonhurst Energy Storage 1, LLC, a Delaware limited liability company (the “Company”). The Company is a 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 storage system (consisting of 20MW hours of storage capacity) (the “Battery System”). The Battery System will be enclosed in multiple containers totaling approximately 9,000 square feet, located on a parcel of land totaling approximately 18,500 square feet located at an unaddressed lot on E. 48th Street in Brooklyn, New York (identified at Block 4786, Lot 65 on the Tax Map) (the “Facility”). The Facility will be operated by the Company on land leased from East 48th Street Realty, LLC, a New York limited liability company, and will serve as a battery 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

An unaddressed lot located on E. 48<sup>th</sup> Street  
Brooklyn New York 11203 (identified at Block 4786, Lot 65 on the Tax Map)

### Actions Requested

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

### Anticipated Closing

Fall 2021

### Impact Summary

Employment	
Jobs at Application:	0
Jobs to be Created at Project Location (Year 3):	1
<b>Total Jobs (full-time equivalents)</b>	<b>1</b>
<b>Projected Average Hourly Wage (excluding principals)</b>	<b>\$47.00</b>

Estimated City Tax Revenues	
Impact of Operations (NPV 20 years at 6.25%)	\$4,214,741
One-Time Impact of Renovation	\$344,730
<b>Total impact of operations and renovation</b>	<b>\$4,559,471</b>
<b>Additional benefit from jobs to be created</b>	<b>\$336,929</b>

**Bensonhurst Energy Storage 1, LLC**

<b>Estimated Cost of Benefits Requested: New York City</b>	
REUC Exemption, (NPV, 20 years)	\$3,862,163
Land Tax Abatement (NPV, 20 years)	\$153,101
Sales Tax Exemption	\$284,504
Agency Financing Fee	(\$125,015)
<b>Total Value of Benefits provided by Agency</b>	<b>\$4,174,753</b>
Available As-of-Right Benefits (NYSDTF RPTL Section 487, REUC Exemption Years 1-15)	\$3,538,496
Agency Benefits in Excess of Available As-of-Right Benefits	\$636,257

<b>Costs of Benefits Per Job</b>	
Estimated Total Cost of Benefits per Job	\$636,257
Estimated City Tax Revenue per Job	\$4,896,400

<b>Estimated Cost of Benefits Requested: New York State</b>	
Sales Tax Exemption	\$276,601
<b>Total Cost to NYS</b>	<b>\$276,601</b>

**Sources and Uses**

Sources	Total Amount	Percent of Total Financing
Equity	\$7,800,999	100%
<b>Total</b>	<b>\$7,800,999</b>	<b>100%</b>

Uses	Total Amount	Percent of Total Costs
Furnishings, Fixtures, Machinery & Equipment	\$5,000,000	64%
Hard Costs	\$1,889,000	24%
Soft Costs	\$611,999	8%
Closing Fees	\$300,000	4%
<b>Total</b>	<b>\$7,800,999</b>	<b>100%</b>

**Fees**

	Paid At Closing	On-Going Fees (NPV, 20 Years)
Agency Fee	\$125,015	
Project Counsel	\$25,000	
Annual Agency Fee	\$1,000	\$11,241
<b>Total</b>	<b>\$151,015</b>	<b>\$11,241</b>
<b>Total Fees</b>	<b>\$162,256</b>	

## **Bensonhurst Energy Storage 1, LLC**

### **Financing and Benefits Summary**

The Company will finance the Project with approximately \$7,800,999 in equity. 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” or “VDER”) tariffs established by the New York State Public Service Commission. The financial assistance proposed to be conferred by the Agency will consist of payments in lieu of City real property taxes, limited exemption from City and State mortgage recording taxes and exemption from City and State sales and use taxes.

### **Company Performance and Projections**

The Project will serve as a battery storage system capable of charging from and discharging into the New York power grid. 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 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 593 short tons of carbon dioxide over the 20-year life of the Industrial Program transaction.

### **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 Offer**

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.

## **Bensonhurst Energy Storage 1, LLC**

### **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 with 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 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.

<b>Compliance Check:</b>	N/A
<b>Living Wage:</b>	Compliant
<b>Paid Sick Leave:</b>	Compliant
<b>Affordable Care Act:</b>	Compliant
<b>Bank Account:</b>	Chase Bank
<b>Bank Check:</b>	Relationships are reported to be satisfactory.
<b>Supplier Checks:</b>	Relationships are reported to be satisfactory.
<b>Customer Checks:</b>	Relationships are reported to be satisfactory.
<b>Unions:</b>	N/A
<b>Vendex Check:</b>	No derogatory information was found.
<b>Attorney:</b>	Daniel Spitzer

**Bensonhurst Energy Storage 1, LLC**

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:**

Brooklyn, CB 17



May 25, 2021

**RE: Bensonhurst Energy Storage 1, LLC Application**

Dear New York City Industrial Development Agency Team,

Bensonhurst Energy Storage 1, LLC (“Bensonhurst”) is pleased to submit an application for our energy system project to participate in the NYCIDA program. Bensonhurst is a wholly owned subsidiary of New York City based Convergent Energy and Power LP (“Convergent”), a leading independent developer of energy storage solutions in North America, managing a 120+ MW project portfolio that is operating or under construction. Convergent 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. Convergent is owned by private-equity firm Energy Capital Partners LLC, an international leader in investing in power generation, renewable and storage assets and critical sustainability and decarbonization infrastructure.

This project proposes to install a 5 MW / 20 MWh Battery Energy Storage System at the East Flatbush section of Brooklyn (Kings County) New York and occupies roughly 9,000 sq ft of an unaddressed parcel at E. 48<sup>th</sup> Street in Brooklyn, NY, identified at Block 4786, Lot 65 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 NYSERDA or other state assistance. The financial assistance sought from the NYCIDA will ensure Bensonhurst 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,

A handwritten signature in blue ink, appearing to read "FJG".

Frank J. Genova III  
Chief Operating and Financial Officer  
Convergent Energy + Power LP

Exhibit B

Resolution inducing the financing of an industrial facility for Bensonhurst Energy Storage 1, 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, Bensonhurst Energy Storage 1, 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 5-Megawatt (“MW”) battery storage system (consisting of 20MW hours of storage capacity) (the “Battery System”). The proposed facility (the “Facility”) will consist of a Battery System that will be enclosed in multiple containers located on an approximately 9,000 square foot portion on land (the “Leased Premises”) leased from East 48<sup>th</sup> Street Realty, LLC (the “Landlord”), comprising a portion of an approximately 18,500 square foot parcel of land which is an unaddressed lot located on E. 48th Street, Brooklyn New York and identified at Block 4786, Lot 65 on the Tax Map (the “Land”). The Facility will be operated by the Applicant and will serve as a battery 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 \$7,800,999; 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 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 will receive compensation under the Value of Distributed Energy Resources (“Value Stack” or “VDER”) tariffs established by the New York State Public Service Commission; that the Applicant expects to employ approximately 1 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 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 are 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 real property tax abatements for real property and real estate of utility companies (REUC) property 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; 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

Land and 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 Lease Agreement of the Land from the Landlord to the Agency, a Lease Agreement of the Land from the Agency to the Landlord, a Company Lease Agreement from the Applicant leasing the Facility and the Leased Premises to the Agency, an Agency Lease Agreement from the Agency subleasing the Facility and the Leased Premises to the Applicant (the "Lease Agreement"), a 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, 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 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. 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. Construction on this site will consist of concrete pads for storage of batteries. Ground penetration will include foundations of up to 4 feet in depth as well as fence posts. A Phase I was conducted for the property and three Recognized Environmental Conditions (RECs) were identified, including two adjacent underground storage tanks/spills and the likely presence of historic fill on the site. To resolve the RECs, a limited Phase II in the area of the RECs was conducted. The results of the Phase II were that metals (calcium, iron, and selenium) were present in soils at levels greater than NYSDEC residential (iron) or protection of ecological resource (calcium, selenium) standards. In addition, reactive sulfur was found, but below levels that would classify the soil as hazardous waste. Based on the Phase II recommendations, the Agency shall require the Applicant to adopt a Site Management Plan to address the handling of any hazardous materials at the Project site.

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 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 sales and use tax exemptions in an amount not to exceed \$561,105 and real property

tax abatements for real property and real estate of utility companies (REUC) property consistent with the policies of the Agency.

Section 13. This Resolution shall take effect immediately

ADOPTED: July 27, 2021

Accepted: \_\_\_\_\_, 2021

BENSONHURST ENERGY STORAGE 1, LLC

By: \_\_\_\_\_

Name:

Title:

Exhibit C

## PROJECT SUMMARY

Krasnyi Oktyabr, Inc., a New York business corporation that is an importer and wholesale distributor of Russian food products (“Krasnyi Oktyabr” or the “Company”), and its affiliate GG Master Realty LLC, a New York limited liability company (“GGMR”), are seeking financial assistance in connection with the acquisition, furnishing, and equipping of a to-be-constructed 36,000 square foot warehouse and cold storage facility (the “Project”) which will be located on a 22,000 square foot parcel of land located at 70 20th Street, Brooklyn, New York (the, “Facility”). The Facility will be built by SIP Holdings Venture, LLC (the “Developer”), a wholly owned subsidiary of Banner Oak Enhanced Core Venture, L.P., an unrelated party to Krasnyi Oktyabr and GGMR, and sold by the Developer to Krasnyi Oktyabr’s affiliate, GGMR, as part of an exchange of property (pursuant to Section 1031 of the Internal Revenue Code of 1986) for Krasnyi Oktyabr’s existing facility located at 60 20th St., Brooklyn, New York. Following the sale, the new Facility will be owned by GGMR and operated by Krasnyi Oktyabr to be used as a business office, warehouse and cold storage facility. The new Facility is expected to be equipped with four loading docks, two freight elevators, and refrigeration and office space. The Project is expected to be completed by Summer 2023.

### Current Location

60 20<sup>th</sup> St.  
 Brooklyn, New York 11232

### Project Location

70 20<sup>th</sup> St. (a/k/a 73 20<sup>th</sup> Street)  
 Brooklyn, New York 11232

### Actions Requested

- Inducement 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.

### Anticipated Closing

May 2023

### Impact Summary

<b>Employment</b>	
Jobs at Application:	27
Jobs to be Created at Project Location (Year 3):	9
<b>Total Jobs (full-time equivalents)</b>	<b>36</b>
<b>Projected Average Hourly Wage (excluding principals)</b>	<b>\$22.00</b>
<b>Highest/Lowest Hourly Wage</b>	<b>\$53.00/19.00</b>
<b>Estimated City Tax Revenues</b>	
Impact of Operations (NPV 18 years at 6.25%)	\$8,507,489
One-Time Impact of Renovation	\$411,647
<b>Total impact of operations and renovation</b>	<b>\$8,919,136</b>
<b>Additional benefit from jobs to be created</b>	<b>\$799,423</b>

## Krasnyi Oktyabr, Inc.

Estimated Cost of Benefits Requested: New York City	
Building Tax Exemption (NPV, 18 years)	\$1,382,600
Land Tax Abatement (NPV, 18 years)	\$349,312
MRT Benefit	\$81,250
Agency Financing Fee	(\$119,000)
<b>Total Cost to NYC Net of Financing Fee</b>	<b>\$1,694,162</b>
Available As-of-Right Benefits (ICAP)	\$1,176,979
Agency Benefits in Excess of As-of-Right Benefits	\$517,183

Costs of Benefits Per Job	
Estimated Total Cost of Net City Benefits per Job	\$14,366
Estimated City Tax Revenue per Job	\$269,960

Estimated Cost of Benefits Requested: New York State	
MRT Benefit	\$43,750
<b>Total Cost to NYS</b>	<b>\$43,750</b>

## Sources and Uses

Sources	Total Amount	Percent of Total Financing
Commercial Loan/Mortgage	\$5,000,000	41%
Contribution from sale of 60 20 <sup>th</sup> St. Property	\$7,200,000	59%
<b>Total</b>	<b>\$12,200,000</b>	<b>100%</b>

Uses	Total Amount	Percent of Total Costs
Land and Building Acquisition	\$5,000,000	41%
Hard Costs	\$6,300,000	52%
Soft Costs	\$500,000	4%
Furnishings, Fixtures & Equipment	\$300,000	2%
Closing Fees	\$100,000	1%
<b>Total</b>	<b>\$12,200,000</b>	<b>100%</b>

## Fees

	Paid At Closing	On-Going Fees (NPV, 18 Years)
Agency Fee	\$119,000	
Project Counsel	\$35,000	
Annual Agency Fee	\$1,250	\$13,284
Total	\$155,250	\$13,284
<b>Total Fees</b>	<b>\$168,534</b>	

## **Krasnyi Oktyabr, Inc.**

### **Financing and Benefits Summary**

The Facility will be built by the Developer and sold to Krasnyi Oktyabr's affiliate, GGMR, as part of an exchange of property (pursuant to Section 1031 of the Internal Revenue Code of 1986) for Krasnyi Oktyabr's existing facility located at 60 20th St. in Brooklyn, New York. Following the sale, the new Facility will be owned by GGMR and operated by Krasnyi Oktyabr. It is anticipated that Krasnyi Oktyabr will also finance the Project with a commercial mortgage loan (the "Loan") in the amount of approximately \$5,000,000 from Bank of America. The commercial mortgage loan will have a 10-year term and an amortization of 20 years and will bear interest at a fixed rate of 4.00%. The loan will be secured by a first mortgage lien on the Facility and by first priority liens and security interests in all of Krasnyi Oktyabr's property assets. The financial assistance proposed to be conferred by the Agency will consist of payments in lieu of City real property taxes and partial exemption from City and State mortgage recording taxes.

### **Company Performance and Projections**

The Project will allow the Company to expand its operations by creating additional space for warehousing, allowing it to increase its output and service additional clients. The additional space will also allow the Company to launch an e-commerce division. Moreover, the Project will equip the Company with cold storage space, which will allow the Company to improve the diversity and quality of its product offerings to potential clients. Furthermore, the Project will permit the Company to improve operational efficiencies by adding new office space.

### **Inducement**

- I. The Company requires additional space in order to expand operations and meet anticipated future demand.
- II. The Project would not be financially viable without Agency benefits.

### **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 permanent private-sector jobs.
- II. Financial assistance is required to induce the Project.
- III. The Project is likely to be completed in a timely manner.

### **Applicant Summary**

Krasnyi Oktyabr is a leading importer and wholesale distributor of Russian and European food products. The Company, which was founded in Israel in 1990 and relocated to the United States in 1996, sells confectionery, candy, frozen cakes/cookies and other ethnic foods to grocery stores nationwide. The Company closed a deal with the NYCIDA in 2016, when it acquired and renovated a 15,000 square foot building in Sunset Park, Brooklyn. The Company has since further expanded its operations, and it now also rents a 10,000 square foot warehouse nearby.

Krasnyi Oktyabr currently sells over 1000 unique Russian and European products in a variety of categories. Their products are sold around the United States, with sales concentrated in California, Los Angeles, Seattle, Florida, Chicago, Philadelphia, and New Jersey. The Company also has three trucks that make deliveries in the tri-state area. The Company is also planning to expand their e-commerce business as a result of adding additional warehouse space as part of this Project. The new Project will allow the company to greatly expand its growing frozen foods division including ice cream, confectioneries, mushrooms, specialized meats and seafood, catering mostly to the Eastern European and Slavic ethnic market.

## **Krasnyi Oktyabr, Inc.**

### **Semyon Katsura, President and 100% Stockholder**

Semyon Katsura is the Founder and President (Emeritus) of Krasnyi Oktyabr. Mr. Katsura is primarily retired, ceding day-to-day management of the Company to his adult children, Gregory Katsura and Galina Gendelman. In his role, Mr. Katsura continues to assist with strategic planning, product development, marketing, and management.

### **Gregory Katsura, Vice President and Head of Operations**

Gregory Katsura is Vice President and Head of Operations for Krasnyi Oktyabr. He is responsible for vendor and product selection, price negotiations, customs, and FDA permitting.

### **Galina Gendelman, Treasurer and Financial Manager**

Galina Gendelman is the Treasurer and Financial Manager for Krasnyi Oktyabr. She oversees the office functions and is responsible for accounts receivable, accounts payable, annual budgets, scheduling expenditures, and maintaining all financial records and administration.

## **Employee Benefits**

The company provides paid time off, worker's compensation, and medical leave to full-time employees.

## **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.

## **Due Diligence**

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

<b>Compliance Check:</b>	Compliant
<b>Living Wage:</b>	Compliant
<b>Paid Sick Leave:</b>	Compliant
<b>Affordable Care Act:</b>	ACA Compliant
<b>Bank Account:</b>	Bank of America
<b>Bank Check:</b>	Relationships are reported to be satisfactory.
<b>Supplier Checks:</b>	Relationships are reported to be satisfactory.
<b>Customer Checks:</b>	Relationships are reported to be satisfactory.
<b>Unions:</b>	Not Applicable
<b>Background Check:</b>	No derogatory information was found.

**Krasnyi Oktyabr, Inc.**

**Attorney:** Aaron Boyajian, Esq.  
Goetz Fitzpatrick LLP  
One Penn Plaza  
New York, New York 10119

**Accountant:** Greg Bivona  
The Kahan Group  
99 Tulip Avenue, Suite 308  
Floral Park, New York 11001

**Consultant/Advisor:** Rob Morel  
City One Associates, Inc.  
2440 Broadway, Suite 245  
New York, New York 10024

**Community Board:** Brooklyn, CB #7



Красный Октябрь®

KRASNYI OKTYABR INC. USA

INTERNATIONAL FOOD IMPORT & EXPORT WHOLESALE DISTRIBUTION

60 - 20th STREET, SUNSET INDUSTRIAL PARK, BROOKLYN, NY 11232 • TEL. (718) 858-6720 • FAX: (718) 858-6722

May 5, 2021

Mr. Noah Schumer  
IDA Project Manager  
NYC IDA  
One Liberty Plaza  
New York, NY 10006

Dear Mr. Schumer,

Krasnyi Oktyabr Inc is one of the major importers and wholesale distributors of Russian, Eastern European and Slavic food products in the United States. We are a family run business and since 1996 we have been selling over 1000 unique and authentic Russian products such as confectionery and candies, caviar, herring, canned products, and cosmetics. We ship to California, Washington, Illinois, Florida, Pennsylvania, New Jersey and many locations in between. My father, who established this business in Israel and then moved it to the United States, realized that there was a huge Russian consumer population that would love to eat Russian products that they grew up with. Our company secured the exclusive sale rights from a leading manufacturer in Moscow to import and distribute confectioneries and this became the basis of our growing business.

In 2016, with the assistance of the NYC IDA, we purchased our current 15,000 sq ft building and since then we have increased our sales. Our employment also increased from 16 persons to 26 in spite of Covid challenges-- well surpassing our 2016 IDA projected employment target.

Two years ago, a developer began an assemblage to build an e-commerce incubator and warehouse facility but realized our 15,000 square-foot building was blocking his access. Consequently, he proposed to build us a new building nearby which we would eventually swap for our existing property plus \$5 million. This "trade" would provide us with a brand-new 36,000 square-foot building on two floors, consolidating our operations which are now in two locations totaling 25,000 sq ft. The expansion would allow us to go into several new frozen food lines including ethnic vegetables, mushrooms, ice cream, specialized meats and seafoods. This consolidation and expansion into e-commerce business will enable us to hire 8 new employees in two to three years.

We need the *continued* assistance of the IDA real estate tax benefits to enable our company to grow in this competitive marketplace. If it were not for the new package of IDA benefits, which we understand will be reduced from our original 25 year PILOT to the balance of approximately 18 years by the time the building is complete, we would be forced to sell building to the developer and relocate to New Jersey. His original purchase price offer would be significant enough to allow us to relocate

a beautiful 100,000 square-foot building in New Jersey which would be closer to some of our senior management and owners' homes as well as the growing Russian population in New Jersey. Furthermore, 90% of our merchandise is imported from overseas and arrives in New Jersey's Port of Elizabeth by container. There is a large growing Russian population in New Jersey so that was one of the reasons that we started looking at properties in 2015 in Passaic, Hackensack and Totowa, New Jersey--- prior to finding our original IDA project in Sunset Park. Since we ship all over the United States operating in New Jersey would not be a major issue and of course being closer to the Port of Elizabeth would be a big advantage.

If the IDA does not approve our request for PILOT, we will be forced to relocate to New Jersey. Our customers would reach out to us wherever we relocated, and the Internet has made it very easy to be located practically anywhere.

We hope the New York City IDA will entertain and approve our application for benefits so that we can remain in Brooklyn and continue to operate our family business in NYC.

We thank you for considering our project.

Sincerely,

Ms. Galina Gendelman  
CFO

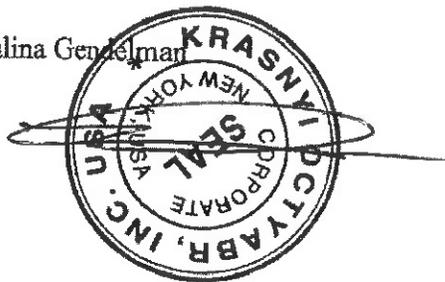


Exhibit D

Resolution inducing the financing of a commercial facility for Krasnyi Oktyabr, Inc. and its affiliate, GG Master Realty LLC as a (Straight-Lease) Transaction

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, Krasnyi Oktyabr, Inc. (the “Company”) and its affiliate, GG Master Realty LLC (“GGMR” and with the Company, collectively, the “Applicant”), have entered into negotiations with officials of the Agency for the acquisition of a to-be-constructed approximately 36,000 square foot warehouse and cold storage facility located on an approximately 22,000 square foot parcel of land located at 70 20th Street, Brooklyn, New York (also referred to as 73 20th Street, Brooklyn, New York) (the “Facility”). The Facility will be built by SIP Holdings Venture, LLC (the “Developer”), a wholly owned subsidiary of Banner Oak Enhanced Core Venture, L.P., an unrelated party to the Applicant, and sold by the Developer to the Applicant, as part of an exchange of property (pursuant to Section 1031 of the Internal Revenue Code of 1986) for the Applicant’s existing facility located at 60 20th St., Brooklyn, New York (the “1031 Exchange”). Following the completion of the 1031 Exchange, the Facility will be used by the Applicant in its operations as an importer and wholesale distributor of Russian food products, for lease to the Agency by the Applicant, and sublease by the Agency to the Applicant for subsequent sub-sublease in whole to the Company, and having an approximate total project cost of approximately \$12,200,000 (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 New York, New York, and employs approximately 27 full time equivalent employees within The City of New York (the “City”); that the Project will allow the Applicant to grow and expand sales; that the Applicant expects to employ approximately 9 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, 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 remain and expand its operations in the City; and

WHEREAS, the Project should not be delayed by the requirement of determining the details of a straight-lease transaction, which cannot be immediately accomplished, and the Applicant intends to apply its own equity for a portion of the costs of the Project and to enter into loan commitments with a bank or banks which will provide funds to the Applicant in the form of loans to finance a portion of the costs of the Project; 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 partial exemption from City and State mortgage recording taxes 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 of the Facility 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 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 for such purpose.

Section 4. 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 5. 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.

Section 6. 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 7. 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 6 hereof).

Section 8. 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 hereby determines that the 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 Project would not result in a substantial adverse change in existing traffic, air quality, or noise levels;
- (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. The proposed project site is located within New York City's coastal zone boundary. Having reviewed the materials submitted by the applicant regarding this action, the Agency finds that the proposed action will not substantially hinder the achievement of any Waterfront Revitalization Program (WRP) policy and hereby determines the project consistent with the WRP policies;
- (4) The 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 the Project does not represent a significant change in land use on site or the surrounding area;
- (5) A Phase I was prepared for the proposed new location and found a Recognized Environmental Condition (REC) of historic underground storage tanks. Four unregistered underground storage tanks had been discovered onsite and were closed in place in May 2019. Investigation indicated that soil above these tanks was contaminated, and the soil was excavated and placed on a tarp in an existing warehouse onsite for disposal. After tank closure, endpoint samples indicated that there was still residual contamination in the soil. In response, prior to Agency closing, the closed-in-place tanks and all impacted soil, including the soil staged on the tarp in the warehouse, will be removed and properly disposed, under supervision of the New York State Department of Environmental Conservation ("NYSDEC"). If these actions occur and NYSDEC closes the Spill, we would not expect any significant negative effects on Hazmat from this project; and
- (6) No other significant effects upon the environment that would require the preparation of an Environmental Impact Statement are foreseeable.

Section 9. RESERVED.

Section 10. In connection with the Project, the Agency intends to grant the Applicant real property tax abatements and partial exemption from City and State mortgage recording taxes.

Section 11. This Resolution shall take effect immediately.

ADOPTED: July 27, 2021

Accepted: \_\_\_\_\_, 2021

KRASNYI OKTYABR, INC.

By: \_\_\_\_\_  
Name:  
Title:

GG MASTER REALTY LLC

By: \_\_\_\_\_  
Name:  
Title:

Exhibit E

## **Project Summary**

The Brooklyn Wholesale Meat Market (BWMM) is an industrial complex located in Sunset Park, Brooklyn that is managed by New York City Economic Development Corporation (NYCEDC) on behalf of the City of New York. The complex is comprised of four refrigerated warehouse buildings built in the 1970s, and contains 21 tenants engaged in wholesale food processing, distribution, and cold storage for meat, fish and produce. Given the age of the buildings, NYCEDC is investigating the rehabilitation of the BWMM in order to retain and preserve jobs at the facilities. The proposed project involves retaining an engineering consultant to perform a formal technical building conditions assessment and a renovations planning study of the facilities. It is proposed that the Agency enter into a services contract with NYCEDC to obtain services from NYCEDC that are necessary to implement the proposed project.

## **Project Location**

Brooklyn Wholesale Meat Market  
5600 1<sup>st</sup> Avenue  
Brooklyn NY 11220

## **Background**

The BWMM is an industrial complex located in the Sunset Park Industrial Business Zone (IBZ). The BWMM campus consists of four (4) buildings totaling 233,907 SF of built area, which were constructed in the 1970s. The campus offers refrigerated warehousing space and loading docks, as well as on-site parking. 21 tenants, including wholesale meat processors and food and vegetable distributors, currently operate at the BWMM.

According to the NYCEDC's Property Operations team, the buildings at the BWMM are functioning past their useful life. Major building infrastructure including the refrigeration systems, boilers, and stairwells are currently being used beyond the recommended time frames of their manufacturers, and Property Operations staff maintain functionality with short-term repairs.

In Fall 2020, NYCEDC began a planning exercise to determine a path towards campus improvements. At this juncture, professional external assistance from an engineering firm is needed to conduct a formal building conditions assessment and propose potential renovation options. NYCEDC released a solicitation for this scope of work to two consultants, Colliers Engineering (dba Maser) and Stantec, both on retainer contract with NYCEDC Asset Management's Design and Construction (D&C) team. After receiving and reviewing bids from both firms, NYCEDC selected Stantec's proposal.

## **Services to be Provided**

Stantec will perform the services outlined in their proposal, including:

- Building conditions analysis and report, including:
  - o Assessment of the existing building conditions of all four facilities on the BWMM campus including, but not limited to, architectural, structural, mechanical, electrical, plumbing, and roof services;
  - o Assessing the existing conditions of all three cold storage buildings to determine quality of cold storage operations and ability to be compliant with the Food Storage Modernization Act (FSMA); and
  - o Assessing circulation, loading, and parking conditions for operational and other efficiencies at the BWMM campus.

- Building renovation scenarios and site planning options that include at least two conceptual renovation options: essential investments required to maintain and extend the life of the assets and a second that contemplates more moderate investments
- Cost estimating
- A new construction analysis (optional task, as NYCEDC's discretion)

To perform this work, Stantec will bring together a team with expertise in facilities assessment, structural engineering, civil engineering, architecture, cold storage, landscape architecture, urban planning, and sustainability.

**Timeline**

The proposed services contract will require NYCEDC to provide services during fiscal year 2022.

**Contract Value**

\$300,000

**Anticipated Contract Date**

September 1, 2021

**Actions Requested**

Authorization of the execution and delivery by the Agency of a \$300,000 services contract with NYCEDC, on a sole source basis, on the terms and for the purposes described.

Exhibit F

## **Project Summary**

It is proposed that the Agency amend an existing services agreement with New York City Economic Development Corporation (“NYCEDC”) by amending an existing contract with the Pratt Institute (“Pratt”) and its subconsultants, the engagement consultant team (the “Consultant Team”) leading Hunts Point Forward, a community-centered planning process in the Hunts Point, the Bronx (the “Project”). The amended contract will allow the Consultant Team to expand their in-person community engagement work beyond what has been feasible to date and create a dynamic project website that will showcase the community’s voice in the planning process.

## **Action Requested**

Authorization of the execution and delivery by the Agency of a services contract with NYCEDC, on a sole source basis, on the terms and for the purposes substantially described herein.

## **Background**

### **Hunts Point Forward**

On November 17, 2020, the Agency authorized a services contract, in an amount not to exceed \$130,000, with NYCEDC to provide certain services related to the Project. NYCEDC selected the Pratt Institute (“Pratt”) and its subconsultants (the “Consultant Team”) to develop and carry out a robust, inclusive, and transparent stakeholder engagement plan as part of the Project. The Project is intended to build on current City investments in Hunts Point, as well as visions laid out by local community-based organizations such as the Hunts Point-Longwood Coalition. The Project will also respond to continuing neighborhood vulnerabilities that have been exacerbated by the COVID-19 pandemic (the “Pandemic”). The Project represents a unique and significant opportunity to build consensus around a shared vision for the future of Hunts Point; identify projects and programs that City agency partners and community organizations can commit to carry forward, which is particularly relevant given the Pandemic’s effects on the neighborhood; and outline a broad vision for the future of Hunts Point that will help to guide future investment in the neighborhood.

The Consultant Team has been tasked with engaging with community members who may not readily participate in planning processes. Since the project began in earnest in January, NYCEDC and the Consultant Team have made considerable progress towards that goal, but remote engagement work replaced the in-person events originally contemplated by the Consultant Team. While the community engagement work has been extensive, the remote nature of the work has limited opportunities to include as many community voices as possible. As the City has opened up, the Consultant Team and NYCEDC have begun to hold in-person events in the neighborhood in an effort to increase awareness about the Project and create additional engagement opportunities. The amended contract will allow the Consultant Team to hold more in-person events, work that will create more support for the Project and its final set of recommendations.

The Consultant Team is also tasked with assisting with preparation of the final plan, a task initially contemplated as a final written report. Today NYCEDC and the Consultant Team will develop a dynamic project website that features community members describing why the Project is needed, how the City and the community have worked in partnership during the planning process, and how the Project’s recommendations will support the neighborhood’s growth and recovery from the pandemic is the best way to complete this task.

**Services to be Provided**

NYCEDC, through the Consultant Team, will provide the following services as part of the amended contract:

- Disseminate materials to the public through both print and digital platforms; and
- Assist in the preparation and maintenance of the final Project website.

**Contract Value**

Up to \$70,000

**Timeline**

The services to be provided to the Agency by NYCEDC, through its subcontractor and the Consultant Team, will be performed in fiscal year 2022.

**Location**

Hunts Point, the Bronx