



MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION
August 9, 2022

A regular meeting of the Board of Directors (the "Board") of New York City Economic Development Corporation ("NYCEDC") was held, pursuant to notice by an Assistant Secretary, on Tuesday, August 9, 2022, in Conference Center A/B, on the 14th Floor at the offices of NYCEDC at One Liberty Plaza, New York, New York.

The following Directors of NYCEDC were present:

Shirley Aldebol (by conference telephone)
Margaret Anadu
Nathan Bliss (as alternate for Maria Torres-Springer)
William Candelaria (by conference telephone)
Hector Cordero-Guzman (by conference telephone)
Mitchell Draizin (by conference telephone)
Robert Englert (by conference telephone)
William Floyd (by conference telephone)
Matthew Hiltzik (by conference telephone)
Andrew Kimball
Tanya Levy-Odom (by conference telephone)
Kapil Longani (by conference telephone)
James McSpiritt
Morris Missry (by conference telephone)
Patrick J. O'Sullivan, Jr.
Janet Peguero
Anthony Perez (by conference telephone)
Mark E. Russo (by conference telephone)
Charles Tebele (by conference telephone)
Jeff Thamkittikasem (by conference telephone)
Betty Woo
Kathryn Wylde (by conference telephone)

Members of NYCEDC staff and members of the public also were present.

The meeting was chaired by Margaret Anadu, Chairperson of NYCEDC, and called to order at 8:37 a.m. Meredith Jones, Executive Vice President, General Counsel and Secretary of NYCEDC, served as secretary of the duly constituted meeting, at which a quorum was present. (Attached hereto as Attachment 1 is a definition sheet that

contains the definitions of certain frequently used terms that may be contained in the Exhibits attached hereto.)

1. Approval of the Minutes of the June 21, 2022 Regular Meeting of the Board of Directors

There being no questions or comments with respect to the minutes of the June 21, 2022 regular meeting of the Board of Directors, as submitted, a motion was made to approve such minutes, as submitted. Such motion was seconded and unanimously approved.

2. Report of NYCEDC's President

At this time, Andrew Kimball, President of NYCEDC, noted that presentations concerning the redevelopment of Pennsylvania Station ("Penn Station") and the NYC Ferry Forward plan would be made to the Directors at the current Board meeting.

Mr. Kimball then presented some of the highlights of NYCEDC's project activities and milestones since the June Board meeting.

3. Presentation: Pennsylvania Station Redevelopment

At this time, Josh Kraus and Melissa Román Burch, each an Executive Vice President of NYCEDC, gave a presentation regarding the proposed redevelopment of Penn Station in Manhattan. First, Mr. Kraus provided an overview of the project components for the multi-phase initiative, including the reconstruction of the existing Penn Station, and potential office space, transit improvements and public realm improvements included in other phases of the proposed development.

Next, Ms. Burch discussed the economic and financial aspects of the project and contemplated developments for the area surrounding Penn Station and the total project costs, financial plan and value capture framework for the project, and the key provisions of the related City-State financing agreement.

In answer to a question from Ms. Anadu, Ms. Burch explained that the south sites portion of the project would be acquired by the State or by Amtrak, that presently those sites were private property, and that a process of assemblage would need to occur. She further explained that the State and Amtrak were entities that had powers of eminent domain that could be utilized in order to complete the assemblage of those sites to enable the phases of the project to occur. Mr. Kimball then commented on the importance of key timing, federal funding, the political alignment between the Mayor and the Governor, coordination among the City's agencies, and other factors that are helping to make this project happen. Ms. Anadu indicated that the deal was structured in such a way that the City's risk position was excellent.

4. Presentation: NYC Ferry Forward

James Wong, a Senior Vice President of NYCEDC, then provided a presentation regarding NYC Ferry Forward, a plan for a more equitable, accessible and financially sustainable system for NYC Ferry. Mr. Wong discussed the plan's various strategies for improving the NYC Ferry system, including an expanded discount program, free trip vouchers and expanded outreach at New York City Housing Authority campuses, a pilot of the new, direct Rockaway Rocket line during summer months, making it easier to bike to-and-from the ferry, creative opportunities for revenue generation to improve equity and financial sustainability, and plans for the future of the NYC Ferry system and increased public engagement.

Ms. Levy-Odom left the meeting at this time

In answer to a question from Ms. Anadu, Mr. Wong stated that NYCEDC's NYC Ferry team would take steps to ensure that information was available to the public on all of the different discount programs.

In answer to a question from Mr. McSpiritt, Mr. Wong stated that NYCEDC continued to communicate with the Metropolitan Transportation Authority ("MTA") to stay abreast of MTA's plans and timing for its OMNY fare payment system and other aspects of MTA's services in order to consider the possibility of payment integration in the future that still maintains independent NYC Ferry fares. In answer to a second question from Mr. McSpiritt, Mr. Wong clarified that the Rockaway Rocket was an additional service provided for summer weekends, and that fares for the standard Rockaway service were consistent with those of the other NYC Ferry routes. In answer to another question from Mr. McSpiritt, Fred D'Ascoli, an Executive Vice President of NYCEDC, stated that NYCEDC had responded to the issues raised by the City's Comptroller concerning NYC Ferry. Mr. Kimball then pointed out that the NYC Ferry team had provided help during the Staten Island Ferry's recent staff shortage by temporarily increasing NYC Ferry runs to Staten Island, and that this further showed the value of NYC Ferry as a new transit mode and in times of emergency.

Mr. Tebele and Ms. Wylde left the meeting at this time.

5. NYC Ferry Fare Policy Modifications

Franny Civitano, a Vice President of NYCEDC, presented a proposal for modifications to the fare policy for the NYC Ferry system, which modifications include for NYCEDC to require HNY Ferry, LLC (the "Operator") (i) to implement the following changes to the NYC Ferry fare policy, effective September 12, 2022: (1) increase the base fare from \$2.75 to \$4.00; (2) create a ten-trip pass that costs \$27.50 (\$2.75 per ticket); (3) eliminate monthly passes, including the standard monthly and discounted monthly passes; and (4) eliminate the \$1.00 one-way bicycle fee, (ii) to implement a

new NYC Ferry discount program, effective September 12, 2022, which entitles eligible participants to purchase a reduced-fare ticket at \$1.35 each way, and under which Senior Citizens (aged 65 and older), persons with disabilities, and Fair Fares NYC program participants would be eligible participants, and (iii) to verify participant eligibility for the discount program (seniors and persons with disabilities already registered with NYC Ferry for reduced monthly fare do not need to re-register), all on substantially the terms set forth in Exhibit A hereto.

A motion was made to approve the matters set forth for approval in the Proposed Resolution section of Exhibit A hereto. Such motion was seconded and unanimously approved.

6. Deed Modification: Harmony Rockaway LLC

Sunitha Amalraj, a Senior Vice President of NYCEDC, presented a proposal for NYCEDC to enter into a modification to the deed, as previously amended, from NYCEDC conveying Block 16124, Lot 33 on the Tax Map of the Borough of Queens (the "Site"), which Site contains an historic building (the "Building"), to Harmony Rockaway LLC ("Harmony"), to provide for (i) modifications to the permitted uses of the Site and Building, and (ii) an extension of the use and transfer restrictions to 20 years from the effective date of this proposed deed modification, on substantially the terms set forth in Exhibit B hereto.

In answer to a question from Ms. Anadu, Ms. Amalraj explained that the Site and Building had been restricted to medical use originally because an existing medical center in Far Rockaway had recently closed and at the time there was concern that there would not be enough access to medical providers for the community.

A motion was made to approve the matter set forth for approval in the Proposed Resolution section of Exhibit B hereto. Such motion was seconded and unanimously approved.

7. Election of Officers

Under NYCEDC's Bylaws, the Board shall elect such Executive Vice Presidents and Senior Vice Presidents as it may from time to time determine. At this time, Mr. Kimball proposed that Bernice Clark be promoted from being a Senior Vice President and be elected as an Executive Vice President of NYCEDC, and that each of PJ Berg and Jeff Holmes be elected as a Senior Vice President of NYCEDC. On her election as an Executive Vice President, Ms. Clark would no longer serve as a Senior Vice President of NYCEDC.

A description of certain responsibilities of Executive Vice Presidents and Senior Vice Presidents may be found in Article IV of NYCEDC's Bylaws. It was anticipated that Ms. Clark would oversee NYCEDC's External Affairs Division, Mr. Berg would oversee a portion of NYCEDC's Real Estate Transaction Services Department and Mr. Holmes

would oversee NYCEDC's Public Affairs Department. Each shall perform such duties as are assigned to him or her by NYCEDC's President. Mr. Kimball then summarized the backgrounds of Ms. Clark, Mr. Berg and Mr. Holmes.

A motion was made to elect Bernice Clark as an Executive Vice President of NYCEDC (in place of her serving as a Senior Vice President) and to elect each of PJ Berg and Jeff Holmes as a Senior Vice President of NYCEDC. Such motion was seconded and unanimously approved. The position of each of Bernice Clark, PJ Berg and Jeff Holmes as an officer shall be conditioned upon the continuance of her or his employment by NYCEDC.

8. Election of Member of Committee

At this time, Mr. Kimball proposed the election of Margaret Anadu, a Director and the Chairperson of NYCEDC, as a member of the Audit Committee of NYCEDC's Board of Directors.

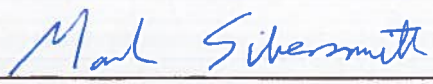
A motion was made to elect Margaret Anadu as a member of the Audit Committee of NYCEDC's Board of Directors. Such motion was seconded and unanimously approved.

9. Approval

With respect to the approved items set forth above, it was understood that authorization and approval of such matters included authorization for the President and other empowered officers to execute the necessary legal instruments, and for the President and other empowered officers to take such further actions as are or were necessary, desirable or required, to implement such matters on substantially the terms described above.

10. Adjournment

There being no further business to come before the meeting, pursuant to a motion made, seconded and unanimously approved the meeting of the Board of Directors was adjourned at 9:29 a.m.



Assistant Secretary

Dated: September 30, 2022
New York, New York

ATTACHMENT 1

DEFINITIONS

Apple	Apple Industrial Development Corp.
Armand	Armand Corporation d/b/a Armand of New York
BAT	Brooklyn Army Terminal
Bovis	Bovis Lend Lease LMB, Inc.
CDBG	Federal Community Development Block Grant
CDBG-DR Funds	Federal Community Development Block Grant-Disaster Recovery Program funds
CEQR	City Environmental Quality Review process
City DEP	New York City Department of Environmental Protection
City DOT	New York City Department of Transportation
City Parks	New York City Department of Parks and Recreation
City Planning	New York City Department of City Planning or City Planning Commission
CM	A construction manager
CM Contract	A construction management contract
DCAS	New York City Department of Citywide Administrative Services
EIS	Environmental Impact Statement
ESDC	New York State Urban Development Corporation d/b/a Empire State Development Corporation
FEMA	Federal Emergency Management Agency
FM	A facilities manager
FM/CM Contract	A facilities management/construction management contract
Funding Source Agreement	Any agreement necessary to obtain funds for the Project, including IDA Agreements
Gilbane.....	Gilbane Building Company
HDC	New York City Housing Development Corporation
HPD	New York City Department of Housing Preservation and Development
Hunter Roberts	Hunter Roberts Construction Group, L.L.C.
IDA	New York City Industrial Development Agency
IDA Agreement	Agreement with IDA pursuant to which IDA retains NYCEDC to accomplish all or part of the Project and reimburses NYCEDC for the costs of the work
LiRo	LiRo Program and Construction Management, PE P.C.
LMDC	Lower Manhattan Development Corporation
McKissack	The McKissack Group, Inc. d/b/a McKissack & McKissack

MOU	A memorandum of understanding
NYCEDC	New York City Economic Development Corporation, survivor of a November 1, 2012 merger of a local development corporation (the “LDC”) named New York Economic Development Corporation with and into New York City Economic Growth Corporation. References to NYCEDC prior to such merger are references to the LDC.
NYCHA	New York City Housing Authority
NYCLDC	New York City Land Development Corporation
Noble Strategy	Noble Strategy NY Inc.
OMB	New York City Office of Management and Budget
Port Authority	The Port Authority of New York and New Jersey
RFP	Request for Proposals
Sanitation	New York City Department of Sanitation
SBS	New York City Department of Small Business Services
SEMO	New York State Emergency Management Office
SEQR	State Environmental Quality Review process
Skanska	Skanska USA Building Inc.
State DEC	New York State Department of Environmental Conservation
State DOS	New York State Department of State
State DOT	New York State Department of Transportation
State Parks	New York State Office of Parks, Recreation and Historic Preservation
Tishman	Tishman Construction Corporation of New York
Turner	Turner Construction Company
ULURP	Uniform Land Use Review Procedure

EXHIBIT A



NYC FERRY FARE POLICY MODIFICATIONS
Board of Directors Meeting
August 9, 2022

Overview: In 2016, NYCEDC entered into an Operating Agreement (as amended, the “Agreement”) with HNY Ferry, LLC (the “Operator”) to operate the NYC Ferry system. The Agreement will expire on September 30, 2023.

Under the Agreement, NYCEDC has the exclusive right to set all fares for NYC Ferry service, including any discounts. Under the Agreement, NYCEDC must compensate the Operator to ensure it receives at a minimum \$2.75 for each passenger up to the first 4.6 million passengers in a calendar year.

On July 14, 2022, Mayor Adams and NYCEDC announced “NYC Ferry Forward”, a plan for a more equitable, accessible and financially sustainable system. NYC Ferry Forward includes plans to raise the base fare of NYC Ferry from \$2.75 to \$4.00 and significantly expand the discount program, each to take effect on September 12, 2022. NYC Ferry Forward also announced a reservation-based service to and from the Rockaways (the “Rockaway Rocket”) with a fare of \$8.00, to launch July 23, 2022 and a plan to offer two free NYC Ferry tickets to NYCHA households near NYC Ferry landings, to be implemented in late summer 2022.

NYCEDC anticipates that the base fare increase and the Rockaway Rocket fare will generate sufficient additional revenues to at least offset the cost of the expanded discount and promotional programs. NYCEDC will receive the majority of the financial benefit from increased farebox revenues if it elects to increase fares.

Proposed Resolution: NYCEDC shall require the Operator to implement the following changes to the NYC Ferry fare policy, effective September 12, 2022:

- Increase base fare from \$2.75 to \$4.00
- Create a ten trip pass that costs \$27.50 (\$2.75 per ticket)
- Eliminate monthly passes, including the standard monthly and discounted monthly passes
- Eliminate the \$1.00 one-way bicycle fee

In addition, NYCEDC shall require the Operator to implement a new NYC Ferry discount program, effective September 12, 2022. The following participants shall be eligible for the program, which entitles participants to purchase a reduced-fare ticket at \$1.35 each way:

- Senior Citizens, aged 65 and older
- Persons with disabilities
- Fair Fares NYC program participants

NYCEDC shall require the Operator to verify participant eligibility for the discount program; seniors and persons with disabilities already registered with NYC Ferry for reduced monthly fare do not need to re-register.

Relevant Staff: Joshua Kraus, Executive Vice President and Chief Infrastructure Officer
James Wong, Senior Vice President and Executive Director, Ferry Department
Franny Civitano, Vice President and Deputy Director, Ferry Department
Matthew Petric, Vice President, Finance and Contracts, Ferry Department
Katie Hermann, Senior Counsel, Legal

Project Code: 6569

EXHIBIT B

DEED MODIFICATION: HARMONY ROCKAWAY LLC
Board of Directors Meeting
August 9, 2022

OWNER: Harmony Rockaway LLC, a New York limited liability company, or an affiliated entity (“Harmony”)

SITE LOCATION: Block 16124, Lot 33 (the “Site”)
90-01 Beach Channel Drive
Borough of Queens
Community Board No. 14

SITE DESCRIPTION: The Site is located on Beach Channel Drive and Beach 90th Street, near to the Cross Bay Bridge, with easy access to locations throughout the Rockaways, Broad Channel, and Howard Beach. The Site measures approximately 20,095 square feet and contains an historic building (the “Building”) that contained approximately 24,000 square feet at the time of sale by NYCEDC. The Building functioned as a municipal courthouse until 1962, but has been vacant since then and required a complete rehabilitation in order to be restored to an active use. Rehabilitation and reconstruction of the building, including the replacement of all major building systems, and an increase in the building size to approximately 40,000 square feet, was completed and a Temporary Certificate of Occupancy was issued in 2021

BACKGROUND: Following a Request for Expressions of Interest that was issued in 2012, NYCEDC selected Harmony to purchase the Site and sold the Site to Harmony on March 6, 2015 for \$50,000. The deed (the “Original Deed”) conveying the Site required Harmony to rehabilitate and reconstruct the Building so as to provide for at least 28,000 square feet of medical space, including at least 10,000 square feet for the provision of surgical procedures (the “Project”). The Project was to include a minimum of three operating rooms and one procedure room as well as pre-operation and recovery rooms. The Original Deed also contained restrictions on transfer of the Site.

In August 2013, Rockaways ASC Development, LLC (“ASC”), a consortium of ten physicians, signed a long-term lease with Harmony to operate a surgical center in a portion of the Building. However, in May

2015, Harmony notified NYCEDC that ASC had issued a notice cancelling the lease. Harmony has been unable to find a replacement tenant for ASC that complied with the use restrictions.

In August 2018, NYCEDC entered into an amended and restated deed which modified the use requirement in the Original Deed by removing the requirement that certain space be used for surgical procedures and permitting the entire Building to be used for specific medical purposes (the "First Deed Modification"). The restrictions on use and transfer were extended to 20 years from construction completion.

**PROPOSED REQUIREMENTS
OF
MODIFIED DEED:**

It is proposed to modify the permitted uses (i) to add offices included in Use Group 6B in the City's Zoning Resolution, and (ii) to allow as-of-right community facility uses, listed in Use Groups 3 and 4 of the City's Zoning Resolution, except no residential or overnight uses will be permitted. These uses are in addition to the medical uses that are currently permitted in the amended and restated deed. In addition, use and transfer restrictions will be extended to 20 years from the effective date of the deed modification.

**RATIONALE FOR
MODIFICATION:**

Since 2018, Harmony has been unable to secure a medical tenant for the Site. Harmony has conducted extensive marketing and outreach to potential tenants that would conform to this permitted use. While Harmony had conversations with several potential medical tenants, none of them resulted in leases in the Building.

The alternative to the deed modification would be to initiate reacquisition litigation against Harmony, during which the Site would likely remain inactive.

PUBLIC APPROVALS:

ULURP for the disposition of the Site was approved in 1978. Pursuant to Section 384(b)(4) of the New York City Charter, the Queens Borough Board approved the disposition to Harmony in July 2013.

The amended and restated deed was approved by the NYCEDC Board of Directors in November 2017.

The New York City Board of Standards and Appeals granted a zoning variance in July, 2022 to allow the Building as rehabilitated and reconstructed by Harmony, which is currently located in an R4-1 Zoning District, to be occupied by Use Group 6B office tenants, as set forth in Section 32-15(b) of the Zoning Resolution of the City of New York.

Harmony consulted with Community Board 14, City Councilmember Joann Ariola and other community stakeholders, regarding the proposed modified project.

PROPOSED RESOLUTION: Approval of NYCEDC to enter into a deed modification substantially as described herein

NYCEDC PROJECT CODE: 5033

STAFF: Kati Chen, Associate, Real Estate Transaction Services
Sunitha Amalraj, Senior Vice President, Real Estate Transaction Services
Jill Braverman, Assistant General Counsel, Legal
Shin Mitsugi, Senior Vice President/Director, Compliance

Attachment A

