MINUTES OF THE
MEETING OF THE BOARD OF DIRECTORS
OF
NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY
HELD IN-PERSON AT THE ONE LIBERTY PLAZA OFFICES OF
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION
September 20, 2022

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

Andrew Kimball (chairperson)
Nate Bliss, alternate for Maria Torres-Springer,
Deputy mayor for Housing and Economic Development
Francesco Brindisi, alternate for Brad Lander
Comptroller of The City of New York
HeeWon Brindle-Khym
Albert De Leon
Barry Dinerstein, alternate for Dan Garodnick,
Chair of the City Planning Commission of The City of New York
Janet Mejia-Peguero
James Prendamano
Betty Woo, alternate for Hon. Sylvia Hinds-Radix,
Corporation Counsel of The City of New York

The following directors and alternates were not present:

Khary Cuffe
Anthony Del Vecchio
Andrea Feirstein
Jacques-Philippe Piverger
Robert Santos
Shanel Thomas

Andrew Kimball, President of New York City Economic Development Corporation ("NYCEDC") and Chairperson of the New York City Industrial Development Agency (the "Agency"), convened the meeting of the Agency at 9:08 a.m., at which point a quorum was present. Mr. Kimball thanked Mr. Dinerstein for his service to the City and to this Board over the years and congratulated him on his retirement.

1. Adoption of the Minutes of the July 26, 2022 Meeting Minutes

Mr. Kimball asked if there were any comments or questions relating to the minutes of the July 26, 2022 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 July 31, 2022 (Unaudited)

Carol Ann Butler, Assistant Vice President of NYCEDC, presented the Agency's Financial Statements for the one-month period ending July 31, 2022 (Unaudited). Ms. Butler reported that for the one-month period the Agency did not close on any financing transactions. In addition, revenues derived from compliance, application and termination fees amounted to $239,000. Ms. Butler also reported that $367,000 in operating expenses, largely consisting of the monthly management fee, were recorded for the Agency for the one-month period that ended on July 31, 2021 (Unaudited).

3. Audited Financial Statements (FY June 2022)

Amy Chan, Controller for NYCEDC and Assistant Treasurer for the Agency, and Leslie Escobar, Deputy Controller for NYCEDC, presented for review and approval the Agency's Audited Financial Statements for the Fiscal Year ended June 30, 2022.

Mr. De Leon stated that the Audit Committee met yesterday and discussed the audited financial statements and the annual investment report.

4. Annual Investment Report

Ms. Chan and Ms. Escobar presented for review and approval the Agency's Annual Investment Report for the Fiscal Year ended June 30, 2022.

There being no comments or questions, a motion to approve the Agency's Audited Financial Statements for the Fiscal Year ended June 30, 2022 attached hereto as Exhibit A, as submitted, and the Agency's Annual Investment Report for the Fiscal Year ended June 30, 2022 attached hereto as Exhibit B, as submitted, were made, seconded and unanimously approved.

5. Acknowledgment of Performance Measurement Report

Emily Marcus, a t Vice President for NYCEDC and Executive Director of the Agency, presented the Agency's performance measurements report.

There being no comments or questions, a motion to approve the performance measurements report attached hereto as Exhibit C, as submitted, was made, seconded and unanimously approved.

6. Results of Board Performance Self-Evaluation Survey

Noah Schumer, an Assistant Vice President for NYCEDC and Deputy Executive Director of the Agency, presented the results of the Board's annual Self-Evaluation Survey (the "Survey").

7. J&E Grand Concourse Retail LLC

Christine Robinson, an Assistant Vice President for NYCEDC, presented for review and adoption an inducement and authorizing resolution for a FRESH Program transaction for the benefit of J&E Grand Concourse Retail LLC and recommended the Board adopt a negative SEQRA determination that the project will not have a significant adverse effect on the environment. Ms. Robinson described the project and its benefits, as reflected in Exhibit D.

In response to a question from Mr. Brindisi, Ms. Robinson stated that the City's goal is to have 3 square feet of supermarket space per census-tracked resident within one quarter of a mile radius. Ms. Marcus stated that the distance of one quarter of a mile is used in the analysis to reflect a walk of approximately ten to fifteen minutes, which is the maximum distance someone would want to walk when shopping for groceries. Mr. Dinerstein stated that the City Planning Commission has an aspirational goal and standard which is for a community to have one square foot of supermarket space for every 3,000 people. Mr. Dinerstein stated that there are some supermarkets in this area, but not within walking distance and that people who have disabilities, limited mobility or small children would have a hard time walking one quarter of a mile which is roughly 5 City blocks. Mr. Dinerstein stated that having supermarkets as close to people as possible is a good thing to do. In response to a question from Mr. De Leon, Ms. Robinson stated that the other tenant in the building has not been identified yet. Ms. Marcus stated that J&E Grand Concourse Retail LLC will be the first tenant in the newly restored and landmarked building.

Ms. Mejia-Peguero stated that she and the Bronx deputy borough president know this area very well. There is a need for diversity and more supermarkets in this area. Historically the Bronx suffers from "food deserts" so diversifying and welcoming these establishments is very much appreciated. Ms. Mejia-Peguero stated that she is in support of the project.

There being no further comments or questions, a motion to approve the inducement and authorizing resolution and the SEQRA determination attached hereto as Exhibit E for the benefit of J&E Grand Concourse Retail LLC was made, seconded and unanimously approved.

8. East River ESS, LLC

Mr. Schumer presented for review and adoption an amending inducement and authorizing resolution an Industrial Program transaction for the benefit of East River ESS, LLC. Mr. Schumer described the project and its benefits, as reflected in Exhibit F.

In response to a question from Mr. Brindisi, Mr. Schumer stated that this project was the only project awarded Agency benefits through the request-for-proposal ("RFP") in 2019.

Mr. Schumer stated there was a second RFP with respect to bulk energy storage issued by Con Edison last year. However, an awardee was not selected. Mr. Schumer stated that Agency staff will have to wait to see if another RFP will be issued going forward. Mr. Schumer stated that Agency staff is working with the Mayor's Office of Climate and Environmental Justice to monitor the City's status and the Agency's status of the 500 megawatt goal. Mr. Schumer stated that Agency staff would be happy to keep the Board updated of any future changes.

There being no further comments or questions, a motion to approve the amending inducement and authorizing resolution attached hereto as Exhibit G for the benefit of East River ESS, LLC was made, seconded and approved with Ms. Cintron voting in opposition.

Mr. Kimball stated that the services contract proposal for the Hunts Point Terminal Produce Market Freight Rail Study would be voted on along with the services contract proposal for the Hunts Point Market Analysis after both presentations.

9. Services Contract Proposal for Hunts Point Terminal Produce Market Freight Rail Study

Alyana Roxas, a Senior Associate for NYCEDC, presented for review and approval a proposal for a services contract with NYCEDC in an amount of up to $110,707.20, which will engage Hatch Associates Consultants, Inc. ("Hatch") and its subcontractors to support the redevelopment of the Hunts Point Terminal Produce Market ("HPTPM") by providing the following services: (i) a qualitative assessment of the existing rail activity and conditions at HPTPM and (ii) a recommendation of rail improvements to support the new HPTPM facility. Ms. Roxas described the program and its benefits, as reflected in Exhibit H.

10. Services Contract Proposal for Hunts Point Market Analysis

Ms. Roxas presented for review and approval a proposal for a services contract with NYCEDC in an amount of up to $200,000, which will engage HR&A Advisors, Inc. ("HR&A") and its subcontractors to support the redevelopment of the HPTPM by providing the following services: (i) a qualitative and quantitative assessment of "best in class" practices for wholesale food distribution locally, nationally, and globally and (ii) two economic models, the first of which will estimate the projected revenue and expenses over the next ten years of a wholesale produce distribution facility comparable in size to the current HPTPM. The second model will estimate the projected revenue and expenses over the next 20-50 years of a wholesale produce distribution facility comparable in size to a potential redeveloped HPTPM. Both models will consider best in class practices, and agricultural, environmental, technological, economic and policy considerations that may affect the wholesale food distribution industry. Ms. Roxas described the program and its benefits, as reflected in Exhibit I.

Mr. Brindisi stated that these studies are needed and that he is looking forward to seeing the results of the studies in December. Mr. Brindisi stated that when he worked for NYCEDC 16 years ago there was discussion of the redevelopment of the HPTPM and the

Kingsbridge Armory terminal and raised a question about what happens next. In response to the question from Mr. Brindisi, Ms. Roxas stated that there is a lot of support for Hunts Point and especially the HPTPM and these studies will help Agency staff prepare for redevelopment path forward and to then come to the negotiation table with the Hunts Point cooperative to discuss terms of a new lease as well as to insure that everyone is confident and on the same page moving forward. Ms. Roxas stated that Agency staff is confident that they will receive this information before the end of this year, select the path for redevelopment early next year, and then engage the cooperative in order to make headway by the middle of 2023 for this project.

Mr. Kimball stated that the redevelopment of Hunts Point and the HPTPM has been decades in the making. Mr. Kimball stated that there are a number of factors that lead Agency staff and NYCEDC staff to believe that they will get it done. The first is that the mayor and deputy mayor support the redevelopment effort as demonstrated by the announcement of the City's blueprint for economic recovery took place at Hunts Point where the mayor committed $130 million to this project. Last week NYCEDC received the largest federal grant that it has ever received in the amount of $110 million which will be used toward this project. Agency staff have made a lot of headway with New York State to match the City's grant so Agency staff and NYCEDC staff are confident that they will get there this time and these two studies will ensure that they will get it right.

In response to a question from Ms. Brindle-Khym, Ms. Marcus stated that Agency staff will provide a comprehensive update on all service contract proposals approved by the Board over the past two fiscal years in January 2023 after the Agency and Build NYC Resource Corporation Board of Directors meetings. In response to a question from Ms. Brindle-Khym, Ms. Roxas stated that the HPTPM Market Study will take into account the effects of both climate change and a potential pandemic in the future.

There being no further comments or questions, a motion to approve both of the services contract proposals for the Hunts Point Terminal Produce Market Freight Rail Study, attached hereto as Exhibit H, and for the Hunts Point Market Analysis, attached hereto as Exhibit I, was made, seconded and unanimously approved.

11. Services Contract Proposal for Kingsbridge Armory Visioning

Nate Gray, a Vice President for NYCEDC, presented for review and approval a proposal for a services contract with NYCEDC in an amount of up to $770,000, which will engage a technical consultant, an engagement consultant and use NYCEDC's marketing department to supplement the engagement consultant's outreach efforts through a variety of methods in order to support the community visioning process that will help guide future redevelopment of the Kingsbridge Armory. Mr. Gray described the program and its benefits, as reflected in Exhibit J.

Ms. Mejia-Peguero stated that she and the Bronx borough president's office had the opportunity to meet with both consultants who understand the historical sensitivity tied to the

Kingsbridge Armory and how the surrounding community is still healing from historical disinvestments. Ms. Mejia-Peguero stated that with that understanding and intentionality the Bronx borough president's office is in support of the project and looks forward to working with both consultants.

There being no further comments or questions, a motion to approve the services contract proposal for the Kingsbridge Armory Visioning project attached hereto as Exhibit J was made, seconded and unanimously approved.

12. 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 9:53 a.m.

Arthur Hanson

Assistant Secretary

Dated: 11/22/22

New York, New York

Exhibit A

FINANCIAL STATEMENTS AND REQUIRED SUPPLEMENTARY INFORMATION

New York City Industrial Development Agency
(A Component Unit of The City of New York)
Years Ended June 30, 2022 and 2021
With Report of Independent Auditors

New York City Industrial Development Agency
(A Component Unit of The City of New York)

Financial Statements and Required Supplementary Information

Years Ended June 30, 2022 and 2021

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Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type and fiduciary activities of the New York City Industrial Development Agency (the Agency), a component unit of The City of New York, as of and for the years ended June 30, 2022 and June 30, 2021, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and fiduciary activities of the Agency as of June 30, 2022 and 2021, and the respective changes in its financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September ___, 2022 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

September ___, 2022

New York City Industrial Development Agency
(A Component Unit of The City of New York)

Management's Discussion and Analysis

June 30, 2022 and 2021

This section of The New York City Industrial Development Agency's (IDA or the Agency) annual financial report presents our discussion and analysis of financial performance during the fiscal year that ended on June 30, 2022. Please read it in conjunction with the financial statements and accompanying notes, which follow this section.

2022 Financial Highlights

- Current assets increased $2.9 million (or 15%)
- Non-current assets decreased $5.1 million (or 37%)
- Current liabilities increased $0.5 million (or 11%)
- Operating revenues decreased $11.2 million (or 77%)
- Operating (loss) income decreased $11.2 million (or 112%)
- Non-operating expenses, net, decreased $0.7 million (or 32%)
- Change in net position was ($2.7) million in fiscal year 2022, as compared to $7.8 million in fiscal year 2021

Overview of the Financial Statements

This annual financial report consists of two parts: Management's Discussion and Analysis (this section), and the basic financial statements. IDA is considered a component unit of The City of New York (The City) for financial reporting purposes and is a public benefit corporation established by the laws of The State of New York (The State). IDA was established in 1974 to actively promote, retain, attract, encourage, and develop an economically sound commerce and industry base to prevent unemployment and economic deterioration in The City.

IDA is a self-supporting entity and follows enterprise fund reporting. Enterprise fund statements offer short-term and long-term financial information about the Agency's activities.

Financial Analysis of the Business-Type Activities of the Agency

Net Position – The following table summarizes IDA's financial position at June 30, 2022, 2021, and 2020 and the percentage change between June 30, 2022, 2021, and 2020 (dollars in thousands):

	2022	2021	2020	% Change 2022–2021	% Change 2021–2020
Current assets	**$ 21,556**	$ 18,668	$ 23,766	**15%**	(21)%
Non-current assets	**8,620**	13,729	–	**(37)**	–
Total assets	**30,176**	32,397	23,766	**(7)**	36
Current liabilities	**5,141**	4,641	3,796	**11**	22
Total liabilities	**5,141**	4,641	3,796	**11**	22
Total net position	**$ 25,035**	$ 27,756	$ 19,970	**(10)**	39

Fiscal Year 2022 Activities

Total assets decreased by $2.2 million or 7% mainly due to a decrease in overall cash collected from financing transactions during fiscal 2022 compared to fiscal year 2021. Of the Agency's total assets, non-current assets decreased by $5.1 million or 37% due to $10.5 million of previously long-term investments becoming current, net of new purchases of long-term securities of $5.4 million.

Total current liabilities increased by $0.5 million or 11% primarily due to cash collected of approximately $0.3 million related to a future closing for 174 Power Global/East River ESS LLC.

Fiscal Year 2021 Activities

Total assets increased by $8.6 million or 36% mainly due to cash received associated with the refunding bond closings of Yankee Stadium, LLC in the amount of $7.7 million and Queens Baseball Stadium in the amount of $4.6 million. This increase was offset by NYCEDC's management fee of $4.4 million. Of the Agency's total assets, non-current assets increased by $13.7 million or 100% due to the cash from maturities of current investments being reinvested into long-term securities.

Total current liabilities increased by $0.8 million or 22% mainly due to an increase in due to NYCEDC of $0.4 million for special project costs and an increase in unearned revenues of $0.4 million related to cash collections on prepaid fees.

Operating Activities

The Agency assists industrial and commercial participants through a "straight lease" transactional structure which provides tax benefits to participants to incentivize the acquisition and capital improvement of their facilities. Apart from the issuance of bonds to refund governmental bonds (including bonds for Yankee Stadium, LLC and Queens Baseball Stadium), the Agency has chosen not to issue new bonds. In addition to the issuance of tax-exempt and taxable bonds for certain transactions, the Agency may provide one or more of the following tax benefits: partial exemption from mortgage recording tax; payments in lieu of real property taxes (PILOT) that are less than full taxes; and exemption from City and State sales and use taxes as applied to construction materials and machinery and equipment. During the year ended June 30, 2022, IDA did not issue any tax-exempt bonds; during the year ended June 30, 2021, IDA closed on two tax-exempt bond issues.

The Agency charges various program fees, including application fees, financing fees, and compliance monitoring fees. In certain circumstances, the Agency may also charge servicing fees on any recapture of benefits from companies defaulting on their compliance requirements for IDA benefits.

Operating Activities (continued)

The following table summarizes IDA's changes in net position for fiscal years 2022, 2021 and 2020 and the percentage change between June 30, 2022, 2021 and 2020 (dollars in thousands):

				% Change	
	2022	**2021**	**2020**	**2022–2021**	**2021–2020**
Operating revenues:					
Fee income	**$ 2,860**	$ 14,082	$ 6,346	**(80)%**	122%
Other income	**510**	527	62	**(3)**	750
Total operating revenues	**3,370**	14,609	6,408	**(77)**	128
Operating expenses:					
Management fees	**4,400**	4,400	4,400	–	–
Other expenses	**176**	193	143	**(9)**	35
Total operating expenses	**4,576**	4,593	4,543	–	1
Operating (loss) income	**(1,206)**	10,016	1,865	**(112)**	437
Non-operating (expenses) revenues:					
Earnings on investments	**(126)**	(1)	337	**(12,500)**	(100)
Special project costs	**(1,389)**	(2,229)	(4,052)	**(38)**	(45)
Total non-operating expenses, net	**(1,515)**	(2,230)	(3,715)	**(32)**	(40)
Change in net position	**(2,721)**	7,786	(1,850)	**(135)**	521
Beginning net position	**27,756**	19,970	21,820	**39**	(9)
Ending net position	**$ 25,035**	$ 27,756	$ 19,970	**(10)**	39

Fiscal Year 2022 Activities

The Agency's net position decreased by $2.7 million or 10% largely due to the operating loss of $1.2 million and special project costs recognized of $1.5 million.

Operating income decreased by $11.2 million or 112% during fiscal year 2022, resulting in an operating loss of $1.2 million, due to the following: (1) a decrease of $11.5 million in project finance fees as a result of several large closings that took place in the prior year and (2) an increase in other fee income of $0.3 million.

Fiscal Year 2022 Activities (continued)

Special project costs decreased overall by $0.8 million or 38% during fiscal year 2022, largely as a result of the closeout of the Workforce One Career Center Satellites project in 2021, which incurred approximately $1.4 million in costs in the prior year, offset by an increase of $0.6 million in other special project costs.

Fiscal Year 2021 Activities

The Agency's net position increased by $7.8 million or 39% largely due to the project finance fees recognized from the refunding bond closings related to Yankee Stadium, LLC of $7.7 million and Queens Baseball Stadium of $4.6 million during fiscal year 2021. This increase was offset by the normal operating expenses of $4.6 million during fiscal year 2021.

Operating income increased by $8.2 million or 437% during fiscal year 2021 due to the following: (1) an increase of $7.7 million in project finance fees and (2) an increase in recapture income of $0.5 million.

Special project costs decreased overall by $1.8 million or 45% during fiscal year 2021, largely as a result of a decrease of $1.4 million in costs related to the LifeSci NYC and Cyber NYC projects and by an overall decrease of $0.4 million in other special project costs.

Contacting the Agency's Financial Management

This financial report is designed to provide our customers, clients, creditors, and the public with a general overview of the Agency's finances and to demonstrate the Agency's accountability for the resources at its disposal. If you have any questions about this report or need additional financial information, contact the Chief Financial Officer, New York City Industrial Development Agency, One Liberty Plaza, New York, NY 10006.

New York City Industrial Development Agency
(A Component Unit of The City of New York)

Statements of Net Position
(In Thousands)

	June 30 2022	June 30 2021
Assets		
Current assets:		
Cash and cash equivalents *(Note 3)*	**$ 5,403**	$ 15,337
Investments *(Note 3)*	**12,556**	101
Restricted cash	**3,341**	3,056
Fees receivable, net of allowance for doubtful accounts of $61 and $39, respectively	**256**	174
Total current assets	**21,556**	18,668
Non-current assets:		
Investments *(Note 3)*	**8,620**	13,729
Total non-current assets	**8,620**	13,729
Total assets	**30,176**	32,397
Liabilities		
Current liabilities:		
Accounts payable and accrued expenses	**99**	177
Due to New York City Economic Development Corporation	**719**	587
Unearned revenues	**849**	688
Other liabilities	**3,474**	3,189
Total current liabilities	**5,141**	4,641
Total liabilities	**5,141**	4,641
Net position – unrestricted	**$ 25,035**	$ 27,756

See accompanying notes.

New York City Industrial Development Agency
(A Component Unit of The City of New York)

Statements of Revenues, Expenses, and Changes in Net Position
(In Thousands)

	Year Ended June 30	
	2022	**2021**
Operating revenues:		
Fee income *(Note 2)*	**$ 2,860**	$ 14,082
Recapture and other related benefits *(Note 2)*	**488**	510
Other income *(Note 2)*	**22**	17
Total operating revenues	**3,370**	14,609
Operating expenses:		
Management fees *(Note 4)*	**4,400**	4,400
Other expenses	**176**	193
Total operating expenses	**4,576**	4,593
Operating (loss) income	**(1,206)**	10,016
Non-operating revenues (expenses):		
Investment loss	**(126)**	(1)
Special project costs *(Note 5)*	**(1,389)**	(2,229)
Total non-operating expenses, net	**(1,515)**	(2,230)
Change in net position	**(2,721)**	7,786
Net position, unrestricted, beginning of year	**27,756**	19,970
Net position, unrestricted, end of year	**$ 25,035**	$ 27,756

See accompanying notes.

New York City Industrial Development Agency
(A Component Unit of The City of New York)

Statements of Cash Flows
(In Thousands)

	Year Ended June 30	
	2022	**2021**
Cash flows from operating activities		
Financing and other fees	**$ 2,976**	$ 15,533
Other income	**20**	9
Management fees paid	**(4,400)**	(4,400)
Other expenses paid	**(150)**	(84)
Recapture benefits and other penalties received	**3,934**	1,831
Payment to NYC and other agencies of recaptured benefits	**(3,260)**	(1,320)
Payment to EDC for contingency fees	**(37)**	(71)
Net cash (used in) provided by operating activities	**(917)**	11,498
Cash flows from investing activities		
Sale of investments	**2,516**	20,701
Purchase of investments	**(9,996)**	(20,748)
Interest income	**8**	9
Net cash used in provided by investing activities	**(7,472)**	(38)
Cash flows from non-capital financing activities		
Special project costs paid	**(1,260)**	(1,817)
Net cash used in non-capital financing activities	**(1,260)**	(1,817)
Net (decrease) increase in cash and cash equivalents	**(9,649)**	9,643
Cash and cash equivalents at beginning of year	**18,393**	8,750
Cash and cash equivalents at end of year	**$ 8,744**	$ 18,393

New York City Industrial Development Agency
(A Component Unit of The City of New York)

Statements of Cash Flows (continued)
(In Thousands)

	Year Ended June 30	
	2022	**2021**
Reconciliation of operating (loss) income to net cash (used in) provided by operating activities		
Operating (loss) income	**$ (1,206)**	$ 10,016
Adjustments to reconcile operating income to net cash (used in) provided by operating activities:		
Provision for bad debt (recovery)	**27**	(8)
Changes in operating assets and liabilities:		
Fees receivable	**(109)**	1,058
Accounts payable and accrued expenses	**(78)**	37
Due to NYC Economic Development Corp.	**3**	–
Other liabilities	**285**	5
Unearned revenues	**161**	390
Net cash (used in) provided by operating activities	**$ (917)**	$ 11,498
Supplemental disclosures of non-cash activities		
Unrealized loss on investments	**$ (157)**	$ (20)

See accompanying notes.

New York City Industrial Development Agency
(A Component Unit of The City of New York)

Statements of Fiduciary Net Position
(In Thousands)

	Custodial Funds June 30	
	2022	**2021**
Assets		
Cash and cash equivalents	**$ 227**	$ 5,201
Total assets	**227**	5,201
Liabilities		
PILOT payable	**227**	5,201
Total liabilities	**227**	5,201
Net position – restricted	**$ –**	$ –

See accompanying notes.

New York City Industrial Development Agency
(A Component Unit of The City of New York)

Statements of Changes in Fiduciary Net Position
(In Thousands)

	Custodial Funds Year Ended June 30	
	2022	**2021**
Additions		
PILOT collections	**$ 30,040**	$ 41,941
Total additions	**30,040**	41,941
Deductions		
PILOT payments disbursed	**29,813**	36,740
PILOT payments pending disbursement	**227**	5,201
Total deductions	**30,040**	41,941
Net increase in fiduciary net position	**–**	–
Net position – beginning of year	**–**	–
Net position – end of year	**$ –**	$ –

See accompanying notes.

1. Background and Organization

The New York City Industrial Development Agency (IDA or the Agency), a component unit of The City of New York (The City) for financial reporting purposes, is a public benefit corporation of The State of New York (The State). IDA was established in 1974 to actively promote, retain, attract, encourage, and develop an economically sound commerce and industry base to prevent unemployment and economic deterioration in The City.

The Agency is governed by a Board of Directors, which establishes official policies and reviews and approves applications for financial assistance. Its membership is prescribed by statute and includes a public official and mayoral appointees. Five of the mayoral appointees are appointed by the Mayor after nominations by The City's five Borough Presidents.

To support the activities of the Board of Directors, the Agency annually enters into a contract with the New York City Economic Development Corporation (NYCEDC), a not-for-profit corporation and a component unit of The City, organized to administer economic development programs which foster business expansion in The City. Under the terms set forth in the contract between NYCEDC and IDA, NYCEDC is to provide IDA with all the professional, administrative, and technical assistance it needs to accomplish its objectives.

The Agency assists industrial and commercial organizations primarily through "straight lease" transactional structures. The straight lease provides tax benefits to the participating organizations (the Project Companies) to incentivize the acquisition and capital improvement of facilities that they own or occupy. The Agency may also assist Project Companies with long-term, low-cost financing for capital assets through a financing transaction (the Financing Transaction), which includes the issuance of double and triple tax-exempt private activity bonds (PABs). However, apart from the issuance of bonds to refund governmental bonds (including bonds for Yankee Stadium, LLC and Queens Baseball Stadium), the Agency has chosen not to issue new bonds. The Project Companies, in addition to satisfying legal requirements under the Agency's governing laws, must meet certain economic development criteria. In addition to the issuance of tax-exempt and taxable bonds for certain transactions, the Agency may provide one or more of the following tax benefits: partial exemption from mortgage recording tax; payments in lieu of real property taxes (PILOT) that are less than full taxes; and exemption from City and State sales and use taxes as applied to construction materials and machinery and equipment. For more detailed information, please refer to the following website: https://www.edc.nyc/nycida/financial-public-documents.

1. Background and Organization (continued)

In the past, the Agency issued PABs. The PABs are special non-recourse conduit debt obligations of the Agency which are payable solely from the rents and revenues provided for in the lease (Financing Lease) to the Project Company. The PABs are secured by a collateral interest in the Financing Lease, the Project Company's project property and, in certain circumstances, by guarantees from the beneficiary's principals or affiliates or other forms of additional security. Both the PABs and certain provisions of the Financing Lease are administered by an independent bond trustee appointed by the Agency.

When the Agency issues PABs, the proceeds of the PAB financing are conveyed to an independent bond trustee for disbursement to the Project Company. The Project Company leases the project or other collateral to the Agency for a nominal sum and the Agency, in turn, leases the property or other collateral back to the Project Company for a period concurrent with the maturity of the related PAB or the term of the tax benefits. Rental payments are calculated to be sufficient to meet the debt service obligation on the PAB. The Financing Lease includes a termination option, which allows the Project Company to cancel the Financing Lease for a nominal sum after satisfaction of all terms thereof.

The total governmental and PAB debt obligations outstanding totaled $2.33 billion and $2.42 billion for the years ended June 30, 2022 and 2021, respectively. For more detailed information, please refer to the following website: https://www.edc.nyc/nycida/financial-public-documents.

Due to the fact that: (1) the PABs are non-recourse conduit debt obligations to the Agency, (2) the Agency assigns its interest in the Financing Lease as collateral, and (3) the Agency has no substantive obligations under the Financing Lease (other than to convey back the project property at the end of the PAB term), the Agency has, in effect, none of the risks and rewards of the Financing Lease and related PAB financing. Accordingly, with the exception of certain fees derived from the Financing Transaction, the Financing Transaction itself is given no accounting recognition in the accompanying financial statements.

In addition to PAB financing, the Agency also issued governmental Tax-Exempt PILOT Revenue Bonds and Taxable Rental Revenue Bonds, Taxable Installment Purchase Bonds and Taxable Lease Revenue Bonds in connection with the construction of the new Yankee Stadium and Citi Field (the Stadia Projects). Yankee Stadium, LLC, a Delaware limited liability company, and Queens Ballpark, LLC, a New York limited liability company, undertook the design, development,

1. Background and Organization (continued)

acquisition, and construction of the Stadia Projects. The Taxable Bonds are special limited obligations of the Agency and are payable solely from revenues derived from a Lease Agreement with Yankee Stadium, LLC and a Lease Agreement and Installment Sales Agreement with Queens Ballpark Company, LLC.

The governmental Tax-Exempt PILOT Bonds are special limited obligations of the Agency payable solely from PILOT revenues derived from PILOTs made by Yankee Stadium, LLC and Queens Ballpark Company, LLC. However, since the Tax-Exempt PILOT Bonds were issued to finance the construction of the Stadia and because the Agency is the legal owner of the Stadia, the Tax-Exempt PILOT Bonds had been recorded in the Agency's books and were reflected in its financial statements. In accordance with GASB Statement No. 91, *Conduit Debt Obligations*, the Tax-Exempt PILOT Bonds are given no accounting recognition in the accompanying financial statements. In addition, no commitments beyond the payments from the PILOT revenues were extended by the Agency for any of these bonds. At June 30, 2022, the PILOT Bonds have an aggregate outstanding principal amount payable of $1.60 billion.

2. Summary of Significant Accounting Policies

Basis of Accounting

IDA is classified as an "enterprise fund," as defined by the Governmental Accounting Standards Board (GASB) and, as such, the financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the U.S. (GAAP).

In accordance with GAAP, revenues are recognized in the period in which they are earned and expenses are recognized in the period in which they are incurred.

Cash Equivalents

The Agency considers all highly liquid investments purchased with original maturities of 90 days or less to be cash equivalents.

Investments

Investments held by the Agency are recorded at fair value.

2. Summary of Significant Accounting Policies (continued)

Upcoming Accounting Pronouncements

In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. With the adoption of GASB 95, provisions of this statement are effective for fiscal years beginning after June 15, 2021. Due to the nature of the Agency's leasing arrangements, as more fully described in Note 1, the adoption of this standard did not have a significant impact on the Agency's financial statements.

In January 2020, GASB issued Statement No. 92, *Omnibus 2020.* The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB statements. Paragraphs 4, 5, 11 and 13 were effective immediately upon issuance of this statement and did not have a significant impact to the Agency's financial statements. With the adoption of GASB 95, provisions of this statement, other than those stated in paragraphs 4, 5, 11 and 13, are effective for fiscal years beginning after June 15, 2021. The adoption of this statement did not have a significant impact on the Agency's financial statements.

In March 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this statement is to address financial reporting implications that result from the replacement of the interbank offered rate (IBOR). With the adoption of GASB 95, the requirements of this statement are effective for reporting periods beginning after June 15, 2021. The adoption of this statement did not have a significant impact on the Agency's financial statements.

2. Summary of Significant Accounting Policies (continued)

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The Agency is evaluating the impact this statement will have on its financial statements.

In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. Certain paragraphs of this statement were effective immediately and did not have a significant impact on the Agency's financial statements. The remaining requirements of this statement are effective for fiscal years beginning after June 15, 2022 and beyond. The Agency is evaluating the impact this statement will have on its financial statements.

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62*. The primarily objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability. The requirements of this statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023. The Agency is evaluating the impact this statement will have on its financial statements.

2. Summary of Significant Accounting Policies (continued)

Revenue and Expense Classification

Operating revenues consist of fee income from application fees, financing fees and compliance monitoring fees. Fees are recognized as earned. Compliance monitoring fees are received annually, in advance and deferred and amortized into income as earned.

Other operating income represents administrative fees and amounts, primarily penalties, associated with the recapture of IDA benefits remitted by certain beneficiaries. Recaptured IDA benefits represent the difference between the full tax amount and the amounts actually paid by beneficiaries and result from a beneficiary's violation of an IDA agreement.

Recaptured benefits are recorded net of amounts due to The City and The State. The related recapture benefits that are due to The City are recorded as other liabilities until such time as they are disbursed to The City. For the year ended June 30, 2022, IDA remitted \$3.3 million to The City and State relating to recapture benefits, of which approximately \$0.6 million was for The City. For the year ended June 30, 2021, IDA remitted \$1.3 million to The City and State relating to recapture benefits, of which approximately \$1.3 million was for The City. IDA's operating expenses include management fees and other administrative expenses. All other revenues and expenses not described above are considered non-operating.

Fiduciary Fund Statements

The Statement of Fiduciary Net Position and the Statement of Changes in Fiduciary Net Position provide information on the Agency's fiduciary activities in Custodial Funds. The Custodial Funds report assets held by the Agency on behalf of The City. The Agency collects PILOT pursuant to the lease agreements between the Agency and its various lessees on behalf of The City and recognizes an offsetting liability payable to The City when the funds are received.

Reclassifications

Certain reclassifications to other expenses have been adjusted in the prior year financial statements to conform to the current year's presentation.

3. Deposits and Investments

Deposits

At year-end, IDA's unrestricted bank balance was approximately $1.9 million. Of this amount, $250,000 was covered by the Federal Depository Insurance Corporation (FDIC) and $1.7 million was collateralized with securities held by the pledging financial institution.

Investments

As of June 30, 2022 and 2021, the Agency had the following unrestricted investments (in thousands). Investments maturities are shown for June 30, 2022 only.

	Fair Value		2022 Investment Maturities (in Years)	
	2022	**2021**	**Less Than 1**	**Greater than 1**
Money Market	**$ 10**	$ 231	**$ 10**	$ –
Federal Home Loan Bank Notes	**11,215**	–	**5,732**	**5,483**
Federal Farm Credit Bank Notes	**13,600**	13,729	**10,463**	**3,137**
Certificates of Deposit (over 90 days)	**101**	101	**101**	–
Total	**24,926**	14,061	**$ 16,306**	**$ 8,620**
Less: cash equivalents	**(3,750)**	(231)		
Total unrestricted investments	**$ 21,176**	$ 13,830		

Fair Value Measurement – The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into these levels. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs.

The Money Market Funds, categorized as Level 1, are valued at the unadjusted prices quoted in active principal markets for identical assets. U.S. Treasury and U.S. Agency securities, categorized as Level 2, are valued based on models using observable inputs. Certificates of deposit are valued at cost.

3. Deposits and Investments (continued)

IDA's investment policy permits the Agency to invest in obligations of the United States, where the payment of principal and interest is guaranteed, or in obligations guaranteed by agencies of the United States. Other investments include certificates of deposit. All investments are either insured or registered and held by the Agency or its agent in the Agency's name.

Interest Rate Risk: The Agency has a formal investment policy which limits investment maturities to a maximum of two years from the date of purchase as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk: It is the Agency's policy to limit its investments in debt securities to obligations of the United States and its agencies, and obligations of The State. As of June 30, 2022, the Agency's investments in Federal Home Loan Bank and Federal Farm Credit Bank were rated AA+ by Standard & Poor's, Aaa by Moody's Investor Services, Inc. and AAA by Fitch Ratings.

Custodial Credit Risk: For investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the Agency will not be able to recover the value of its investments that are in the possession of the outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured or not registered in the name of the Agency and are held by either the counterparty or the counterparty's trust department or agent, but not in the Agency's name.

The Agency manages credit risk by limiting its custodial exposure to highly rated institutions and/or requiring high quality collateral to be held by the counterparty in the name of the Agency.

Concentration of Credit Risk: The Agency places no limit on the amount the Agency may invest in any United States government backed securities. The following table shows investments that represent 5% or more of total investments (dollars in thousands):

	Dollar Amount and Percentage of Total Investments			
Issuer	**June 30, 2022**		**June 30, 2021**	
Federal Home Loan Bank	**$ 11,215**	**52.96%**	$ –	–%
Federal Farm Credit Bank	**13,600**	**64.22**	13,729	99.27

4. Management Fees and Other Charges

To support the activities of the IDA, the Agency annually enters into a contract with the NYCEDC. Under the terms set forth in the contract between NYCEDC and IDA, NYCEDC is to provide IDA with all the professional, administrative, and technical assistance it needs to accomplish its objectives. The fixed annual fee for these services is based on an agreement between NYCEDC and the Agency. Such fees amounted to $4.4 million for the years ended June 30, 2022 and 2021.

5. Commitments

Pursuant to various approved agreements between IDA and NYCEDC, IDA was committed to pay for projects being performed by NYCEDC related to The City's commerce and industrial development (the special project commitments). The total special project commitments under these agreements amounted to approximately $3.5 million, with an outstanding commitment obligation at June 30, 2022 of approximately $1.5 million.

The Project Commitments, related approval dates, original and outstanding commitment balances are as follows (in thousands):

Project	Approval Date	Total Commitments	Life-to-date Expenditures	Current Total De-Obligate	Outstanding Commitment
Grocery Delivery Expansion	06/23/20	$ 75	$ 39	$ –	$ 36
Hunts Point Community Engagement Facilitator	11/17/20	200	200	–	–
LifeSci NYC/Cyber NYC	11/17/20	900	883	17	–
Rapid Testing Innovation Competition	1/19/21	164	164	–	–
Childcare Innovation Initiative	1/19/21	100	71	–	29
Sunset Park, One-Way Pair Traffic Analysis	3/9/21	20	20	–	–
Inwood Map Split Services	4/27/21	58	42	–	16
Brooklyn Wholesale Meat Market Engineering & Design Services	7/27/21	300	235	–	65
OneNYC - Climate Adaptation Roadmap	9/21/21	135	135	–	–
Citywide Umbrella Mitigation Bank & Bush Terminal Pier 7	11/16/21	200	43	–	157
Inwood Amended Drainage Plan	11/16/21	164	128	–	36
CUNY STEM Pedagogy Institute	3/8/22	295	–	–	295
Fullstack Cybersecurity Bootcamp Scholarships	4/26/22	400	45	–	355
New York Proptech Piloting Program	6/14/22	500	–	–	500
		$ 3,511	$ 2,005	$ 17	$ 1,489

5. Commitments (continued)

For the years ended June 30, 2022 and 2021, $1.4 million and $2.2 million, respectively, have been incurred by the Agency related to the above projects and are included in special project costs on the accompanying statements of revenues, expenses, and changes in net position.

6. Contingencies

IDA, and in certain situations as co-defendant with The City and/or NYCEDC, is involved in personal injury, environmental claims, and other miscellaneous claims and lawsuits. In many of these matters, there is liability coverage insuring IDA, and IDA's clients are, in any case, obligated to indemnify IDA. IDA is unable to predict the outcome of each of these matters, but believes that IDA has meritorious defenses or positions with respect thereto. It is management's opinion that, except for the matters noted below, the ultimate resolution of these matters will not be material to IDA.

Management believes that the following matter could have a material adverse effect on IDA's operations:

By letters dated January 7, 2009, December 2, 2009, and a Consent Order dated May 22, 2013, the New York State Department of Environmental Conservation (DEC) has notified IDA that DEC will seek contribution from IDA in connection with the remediation, respectively, of three sites in Brooklyn, one site in Long Island City, and another site in Queens that are or were used by clients to which IDA has provided financial assistance. No estimate can be determined at this time. IDA does not carry insurance that would cover any such costs. If IDA is found to have liability, IDA would be entitled to indemnification from these clients. However, IDA believes that the remediation costs will be material and would exceed the clients' ability to meet their indemnity obligations.

IDA is unable to predict the outcome of the matter described above, but believes it has meritorious defenses with respect thereto.

7. Risk Management

IDA is exposed to various risks of loss-related torts; theft of, damage to, and destruction of assets; and natural disasters. IDA requires all beneficiaries to purchase and maintain commercial liability and property insurance coverage for these risks and name IDA as an additional insured on liability policies. Settled claims resulting from these risks have not exceeded commercial insurance coverage provided by the beneficiaries in any of the past fiscal years.

II. *Government Auditing Standards* Section

Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Management and the Board of Directors
New York City Industrial Development Agency

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards)*, the financial statements of the business-type activities and the fiduciary activities of the New York City Industrial Development Agency (the Agency), a component unit of The City of New York, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated September ___, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

September ___, 2022

Summary Financial Information

SUMMARY STATEMENT OF NET ASSETS

			Amount
Assets			
Current Assets			
	Cash and cash equivalents		$8,743,299.00
	Investments		$12,556,106.00
	Receivables, net		$256,285.00
	Other assets		$0.00
	Total current assets		$21,555,690.00
Noncurrent Assets			
	Restricted cash and investments		$8,619,878.00
	Long-term receivables, net		$0.00
	Other assets		$0.00
	Capital Assets		
		Land and other nondepreciable property	$0.00
		Buildings and equipment	$0.00
		Infrastructure	$0.00
		Accumulated depreciation	$0.00
		Net Capital Assets	$0.00
	Total noncurrent assets		$8,619,878.00
Total assets			$30,175,568.00
Liabilities			
Current Liabilities			
	Accounts payable		$0.00
	Pension contribution payable		$0.00
	Other post-employment benefits		$0.00
	Accrued liabilities		$98,915.00
	Deferred revenues		$849,225.00
	Bonds and notes payable		$0.00
	Other long-term obligations due within one year		$4,192,308.00
	Total current liabilities		$5,140,448.00
Noncurrent Liabilities			

	Pension contribution payable		$0.00
	Other post-employment benefits		$0.00
	Bonds and notes payable		$0.00
	Long term leases		$0.00
	Other long-term obligations		$0.00
	Total noncurrent liabilities		$0.00
Total liabilities			$5,140,448.00
Net Asset (Deficit)			
Net Assets			
	Invested in capital assets, net of related debt		$0.00
	Restricted		$0.00
	Unrestricted		$25,035,120.00
	Total net assets		$25,035,120.00

SUMMARY STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS

			Amount
Operating Revenues			
	Charges for services		$1,134,167.00
	Rental and financing income		$0.00
	Other operating revenues		$2,236,550.00
	Total operating revenue		$3,370,717.00
Operating Expenses			
	Salaries and wages		$0.00
	Other employee benefits		$0.00
	Professional services contracts		$4,400,000.00
	Supplies and materials		$0.00
	Depreciation and amortization		$0.00
	Other operating expenses		$176,170.00
	Total operating expenses		$4,576,170.00
Operating income (loss)			($1,205,453.00)
Nonoperating Revenues			
	Investment earnings		($126,306.00)
	State subsidies/grants		$0.00
	Federal subsidies/grants		$0.00

	Municipal subsidies/grants		$0.00
	Public authority subsidies		$0.00
	Other nonoperating revenues		$0.00
	Total nonoperating revenue		($126,306.00)
Nonoperating Expenses			
	Interest and other financing charges		$0.00
	Subsidies to other public authorities		$0.00
	Grants and donations		$0.00
	Other nonoperating expenses		$1,389,000.00
	Total nonoperating expenses		$1,389,000.00
	Income (loss) before contributions		($2,720,759.00)
Capital contributions			$0.00
Change in net assets			($2,720,759.00)
Net assets (deficit) beginning of year			$27,755,879.00
Other net assets changes			$0.00
Net assets (deficit) at end of year			$25,035,120.00

Exhibit B

NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY
INVESTMENT REPORT

Board of Directors Meeting, September 20, 2022

WHEREAS, the Public Authorities Law requires public authorities to annually prepare and approve an investment report, which shall include the public authority's comprehensive investment guidelines, amendments to such guidelines since the last investment report, an explanation of the investment guidelines and amendments, the results of the annual independent audit, the investment income record of the public authority and a list of the total fees, commissions or other charges paid to each investment banker, broker, agent, dealer and adviser rendering investment associated services to the public authority since the last investment report.

NOW, THEREFORE, BE IT RESOLVED THAT, the Board of Directors of New York City Industrial Development Agency hereby approves the Investment Report for the fiscal year ended June 30, 2022 annexed hereto (including all attachments, schedules and exhibits thereto).

NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY
INVESTMENT REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Comprehensive Investment Guidelines Policy

Attached hereto as Schedule I is the Comprehensive Investment Guidelines Policy of the New York City Industrial Development Agency (the "Agency"), as approved by the Agency's Board of Directors on June 14, 2022 (the "Investment Policy"). The Investment Policy approved by the Agency's Board of Directors on June 14, 2022 did not contain any substantive amendments as compared to the Investment Policy approved by the Agency's Board of Directors on June 15, 2021.

Investment Objectives

By way of summary, the investment objectives set forth in the Investment Policy are as follows: preservation of capital; maintenance of liquidity; maximization of return; and compliance with law.

Annual Independent Audit

The results of the annual independent audit (including the independent accountant's audit report) for the fiscal year ended June 30, 2022 are attached hereto as Schedule II.

Investment Income Record

Investment income from interest earned on bank accounts, certificates of deposits and securities was $31,023 for the fiscal year ended June 30, 2022.

Fees, Commissions and Other Charges

The Agency did not pay any fees, commissions or other charges to an investment banker, broker, agent, dealer or advisor during the fiscal year ended June 30, 2022.

SCHEDULE I

INVESTMENT POLICY

Attached.

NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY
COMPREHENSIVE INVESTMENT GUIDELINES POLICY
Adopted June 13, 2006; as amended through June 14, 2022

I. PURPOSE

The purpose of this Policy is to establish procedures and guidelines regarding the investing, monitoring and reporting of funds of the New York City Industrial Development Agency (the "Agency").

II. GENERAL PROVISIONS

A. Scope of Policy

This Policy applies to the funds of the Agency which, for purposes of this Policy and the guidelines stated herein, consist of all moneys and other financial resources available for deposit and investment by the Agency on its own behalf and for its own account (collectively, the "Funds"). As defined herein, "Funds" shall not include the proceeds of bonds issued by the Agency as financial assistance in connection with a project under the General Municipal Law (as such terms are defined in the General Municipal Law).

B. Investment Objectives

The Funds shall be managed to accomplish the following objectives:

1. *Preservation of Principal* – The single most important objective of the Agency's investment program is the preservation of the principal of the Funds.
2. *Maintenance of Liquidity* – The Funds shall be managed in such a manner that assures that funds are available as needed to meet immediate and/or future operating requirements of the Agency.
3. *Maximize Return* – The Funds shall be managed in such a fashion as to maximize income through the purchase of Permitted Investments (hereinafter defined), taking into account the other investment objectives.
4. *Compliance with law* – The Funds shall be managed in compliance with Sections 10, 11 and 858-a(3) of the General Municipal Law of the State of New York (respectively, the "GML" and the "State").

III. IMPLEMENTATION

Under the direction of the Chief Financial Officer of the Agency, the Treasurer of the Agency and any Assistant Treasurer of the Agency (respectively, the "Chief Financial Officer," the "Treasurer," and an "Assistant Treasurer") shall be responsible for the implementation of the Agency's investment program and the establishment of investment procedures and a system of controls to regulate the activities of subordinate staff, consistent with this Policy. The Treasurer or an Assistant Treasurer shall additionally have the authority to invest the Funds of the Agency and shall invest prudently and in accordance with the requirements of this Policy.

IV. AUTHORIZED DEPOSITS

A. Authorized Institutions for Deposit

In accordance with relevant provisions of the General Municipal Law, the Board of Directors must designate one or more banks or trust companies for the deposit of Funds ("Designated Institution(s)"), and shall additionally specify the maximum amount of Funds which may be deposited in each such Designated Institution.

Accordingly: I. the Board of Directors hereby designates as the Designated Institutions, those banks and/or trust companies that, from time to time, the City of New York shall have designated, or shall have been permitted to designate, for the deposit of the City's funds; II. the Board of Directors hereby determines and specifies that each account of the Agency at any such Designated Institution, shall be subject to a maximum deposit amount and that such amount shall be, for purposes of day-to-day operations, no greater than five million dollars, and for purposes of extraordinary receipts having a deposit duration of no longer than two business days, no greater than ten million dollars.

B. Deposits; Responsibility for Making Deposits

The Agency shall cause Funds potentially needed for immediate expenditure to be deposited at Designated Institutions in accounts that permit nearly immediate withdrawal ("Deposit Accounts"). The Chief Financial Officer, the Treasurer, an Assistant Treasurer, or any other officer of the Agency authorized to have custody of the Funds, shall be responsible for depositing the Funds in accordance with this Section IV.

C. Collateral

In the event that the Funds on deposit in any one Deposit Account exceed the amount that is insurable by the Federal Deposit Insurance Act, as now or hereafter amended, such excess shall be secured by collateral in accordance with the requirements of GML Section 10(3).

V. AUTHORIZED TEMPORARY INVESTMENTS

A. Responsibility for Temporary Investments

In accordance with relevant provisions of the General Municipal Law, the Board of Directors may delegate the authority to temporarily invest such portion of the Funds as are not needed for immediate expenditure. Accordingly, the Board of Directors hereby delegates to the Chief Financial Officer and, if under the direction of the Chief Financial Officer, to the Treasurer and any Assistant Treasurer, the authority to temporarily invest such portion of the Funds not needed for immediate expenditure; *provided,* such investments are made in accordance with the requirements of relevant provisions of the General Municipal Law.

B. Permitted Temporary Investments

Permitted temporary investments for the Funds are the investments permitted under Section 11 of the GML (The securities purchased as temporary investments for the Funds are hereinafter referred to as the "Securities.")

C. Requirements

The Agency shall instruct its Agents (as such term is defined in Subdivision XI of this Policy) to obtain competitive quotes for each purchase or sale of Securities, other than governmental Securities, when such transaction equals or exceeds $2,500,000 in amount.

All Securities of the Agency shall be purchased, sold, payable, paid, redeemed, delivered, registered, inscribed, held in custody, and co-mingled or not co-mingled in accordance with the requirements and limitations of the GML.

The Treasurer shall maintain, or cause to be maintained, proper books and records of all Securities held by or for the Agency and for all transactions pertinent thereto. Such books and records shall at least identify the Security, the fund for which held, and the place where kept; and the entries made therein shall show the competitive quotes obtained therefor, the date of sale or other disposition, and the amount realized therefrom.

VI. WRITTEN CONTRACTS

The Agency shall enter into written contracts pursuant to which investments are made which conform with the requirements of this Policy and Section 2925.3(c) of the Public Authorities Law unless the Board of Directors determines by resolution that a written contract containing such provisions is not practical or that there is not a regular business practice of written contracts containing such provisions with respect to a specific investment or transaction, in which case the Board of Directors shall adopt procedures covering such investment or transaction.

VII. DIVERSIFICATION

The investment portfolio for the Funds shall be structured diversely to reduce the risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer or a specific type of security. The maximum percentage of the total portfolio permitted for the indicated category of security is as follows:

SECURITIES	MAXIMUM
Time deposits and certificates of deposit permitted under the GML provided same are secured by *eligible securities* as defined under the GML	45%
Obligations of the USA; obligations of agencies of the USA if guaranteed by the USA	100%
Obligations of New York State	40%

VIII. INVESTMENT MATURITIES

Maintenance of adequate liquidity to meet the cash flow needs of the Agency is essential. Accordingly, the Agency's portfolio of Permitted Investments will be structured in a manner that ensures sufficient cash is available to meet anticipated liquidity needs. Selection of investment maturities must be consistent with cash requirements in order to avoid the forced sale of securities prior to maturity.

For purposes of this Policy, assets of the portfolio shall be segregated into two categories based on expected liquidity needs and purposes – Cash Equivalents and Investments. Assets categorized as Cash Equivalents will be invested in Permitted Investments maturing in ninety (90) days or less or in Deposit Accounts. Assets categorized as Investments will be invested in Permitted Investments with a stated maturity of no more than two (2) years from the date of purchase, as may be adjusted pursuant to IX below.

IX. MONITORING AND ADJUSTING THE INVESTMENT PORTFOLIO

Those responsible for the day-to-day management of the Agency's portfolio of Permitted Investments will routinely monitor the contents of the portfolio, the available markets and the relative values of competing instruments, and will adjust the portfolio as necessary to meet the requirements and goals of this Policy. It is recognized and understood that the non-speculative active management of portfolio holdings may cause a loss on the sale of an owned investment. From time to time, the Chief Financial Officer may exercise his or her discretion and invest outside of the requirements of the guidelines stated in VII and/or VIII so long as the four overarching objectives in IIB are met and communication is provided to the Audit Committee at the next scheduled Audit Committee meeting. Exceptions to the requirements of the guidelines stated in VII and/or VIII should not vary materially from current guidelines in amounts or duration.

X. INTERNAL CONTROLS

Under the direction of the Chief Financial Officer, the Treasurer or an Assistant Treasurer, shall establish and be responsible for monitoring a system of internal controls governing the administration and management of the portfolio. Such controls shall be designed to prevent and control losses of the portfolio funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by any personnel.

XI. ELIGIBLE BROKERS, AGENTS, DEALERS, INVESTMENT ADVISORS, INVESTMENT BANKERS AND CUSTODIANS.

The following are the standards for the qualifications of brokers, agents, dealers, investment advisors, investment bankers and custodians:

A. Brokers, Agents, Dealers

The categories of firms listed below are the categories from which the Agency may select firms to purchase and sell Securities (as selected an "Agent"). Factors to be considered by the Agency in selecting Agents from these categories shall include the following: size and capitalization; quality and reliability; prior experience generally and prior experience with the Agency specifically; and level of expertise for the transactions contemplated.

1. any bank or trust company organized and/or licensed under the laws of the USA which is authorized to do business in NYS;
2. any bank or trust company organized and/or licensed under the laws of any state of the USA which is authorized to do business in NYS;
3. any broker-dealer licensed and/or permitted to provide services under federal law and, when necessary, qualified to do business in NYS

B. Investment Advisors

In addition to the requirements set forth in "A" preceding, any Agent selected by the Agency to be an investment advisor shall be registered with the SEC under the Investment Advisors Act of 1940.

C. Investment Bankers

In addition to the requirements set forth in "A" preceding, any Agent selected by the Agency to serve as a senior managing underwriter for negotiated sales must be registered with the SEC.

D. Custodians

In addition to the requirements set forth in "A" preceding, any Agent selected by the Agency to be a custodian shall have capital and surplus of not less than $50,000,000.

XII. REPORTING

A. Quarterly

Under the direction of the Chief Financial Officer, the Treasurer or an Assistant Treasurer, shall prepare and deliver to the Board of Directors once for each quarter of the Agency's fiscal year a report setting forth a summary of new investments made during that quarter, the inventory of existing investments and the selection of investment bankers, brokers, agents, dealers, investment advisors and auditors.

B. Annually

1. *Audit* – the Agency's independent accountants shall conduct an annual audit of the Agency's investments for each fiscal year of the Agency, the results of which shall be made available to the Board of Directors at the time of its annual review and approval of these Guidelines.

2. *Investment Report* – Annually, the Treasurer or an Assistant Treasurer, under the direction of the Chief Financial Officer, shall prepare and the Board of Directors shall review and approve an Investment Report, which shall include:

    a. This Policy and amendments thereto since the last report;
    b. An explanation of this Policy and any amendments made since the last report;
    c. The independent audit report required by paragraph 1 above;
    d. The investment income record of the Agency for the fiscal year; and
    e. A list of fees, commissions or other charges paid to each investment banker, broker, agent, dealer and advisor rendering investment associated services to the Agency since the last report.

    The Investment Report shall be submitted to the Mayor and the Comptroller of the City of New York and to the New York State Department of Audit and Control. Copies of the report shall also be made available to the public upon reasonable request.

XIII. APPLICABILITY

Nothing contained in this Policy shall be deemed to alter, affect the validity of, modify the terms of or impair any contract or agreement for the investment of the Funds, made or entered into in violation of, or without compliance with, the provisions of this Policy.

XIV. CONFLICT OF LAW

In the event that any portion of this Policy is in conflict with any State, City or federal law, that law will prevail.

XV. PRIOR POLICIES

This Policy, when originally adopted on June 13, 2006, superseded the *Deposit and Investment Policy* that the Board of Directors adopted at its meeting held on July 9, 1996. This Policy does not supersede, in any relevant part, the amended By-Laws of the Agency.

XVI. AUTOMATIC AMENDMENT

This Policy shall be deemed automatically amended to conform with enactments that amend or succeed any of GML Sections 10, 11 or 858-a(3).

XVII. MWBEs

The Agency shall seek to encourage participation by minority and women-owned business enterprises (i.e., "MWBEs") in providing financial services to the Agency.

SCHEDULE II

RESULTS OF ANNUAL INDEPENDENT AUDIT

Attached.

Schedule of Investments

New York City Industrial Development Agency
(A Component Unit of the City of New York)
June 30, 2022 and 2021
With Report of Independent Auditors

PRELIMINARY AND TENTATIVE FOR DISCUSSION ONLY

New York City Industrial Development Agency
(A Component Unit of the City of New York)

Schedule of Investments

June 30, 2022 and 2021

Contents

Report of Independent Auditors

The Management and the Board of Directors
New York City Industrial Development Agency

Report on the Audit of the Schedule of Investments

Opinion

We have audited the Schedule of Investments of the New York City Industrial Development Agency (the Agency), a component unit of The City of New York, as of June 30, 2022 and 2021, and the related notes (the schedule).

In our opinion, the accompanying schedule presents fairly, in all material respects, the investments of the Corporation at June 30, 2022 and 2021 in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Schedule section of our report. We are required to be independent of the Agency, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Schedule

Management is responsible for the preparation and fair presentation of the schedule in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedule that is free of material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the schedule as a whole is free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the schedule.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the schedule, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the schedule.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the schedule.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Financial Statements as of June 30, 2022 and 2021

We have audited, in accordance with GAAS and *Government Auditing Standards,* the financial statements of the Agency as of and for the years ended June 30, 2022 and 2021, and our report thereon, dated September ___, 2022, expressed an unmodified opinion on those financial statements.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also have issued our report dated September ____, 2022, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters with respect to the schedule. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance with respect to the schedule.

September ____, 2022

New York City Industrial Development Agency
(A Component Unit of the City of New York)

Schedule of Investments

(In Thousands of Dollars)

	June 30	
	2022	**2021**
Investments		
Unrestricted	**$ 24,926**	$ 14,061
Total investments	**$ 24,926**	$ 14,061

The accompanying notes are an integral part of this schedule.

1. Background and Organization

The New York City Industrial Development Agency (IDA or the Agency), a component unit of the City of New York (the City) for financial reporting purposes of the City, is a public benefit corporation of the State of New York (the State). IDA was established in 1974 to actively promote, retain, attract, encourage and develop an economically sound commerce and industry base to prevent unemployment and economic deterioration in the City.

The Agency is governed by a Board of Directors, which establishes official policies and reviews and approves applications for financial assistance. Its membership is prescribed by statute and includes a public official and mayoral appointees. Five of the mayoral appointees are appointed by the Mayor after nominations by the City's five Borough Presidents.

To support the activities of the Board of Directors, the Agency annually enters into a contract with the New York City Economic Development Corporation (NYCEDC), a not-for-profit corporation and a component unit of the City, organized to administer economic development programs which foster business expansion in the City. Under the terms set forth in the contract between NYCEDC and IDA, NYCEDC is to provide IDA with all of the professional, administrative, and technical assistance it needs to accomplish its objectives.

The Agency assists industrial and commercial organizations primarily through "straight lease" transactional structures. The straight lease provides tax benefits to the participating organizations (the Project Companies) to incentivize the acquisition and capital improvement of facilities that they own or occupy. The Agency may also assist Project Companies with long-term, low-cost financing for capital assets through a financing transaction (the Financing Transaction), which includes the issuance of double and triple tax-exempt private activity bonds (PABs). However, apart from the issuance of bonds to refund governmental bonds, the Agency has chosen not to issue new bonds. The Project Companies, in addition to satisfying legal requirements under the Agency's governing laws, must meet certain economic development criteria. In addition to the issuance of tax-exempt and taxable bonds for certain transactions, the Agency may provide one or more of the following tax benefits: partial exemption from mortgage recording tax; payments in lieu of real property taxes (PILOT) that are less than full taxes; and exemption from City and State sales and use taxes as applied to construction materials and machinery and equipment.

1. Background and Organization (continued)

In the past, the Agency issued PABs. The PABs are special non-recourse conduit debt obligations of the Agency which are payable solely from the rents and revenues provided for in the lease (Financing Lease) to the Project Company. The PABs are secured by a collateral interest in the Financing Lease, the Project Company's project property and, in certain circumstances, by guarantees from the beneficiary's principals or affiliates or other forms of additional security. Both the PABs and certain provisions of the Financing Lease are administered by an independent bond trustee appointed by the Agency.

When the Agency issues PABs, the proceeds of the PAB financing are conveyed to an independent bond trustee for disbursement to the Project Company. The Project Company leases the project or other collateral to the Agency for a nominal sum and the Agency, in turn, leases the property or other collateral back to the Project Company for a period concurrent with the maturity of the related PAB or the term of the tax benefits. Rental payments are calculated to be sufficient to meet the debt service obligation on the PAB. The Financing Lease includes a termination option, which allows the Project Company to cancel the Financing Lease for a nominal sum after satisfaction of all terms thereof.

Due to the fact that: (1) the PABs are non-recourse conduit debt obligations to the Agency, (2) the Agency assigns its interest in the Financing Lease as collateral, and (3) the Agency has no substantive obligations under the Financing Lease (other than to convey back the project property at the end of the PAB term), the Agency has, in effect, none of the risks and rewards of the Financing Lease and related PAB financing. Accordingly, with the exception of certain fees derived from the Financing Transaction, the Financing Transaction itself is given no accounting recognition in the accompanying financial statements.

In addition to PAB financing, the Agency also issued Tax-Exempt PILOT Revenue Bonds, Taxable Rental Revenue Bonds, Taxable Installment Purchase Bonds and Taxable Lease Revenue Bonds in connection with the construction of the new Yankee Stadium and Citi Field (the Stadia Projects). Yankee Stadium, LLC, a Delaware limited liability company, and Queens Ballpark, LLC, a New York limited liability company, undertook the design, development, acquisition, and construction of the Stadia Projects. The Taxable Bonds are special limited obligations of the Agency and are payable solely from revenues derived from a Lease Agreement with Yankee Stadium, LLC and a Lease Agreement and Installment Sales Agreement with Queens Ballpark Company, LLC.

2. Summary of Significant Accounting Policies

Investments

Investments held by IDA are measured at fair value.

3. Investments

As of June 30, 2022 and 2021, the Agency had the following unrestricted investments. Investment maturities are shown for June 30, 2022, only (dollars in thousands).

	Fair Value		2022 Investment Maturities (in Years)	
	2022	**2021**	**Less Than 1**	**Greater than 1**
Money Market Funds	**$ 10**	$ 231	**$ 10**	**$ –**
Federal Home Loan Bank Notes	**11,215**	–	**5,732**	**5,483**
Federal Farm Credit Bank Notes	**13,600**	13,729	**10,463**	**3,137**
Certificates of Deposit (over 90 days)	**101**	101	**101**	**–**
Total	**$ 24,926**	$ 14,061	**$ 16,306**	**$ 8,620**

Fair Value Measurement – The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into these levels. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs and Level 3 inputs are significant unobservable inputs.

Money market funds, categorized as Level 1 inputs, are valued at the unadjusted prices that are quoted in active markets for identical assets. U.S. Treasury and U.S. Agency securities, categorized as Level 2, are valued on models using observable inputs. Certificates of deposit are valued at cost.

IDA's investment policy permits the Agency to invest in obligations of the United States, where the payment of principal and interest is guaranteed, or in obligations guaranteed by agencies of the United States. Other investments include certificates of deposit. All investments are either insured or registered and held by the Agency or its agent in the Agency's name.

3. Investments (continued)

Interest Rate Risk: The Agency has a formal investment policy, which limits investment maturities to a maximum of two years from the date of purchase as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk: It is the Agency's policy to limit its investments in debt securities to obligations of the United States and its agencies, and obligations of the State. As of June 30, 2022, the Agency's investments in Federal Home Loan Bank and Federal Farm Credit Bank were rated AA+ by Standard & Poor's, Aaa by Moody's Investors Service, Inc. and AAA by Fitch Ratings.

Custodial Credit Risk: For investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the Agency will not be able to recover the value of its investments that are in the possession of the outside party. Investment securities are exposed to custodial credit risk if the securities are uninsured or not registered in the name of the Agency and are held by either the counterparty or the counterparty's trust department or agent, but not in the Agency's name.

The Agency manages this credit risk by limiting its custodial exposure to highly rated institutions and/or requiring high quality collateral to be held by the counterparty in the name of the Agency.

Concentration of Credit Risk: The Agency places no limit on the amount the Agency may invest in any United States government backed securities. The following table shows investments that represent 5% or more of total investments (dollars in thousands):

	Dollar Amount and Percentage of Total Investments			
Issuer	**June 30, 2022**		**June 30, 2021**	
Federal Home Loan Bank	**$ 11,215**	**44.99%**	$ –	–%
Federal Farm Credit Bank	**13,600**	**54.56**	13,729	97.64

Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Schedule of Investments Performed in Accordance With *Government Auditing Standards*

The Management and the Board of Directors
New York City Industrial Development Agency

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards)*, the Schedule of Investments (the schedule) of the New York City Industrial Development Agency (the Agency), a component unit of the City of New York, as of June 30, 2022, and the related notes to the schedule, and have issued our report thereon dated September _____, 2022.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the schedule, we considered the Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the schedule, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's schedule will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's schedule is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and the New York State Comptroller investment guideline requirements as presented in Section 201.3(c) of the *Accounting, Reporting and Supervision Requirements for Public Authorities*, noncompliance with which could have a direct and material effect on the schedule. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

September ____, 2022

Exhibit C

NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY
Performance Measurements Report
Board of Directors Meeting
September 20, 2022

WHEREAS, the Public Authorities Law requires the New York City Industrial Development Agency ("IDA" or the "Agency") to publish a self-evaluation report based on performance measurements adopted by the Board of Directors of the Agency (the "Board") and to submit such report to the New York State Authorities Budget Office (the "ABO").

WHEREAS, on June 14, 2022, the Board adopted the performance measurements listed in the Performance Measurements Report for the fiscal year ending June 30, 2022 (attached as Attachment A) (the "Performance Measurements Report").

RESOLVED, that the Board hereby acknowledges that it has reviewed the Performance Measurements Report and hereby approves the Performance Measurements Report.

RESOLVED, that the Board hereby directs the Officers of the Agency to publish the Performance Measurements Report on the Agency's website and to submit the Performance Measurements Report to the ABO and to any other required persons or entities in accordance with the Public Authorities Law.

ATTACHMENT A

Performance Measurements Report for Fiscal Year 2022

Name of Public Authority:
New York City Industrial Development Agency (NYCIDA)

Public Authority's Mission Statement:
The mission of the New York City Industrial Development Agency (NYCIDA) is to encourage economic development throughout the five boroughs, and to assist in the retention of existing jobs, and the creation and attraction of new ones.

List of Performance Measurements:

Performance Measurements	FY2022 7/1/21 – 6/30/22	FY2021 7/1/20 – 6/30/21
Number of Contracts Closed	9	6
Amount of Private Investment Leveraged	$83,169,755	$30,974,126
Total net City tax revenues generated in connection with closed contracts[1]	$143,105,265	$170,334,300
Project three-year job growth in connection with closed contracts	114.5	284.5
Current total jobs reported by projects that commenced operations in FY 2019[2] as compared to total jobs reported at the time of application for such projects	23,194/92 (+23,102)	6,279/302 (+5,997)
Current total jobs reported by projects that commenced operations in FY 2019[3] as compared to the three-year total job growth projections stated in applications for such projects	23,194/13,326 (+9,868)	6,279/5,384 (+895)
Square footage of buildings/improvements receiving benefits	780,966	127,949
Number of projects that received a field visit	22	0
% of projects that received a field visit	7.6%	0%
% of projects in good standing[4]	98%	100%

[1] Represents projected net city tax revenues through contract maturity.

[2] Also includes projects that closed in FY2019 but commenced all operations prior to the closing date.

[3] Also includes projects that closed in FY2019 but commenced all operations prior to the closing date.

[4] Defined as those projects that did not receive a Notice of Event of Default by the end of the Fiscal Year.

Exhibit D

Project Summary

J & E Grand Concourse Retail LLC (the "Company") and its affiliate Grand Concourse Fordham LLC ("Grand Concourse") seek financial assistance in connection with the construction, furnishing and equipping of a to-be-formed approximately 39,979 square foot retail condominium unit (comprised of an approximately 18,000 square foot store and approximately 21,979 square feet for storage, and common areas) (the "Facility") located within an approximately 51,168 square foot facility located on an approximately 20,000 square foot parcel of land located at 2530 Grand Concourse, Bronx, New York (the "Project"). The Facility will be owned by Grand Concourse and leased to the Company. The Facility will be operated by the Company as a full-service supermarket under the Fine Fair banner.

Project Location

2530 Grand Concourse
Bronx, New York 10454

Actions Requested

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

Anticipated Closing

Spring 2023

Impact Summary

Employment	
Jobs at Application:	0
Jobs to be Created at Project Location (Year 3):	53.5
Total Jobs (full-time equivalents):	**53.5**
Projected Average Hourly Wage (excluding principals):	**$16.36**
Highest/Lowest Hourly Wage:	**$21/$16**

Estimated City Tax Revenues	
Impact of Operations (NPV 25 years at 6.25%)	$6,127,921
One-Time Impact of Renovation	$198,799
Total impact of operations and renovation	**$6,326,720**
Additional benefit from jobs to be created	**$3,323,852**

Estimated Cost of Benefits Requested: New York City	
Building Tax Exemption (NPV, 25 years)	$2,920,378
Land Tax Abatement (NPV, 25 years)	$226,738
Sales Tax Exemption	$141,324
Agency Financing Fee	($41,039)
Total Value of Benefits provided by Agency	**$3,247,401**
Available As-of-Right Benefits (ICAP)	$972,624
Agency Benefits In Excess of As-of-Right Benefits	$2,274,777

Christine Robinson, SIG
Kyle Joyce, LGL

Nixon Peabody LLP
Project Number - 10193

Costs of Benefits Per Job	
Estimated Total Cost of Benefits per Job	$42,519
Estimated City Tax Revenue per Job	$180,385

Estimated Cost of Benefits Requested: New York State	
Sales Tax Exemption	$137,398
Total Cost to NYS	**$137,398**

Sources and Uses

Sources	Total Amount	Percent of Total Financing
Commercial Loans	$3,345,930	77%
Equity	$1,000,000	23%
Total	**$4,345,930**	**100%**

Uses	Total Amount	Percent of Total Costs
Hard Costs	$1,544,524	35%
Soft Costs	$549,020	13%
Furnishings, Fixtures & Equipment and Machinery & Equipment	$2,059,366	48%
Closing Fees	$193,020	4%
Total	**$4,345,930**	**100%**

Fees

	Paid At Closing	On-Going Fees (NPV, 25 Years)
Agency Fee	$41,039	
Project Counsel	$25,000	
Annual Agency Fee	$1,000	$12,485
Total	$67,039	$12,485
Total Fees	**$79,524**	

Financing and Benefits Summary

The total cost of the Project is approximately $4,345,930. It is anticipated that the Project will be financed with a commercial loan from General Trading Co, Inc. in the amount of approximately $3,435,930 and with approximately $1,000,000 in Company equity. The commercial loan is expected to have a final maturity of ten years with an interest rate of approximately 7%. The financial assistance proposed to be conferred by the Agency will consist of payments in lieu of City real property taxes, and exemption from City and State sales and use taxes for the fit-out of the Facility.

Company Performance and Projections

Company ownership has a strong track record of real estate development and operations of supermarkets serving economically impacted communities located in the Bronx, Manhattan, and Brooklyn. The Project will be in a repurposed landmarked building and will provide access to quality healthy food options for the surrounding Bronx community. The new supermarket, made possible by the FRESH program, projects year-over-year growth, with an annual growth rate of 3%-5%, and maintenance of an approximate 26% gross profit margin within the first three years.

J & E Grand Concourse Retail LLC

Inducement

I. City policy, as set forth by the Food Retail Expansion to Support Health (FRESH) program, aims to promote the establishment and retention of neighborhood grocery stores in underserved communities.

II. High barriers to entry in opening new supermarkets have been exacerbated by rising costs and economic constraints.

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 will generate approximately $4,345,930 in private-sector investment

IV. The Project involves the grocery industry, which the Agency seeks to retain and foster.

Applicant Summary

The Company is a newly formed and privately held minority owned supermarket operator founded for the purpose of supporting the Grand Concourse community in the Bronx with the development of a Fine Fair Supermarket. The owners are seeking to use their equity to revitalize the neighborhood by repurposing the historic Dollar Savings Bank building while providing much needed access to quality healthy food options. The Company has been modeled after its affiliates which have been operating in similar markets. The owners' collective knowledge of the community, culture and demographics of the area allows the specificity needed to tailor their offerings to meet the needs of their customer base.

Efrin Castro, Co-Owner, J & E Grand Concourse Retail LLC

Mr. Castro is a well-established and experienced supermarket developer, operator, and business owner. His career begun as the front-end manager of his father's small grocery store which has been serving the East Harlem Community for over 30 years. Mr. Castro's commitment to his family and community led him to expand on his experience by establishing additional supermarkets and carwashes within New York City and the tri-state area.

Jorge Madruga, Maddd Grand Concourse Retail LLC, Co-Owner, J & E Grand Concourse Retail LLC

Mr. Madruga is the CEO and Founder of Maddd Equities LLC, a real estate development and investment firm based in New York City with over twenty years of experience in acquisitions, construction, asset repositioning and development across a broad spectrum of property types, most notably, St. Ann's Terrace, a $250MM ground up mixed-use development in the Bronx, The Mantena, a 98 unit luxury rental building in Hudson Yards and The Nathaniel, a 85 unit luxury rental building in Greenwich Village. Mr. Madruga has been a key player in the revitalization of some of New York City's more economically challenged neighborhoods. Having developed both low- and middle-income buildings in the South Bronx and East New York while congruently supporting community non-profit organizations such as NYC Housing Partnership, SoBRO, Local Development Corporation of East NY and New York State Association for Affordable Housing, an organization committed to promoting the creation and preservation of affordable housing. He continues to attend humanitarian missions to Cuba to bring much needed food and supplies to his former home.

Employee Benefits

The Company will off offer healthcare and paid job training to employees.

Recapture

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

SEQRA Determination

Type II action which if implemented will not result in 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 Grand Concourse and their respective principals and found no derogatory information.

Compliance Check:	Not Applicable
Living Wage:	Compliant
Paid Sick Leave:	Compliant
Affordable Care Act:	Compliant
Bank Account:	Bank of Hope
Bank Check:	Relationships are reported to be satisfactory.
Supplier Checks:	Relationships are reported to be satisfactory.
Customer Checks:	Not Applicable
Unions:	Not Applicable
Background Check:	No derogatory information was found.
Attorney:	Christopher D. Mcdonald, Esq. Mund & McDonald PLLC 55 Cherry Lane, #101 Carle Place, NY 11514 Gary Rosen, Esq. Rosen Law LLC 216 Lakerville Road Great Neck, NY 11020
Accountant:	Mel Fastow Interactive Business Services 229 Jericho Turnpike New Hyde Park, NY 11040
Community Board:	Bronx Community Board #7

J & E GRAND CONCOURSE RETAIL LLC
2530 Grand Concourse
Bronx, New York 10458

July 18, 2022

Noah Schumer, Deputy Exec. Director
New York City Economic Development Corporation
One Liberty Plaza
New York, New York 10006

Re: NYCIDA Board Inducement for Proposed Supermarket at 2516-2530 Grand Concourse, Bronx, NY

Dear Mr. Schumer:

J & E Grand Concourse Retail LLC ("GCR") is a minority owned venture between Efrin Castro and Maddd Grand Concourse Retail LLC, which is solely owned by The Madruga Family Trust. Both Mr. Castro (Dominican Republic) and the founder of The Madruga Family Trust, Jorge Madruga (Cuba), are first generation immigrants who have built successful businesses in the City of New York and beyond. Mr. Castro and his family have a long track record of operating successful supermarkets and other businesses. The business interests of The Madruga Family Trust are managed by Maddd Equities, a prominent community-driven real estate developer in New York City. With their combined experience, the principals of GCR have the expertise successfully to develop the project, and to open and operate a quality and affordable supermarket in this under-served Bronx community.

GCR intends on developing a full-service supermarket in a condominium unit at 2516-2530 Grand Concourse, Bronx, New York. This monumental and landmarked former bank building was once a beacon to the community. Over time, the property has decayed and has long-been vacant. Once the impressive location is restored to its former glory and reconfigured for supermarket use, the supermarket will again be a beacon for Bronx residents.

With its location adjacent to the Fordham Road shopping corridor and its many transportation options, GCR intends on providing the sustainable and healthy food choices so greatly needed by the under-served Bronx community. GCR will operate as a Fine Fare supermarket and offer a variety of fresh fruit, vegetables, meat and a full line product mix at affordable price points. To ensure that it meets the needs of the lower income portion of the community, GCR will participate in both SNAP and WIC programs. GCR will also offer a rewards program for all of its customers.

In addition to providing the healthy food options that the Bronx so badly needs, GCR will provide quality employment opportunities to local residents. These opportunities include competitive compensation and job training. GCR will also offer all of its employees the opportunity for advancement and growth. Since most of its employees will likely live locally, these quality jobs and opportunities will provide further economic growth to the Grand Concourse area.

GCR expects to complete its build-out and open the supermarket by June 1, 2023. The development budget for the supermarket is approximately $4,345,930. The normally high costs in developing a supermarket in New York City have been exacerbated by the effects of the ongoing pandemic and its supply-chain issues. The landmarked status and dilapidated nature of the building also add to these costs. With these high costs, FRESH benefits are an essential component for the success of the project and are fundamental to our ability to run a successful supermarket in this prominent and historic location.

Thank you for your time and support of our endeavor to bring healthy and fresh food options, and quality jobs to the Bronx community.

Sincerely,

J & E Grand Concourse Retail LLC

By: Efrin Castro

Efrin Castro, as Member

Exhibit E

Resolution inducing the financing of a Food Retail Expansion to Support Health Program facility for J & E Grand Concourse Retail LLC, and its affiliate Grand Concourse Fordham 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, J & E Grand Concourse Retail LLC (the "Applicant") has entered into negotiations with officials of the Agency for the construction, furnishing and equipping of an approximately 39,979 square foot retail condominium unit (the "Facility") to be located within an approximately 51,168 square foot building located on an approximately 20,000 square foot parcel of land located at 2530 Grand Concourse, Bronx, New York, for lease to the Agency by Grand Concourse Fordham LLC or another real estate holding company affiliated with the Applicant (the "Company"), and sublease by the Agency to the Company, for use by the Applicant as a full-service supermarket under the Fine Fair banner, and having an total project cost of approximately $4,345,930 (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, the Company and the Project, including the following: that the Applicant is a newly formed privately held and minority owned venture between Efrin Castro and Maddd Grand Concourse Retail LLC, which is solely owned by The Madruga Family Trust; that the business interests of the Madruga Family Trust are managed by Madd Equities, a community driven real estate developer in the City of New York (the "City"); that the principals of the Applicant have a track record of operating successful supermarkets and other businesses in the City and have the expertise to complete the Project; that the Project site consists of a landmarked former bank building which was once a beacon to the community but has decayed over time and has long-been vacant; that the Applicant intends on providing sustainable and healthy food choices greatly needed by the under-served Bronx community; that the Project expects to employ approximately 53.5 full time equivalent employees within the three years following completion; that the Applicant will provide quality employment opportunities to local residents which will include competitive compensation, job training and the opportunity for advancement and growth; that the jobs and opportunities created by the Project will provide further economic growth to the Grand Concourse area; that the normally high costs of developing a supermarket in the City have been exacerbated by the effects of the ongoing pandemic and its supply-chain issues, and therefore the Agency's financial assistance is an essential component for the success of the Project; that the Applicant and the Project will meet all requirements of the FRESH Program; 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 locate 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 locate its operations in the City; and

WHEREAS, the Act allows the Agency to provide financial assistance for a project at which facilities or property primarily used in making retail sales of goods or services to customers who personally visit such facilities to obtain such goods or services constitute more than one-third of the total project cost if, among other alternative requirements: (1) the project is located in a "highly distressed area," defined in Section 854(18) of the Act, to include an area in which a census tract, or tracts or block numbering area or areas or such census tract or block numbering areas contiguous thereto, which, according to the most recent census data available has (i) a poverty rate of at least 20% for the year to which the data relates or at least 20% of households receiving public assistance and (ii) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates; and (2) the Agency determines after a public hearing that undertaking the project will serve the public purposes of Article 18-A of the Act by increasing the overall number of permanent, private sector jobs in New York State; and

WHEREAS, the Agency has determined: that the Project is located in Census Tract 399.01 in the Bronx; that the poverty rate calculated from the most recent census data (American Community Survey 2016-2020 5-Year Estimate) for Census Tract 399.01 indicates that for the year to which the census data relates approximately 36.6% of the population was living below the poverty level; that the unemployment rate in Census Tract 399.01 for the year to which the census data relates was approximately 12.9%, while the statewide unemployment rate for such year was 5.7%; that 12.9% is greater than 1.25 times the statewide rate of 5.7%; and that, therefore, the proposed Project meets the statutory requirements of being located in a "highly distressed area"; and

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

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

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

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

(a) the Project shall not result in the removal of any facility or plant of the Applicant or 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); and

(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.

Section 2. In connection with the Project, the Agency hereby makes the following determinations and findings which shall constitute a findings statement pursuant to Section 862(2)(c) of the Act based upon information provided by the Applicant:

(a) The Project will be used in making "retail sales" to customers who personally visit the Project, within the meaning of Section 862(2)(a) of the Act, and the Project is therefore subject to the restrictions set forth in Section 862(2) of the Act.

(b) However, the Project is located in a highly distressed area, as defined in Section 854(18) of the Act, because the Project is located in a census tract which satisfies the criteria of Section 854(18)(a)(i) and (ii) of the Act.

(c) Therefore, the prohibition in Section 862(2)(a) of the Act against providing financial assistance to retail facilities does not apply to the Project.

(d) The Project will serve the Agency's public purposes as set forth in the Act by preserving or increasing the number of permanent, private sector jobs in the City and State of New York.

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

Section 3. To accomplish the purposes of the Act and to provide financial assistance to the Applicant and the Company for the Project, a straight-lease transaction is hereby authorized subject to the provisions of this Resolution.

Section 4. The Agency hereby authorizes the Applicant and the Company to proceed with the Project as herein authorized. The Applicant and the Company are authorized to proceed with the Project on behalf of the Agency as set forth in this Resolution; provided, however, that it is acknowledged and agreed by the Applicant and the Company that (i) nominal leasehold title to or other interest of the Agency in the Facility shall be in the Agency for purposes of granting financial assistance, and (ii) the Applicant and the Company are hereby constituted the agents for the Agency solely for the purpose of effecting the Project, and the Agency shall have no personal liability for any such action taken by the Applicant or the Company for such purpose.

Section 5. The execution and delivery of a Company Lease Agreement from the Company leasing the Facility to the Agency, an Agency Lease Agreement from the Agency subleasing the Facility to the Company (the "Lease Agreement") (for sub-sublease to the Applicant or another supermarket operator), a Uniform Project Agreement among the Agency, the Applicant and the Company, a Sales Tax Agent Authorization Letter from the Agency to the Applicant, the acceptance of a Guaranty Agreement from the Applicant and the Company and/or their owners and/or principals in favor of the Agency (the "Guaranty Agreement") (each document referenced in this Section 4 being, collectively, the "Agency Documents"), each being substantively the same as approved by the Agency for prior transactions, is hereby authorized. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director and General Counsel of the Agency are each hereby authorized to execute, acknowledge and deliver each such Agency Document. The execution and delivery of each such agreement by one of said officers shall be conclusive evidence of due authorization and approval.

Section 6. The officers of the Agency and other appropriate officials of the Agency and its agents and employees are hereby authorized and directed to take whatever steps may be necessary to cooperate with the Applicant and the Company to assist in the Project.

Section 7. 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 8. The officers of the Agency are hereby designated the authorized representatives of the Agency, and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution. The Agency recognizes that due to the unusual complexities of the transaction it may become necessary that certain of the terms approved hereby may require modifications which will not affect the intent and substance of the authorizations and approvals by the Agency herein. The Agency hereby authorizes the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or General Counsel to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution. The approval of such modifications shall be evidenced by a certificate of determination of an Agency officer.

Section 9. Any expenses incurred by the Agency with respect to the Project shall be paid by the Applicant and the Company. By acceptance hereof, the Applicant and the Company agree to pay such expenses and further agree 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 10. This Resolution is subject to approval based on an investigative report with respect to the Applicant and the Company. The provisions of this Resolution shall continue to be effective for one year from the date hereof, whereupon the Agency may, at its option, terminate the effectiveness of this Resolution (except with respect to the matters contained in Section 9 hereof).

Section 11. 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 action is a Type II action, pursuant to 6 NYCRR Part 617.5(c)(2), 'replacement, rehabilitation or reconstruction of a structure or facility, in kind, on the same site, including upgrading buildings to meet building or fire codes…' which would not result in adverse environmental impacts requiring the preparation of an Environmental Impact Statement.

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

(2) The Applicant and the Company are hereby notified (provided that such notification is not a covenant or obligation and does not create a duty on the part of the Agency to

the Applicant, the Company or any other party) that the Agency is subject to certain requirements under the General Municipal Law, including the following:

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

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

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

Section 13. In connection with the Project, the Agency intends to grant the Applicant and the Company sales and use tax exemptions in an amount not to exceed $278,722 and real property tax abatements.

Section 14. This Resolution shall take effect immediately

ADOPTED: September 20, 2022

Accepted: _____ __, 2022

J & E GRAND CONCOURSE RETAIL LLC

By:___________________________
Name:
Title:

GRAND CONCOURSE FORDHAM LLC

By:___________________________
Name:
Title:

MAYORAL CONFIRMATION

Pursuant to Section 862(2)(c) of the Act, the undersigned hereby confirms the proposed actions of the Agency as set forth in the attached Resolution.

By:____________________
Name:
Title:

__________ __, 2022

Exhibit F

NYCIDA
New York City Industrial Development Agency

PROJECT SUMMARY

East River ESS, LLC, a Delaware limited liability company (the "Company"), is an indirect wholly owned subsidiary of Hanwha Energy USA Holdings Corporation, a Delaware corporation that does business as 174 Power Global ("174 PG"). 174 PG is a developer of solar power and battery energy storage power projects and an independent power producer operating in North America. The Company seeks financial assistance in connection with the construction and equipping of an approximately 100-megawatt battery energy storage system (consisting of 400 megawatt hours of energy storage capacity) (the "Battery System"). The Battery System will be enclosed in multiple containers totaling approximately 124,000 square feet, located on a parcel of land at 31-03 20th Avenue in Astoria, Queens (the "Facility"). The Facility will be operated by the Company on land leased from New York Power Authority ("NYPA") and the Facility will serve as a large-scale battery energy storage system capable of charging from, and discharging into, the New York power grid (the "Project"). For the first seven years of operations, the Project will operate under a fixed price contract with Con Edison, in the New York Independent System Operator's (NYISO) wholesale energy, capacity and ancillary services markets. The Project is expected to begin construction in January 2023 and begin operating by December 2023.

Project Location

31-03 20th Avenue
Astoria, Queens 11105

Actions Requested

- Amending Inducement and Authorizing Resolution for an Industrial Program transaction.

Prior Actions

- Inducement and Authorizing Resolution for an Industrial Program transaction approved on April 27, 2021
- Adoption of a SEQRA determination that the proposed project is an Unlisted action on April 27, 2021

Anticipated Closing

Fall 2022

Impact Summary

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

Estimated City Tax Revenues	
Impact of Operations (NPV 25 years at 6.25%)	$111,053,714
One-Time Impact of Renovation	$8,234,166
Total impact of operations and renovation	**$119,287,880**
Additional benefit from jobs to be created	**$1,572,379**

Noah Schumer, SIG
Jill Braverman, LGL

Nixon Peabody LLP
Project Number - 9434

East River ESS, LLC

Estimated Cost of Benefits Requested: New York City	
REUC Exemption (NPV, 25 years)	$105,803,575
MRT Benefit	$2,408,729
Sales Tax Exemption	$6,971,193
Agency Financing Fee	($1,911,812)
Total Cost to NYC Net of Financing Fee	**$113,271,685**
Available As-of-Right Benefits (NYSDTF RPTL Section 487 Exemption)	$87,624,256
Agency Benefits in Excess of As-of-Right Benefits	$25,647,429
Costs of Benefits Per Job	
Estimated Total Cost of Net City Benefits per Job	$5,129,486
Estimated City Tax Revenue per Job	$24,172,052

Estimated Cost of Benefits Requested: New York State	
MRT Benefit	$1,297,008
Sales Tax Exemption	$6,777,549
Total Cost to NYS	**$8,074,557**

Sources and Uses

Sources	Total Amount	Percent of Total Financing
Commercial Loan	$148,629,493	80%
Equity	$37,157,374	20%
Total	**$185,786,867**	**100%**

Uses	Total Amount	Percent of Total Costs
Leasing Costs	$4,424,506	2%
Hard Costs	$58,132,000	31%
Soft Costs	$6,695,969	4%
Furnishings, Fixtures & Equipment	$112,600,000	61%
Closing Fees	$3,934,392	2%
Total	**$185,786,867**	**100%**

Fees

	To be paid at Closing	On-Going Fees (NPV, 25 Years)
Agency Fee	$1,911,812	
Project Counsel	Hourly	
Annual Agency Fee	$1,250	$15,607
Total	$1,913,062	$15,607
Total Fees	**$1,928,669**	

Financing and Benefits Summary

It is anticipated that the Company will finance the Project with a commercial loan of approximately $148,629,493 from Credit Agricole Corporate and Investment Bank, and equity of approximately $37,157,374. The loan is expected to bear interest at the Secured Overnight Financing Rate plus 137.5 basis points (indicative rate of 3.665%, as of September 7, 2022). The collateral will consist of a first-priority perfected security interest in 100% of the assets of the Company. The financial assistance proposed to be conferred by the Agency will consist of payments in lieu of City real property taxes, partial exemption from City and State mortgage recording taxes and exemption from City and State sales and use taxes.

Company Performance and Projections

The Project would serve as a large-scale battery storage system capable of charging from and discharge into the New York power grid. The Project is planned to be up to 100-megawatts (MWs) and would be able to discharge at 100 MWs for 4-hours or at a lesser power rating for longer duration, depending on the system needs. Battery systems can purchase wholesale power from the market when the power is at lower cost and sell the power into the wholesale market when prices are higher. In doing so the Battery System is helping regulate the supply and demand for energy in New York. The Project would operate in the New York Independent System Operator's (NYISO) wholesale energy, capacity and ancillary services markets with Con Edison capturing the value of products sold from the storage system into these markets. This Project is expected to reduce greenhouse gas emissions by displacing the use of existing, older and higher-emitting fossil fuel-powered peaker plants that are nearing the end of their useful life.

Inducement

I. The Project would not be financially viable without Agency benefits.

II. The Project will greatly expand energy storage capacity within New York City, helping to facilitate the City's goal of reducing greenhouse gas emissions. Renewable energy sources like wind and solar provide power intermittently. Battery storage capacity allows that electricity to be captured during periods of excess generation and deployed during periods of peak demand and lower generation.

UTEP Considerations

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

I. Financial assistance is required to induce the Project.

II. The Project will generate approximately $185,786,867 in private-sector investment, creating additional sources of revenue for the City.

Amended Inducement

On April 27, 2021, the Agency's Board of Directors approved an inducement and authorizing resolution for the Project. Since early 2021, the total cost of the Project has increased from approximately $136,962,644 to $185,786,867. This change is due to inflation in the construction industry and in the market for grid-scale batteries, owing partly to the COVID-19 Pandemic. As a result of the increase in Project cost, the maximum sales tax exemption proposed to be provided by the Agency has increased from $10,428,898 to $13,748,742. The Agency is thus seeking approval of an amended inducement and authorizing resolution for the Project.

Applicant Summary

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

Henry Yun, PhD, President and Chief Executive Officer
Henry Yun brings over 20 years of executive leadership to his role as President and CEO of the Company, having held various executive management and technical positions at Hanwha affiliates and Intel Corporation. As CEO of 174PG, he has led the growth from start-up stage to over $250 Million in annual revenue in 3 years. As a thought leader in the energy industry he has authored numerous technical publications, served on boards of several clean energy startups and been awarded 4 U.S. patents. He holds an MBA from the Kellogg School of Management at Northwestern University and Ph.D. in Engineering from the University of Washington.

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

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

Employee Benefits

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

Recapture

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

SEQRA Determination

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 174 PG and their principals and found no derogatory information.

Living Wage:	Compliant
Paid Sick Leave:	Compliant
Affordable Care Act:	Compliant
Bank Account:	No derogatory information was found.
Bank Check:	No derogatory information was found.

East River ESS, LLC

Supplier Checks:	N/A
Customer Checks:	No derogatory information was found.
Unions:	Not Applicable
Background Check:	No derogatory information was found.
Attorney:	Steven Polivy, Esq. Akerman LLP 666 5th Avenue, 20th floor New York, NY 10103
Accountant:	Mandy Lui Hanwha Energy USA Holdings Corporation 300 Spectrum Center Drive, STE 1020 Irvine CA 92618
Consultant/Advisor:	Not Applicable
Community Board:	Queens, CB #1

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

September 8, 2022

Emily Marcus
Executive Director, NYCIDA
One Liberty Plaza, 14th Floor
New York, NY 10006

To Whom It May Concern:

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

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

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

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

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

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

Sincerely,

EAST RIVER ESS, LLC

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

By: ______________________________
Name: Henry Yun
Its: CEO and President

cc: Mr. Steven Polivy

Exhibit G

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

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

WHEREAS, East River ESS, LLC, a Delaware limited liability company (the "Applicant"), has entered into negotiations with officials of the Agency for the acquisition, construction, and equipping of an approximately 100 megawatt battery energy storage system (consisting of 400 megawatt hours of energy storage capacity) (the "Battery System"). The Battery System will be enclosed in multiple containers totaling approximately 124,000 square feet, located on a parcel of land at 31-03 20th Avenue in Astoria, Queens (the "Facility"). The Facility is to be located on land owned by New York Power Authority and will leased to and operated by the Applicant and will serve as a large-scale battery energy storage system capable of charging from, and discharging into, the New York power grid (the "Project"), for the first seven years of operation, the Project will operate under a fixed price contract with Consolidated Edison Company of New York (ConEd) and in the New York Independent System Operator's (NYISO) wholesale energy, capacity and ancillary services markets, and having an approximate total project cost of approximately $185,786,867; and

WHEREAS, the Applicant has submitted a Project Application, as amended (the "Application") to the Agency to initiate the accomplishment of the above; and

WHEREAS, on April 27, 2021, the Agency adopted an inducement/authorizing resolution in connection with this Project (the "Prior Resolution"); and

WHEREAS, the Applicant has indicated to the Agency that since the date of the Prior Resolution, certain changes have occurred with respect to the Project and has requested that the Agency move forward with a straight lease transaction incorporating such changes; and

WHEREAS, the Agency desires to amend and restate the Prior Resolution as set forth herein; and

WHEREAS, the Application sets forth certain information with respect to the Applicant and the Project, including the following: that the Applicant, is an indirect wholly owned subsidiary of Hanwha Energy USA Holdings Corporation, a Delaware corporation that does business as 174 Power Global ("174PG"), who is a developer of solar power and battery energy storage power projects and an independent power producer operating in North America;

that the Applicant was selected by Consolidated Edison Company of New York ("ConEd") from a request for proposal as a non-wires solution to ensure that ConEd could provide electricity during peak demand hours offsetting the need to use peak generation power plants; that the proposed Project would ensure demand for electricity could be met by ConEd without extensive infrastructure upgrades; that the Applicant expects to employ approximately 5 full time equivalent employees within the three years following the completion of the Project; that the Applicant must obtain Agency financial assistance in the form of a straight-lease transaction to enable the Applicant to proceed with the Project and thereby expand its operations in the City; that without the Agency's financial assistance the Applicant would not be able to complete the Project, and that, based upon the financial assistance provided through the Agency, the Applicant desires to proceed with the Project and expand its operations in the City; and

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

WHEREAS, in order to finance a portion of the costs of the Project, Credit Agricole Corporate and Investment Bank (such financial institution, or any other financial institution as may be approved by a certificate of determination of an Agency officer, the "Lender") has agreed to enter into loan arrangements with the Applicant pursuant to which the Lender will lend approximately $150,000,000 to the Applicant, and the Agency and the Applicant will grant a mortgage or mortgages on the Facility to the Lender (collectively, the "Lender Mortgage") and the Applicant will grant a security interest in all of the assets of the Applicant to the Lender (the "Security Agreement"); and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

entity acting on behalf of the Applicant, to cooperate with the Agency in its efforts to recover, recapture, receive, or otherwise obtain such New York State sales or use tax savings and shall promptly pay over any such amounts to the Agency that it requests. The failure to pay over such amounts to the Agency shall be grounds for the Commissioner of the New York State Department of Taxation and Finance (the "Commissioner") to assess and determine New York State sales or use taxes due from the Applicant under Article Twenty-Eight of the New York State Tax Law, together with any relevant penalties and interest due on such amounts.

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

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

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

(3) The foregoing requirements of this Section 11 shall apply to any amounts of New York State sales or use tax savings that the Agency recovers, recaptures, receives, or otherwise obtains, regardless of whether the Agency, the Applicant, or any agent or other person or entity acting on behalf of the Applicant characterizes such benefits recovered, recaptured, received, or otherwise obtained, as a penalty or liquidated or contract damages or otherwise. The foregoing requirements shall also apply to any interest or penalty that the Agency imposes on any such amounts or that are imposed on such amounts by operation of law or by judicial order

or otherwise. Any such amounts or payments that the Agency recovers, recaptures, receives, or otherwise obtains, together with any interest or penalties thereon, shall be deemed to be New York State sales or use taxes and the Agency shall receive any such amounts or payments, whether as a result of court action or otherwise, as trustee for and on account of New York State.

Section 12. In connection with the Project, the Agency intends to grant the Applicant real property tax abatements, an partial deferral of City and State mortgage recording taxes and sales and use tax exemptions in an amount not to exceed $13,748,742.

Section 13. This Resolution shall take effect immediately

ADOPTED: September 20, 2022

Accepted: _____ __, 2022

East River ESS, LLC

By:____________________________
Name:
Title:

<u>Exhibit A</u>

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

1. INTRODUCTION AND DESCRIPTION OF THE PROPOSED ACTION

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

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

The Applicant is seeking financial assistance from NYCIDA in the form of abatements from property tax, exemptions from City and State sales and use taxes and a partial mortgage recording tax deferral in connection with the construction and operations of a stand-alone, elevated 100-megawatt lithium-ion battery energy storage system ("**the Project"**). The Project will support the New York State Climate Leadership and Community Protection Act (**"CLCPA**")'s goal to provide three gigawatts ("**GW**") of statewide energy storage capacity by 2030. The project comprises of large metal or concrete containers 8 feet wide and between 40 and 53 feet in length housing racks of battery modules. The total project cost is approximately $186M. The project is anticipated to be operational by the end of 2023.

2. DOCUMENTS RELEVANT TO THE FINDINGS STATEMENT

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

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

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

THE ENVIRONMENTAL ASSESSMENT STATEMENT/FULL ENVIRONMENTAL ASSESSMENT FORM

THE PROPOSED PROJECT AS ANALYZED IN THE FULL ENVIRONMENTAL ASSESSMENT FORM

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

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

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

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

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

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

3. THE LEAD AGENCY'S DETERMINATION OF SIGNIFICANCE

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

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

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

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

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

Although NYPA did not identify any potentially small to significant adverse impacts involving community plans, it should be noted that this Project will promote green technologies in an area historically used for fossil fuel generation and will contribute toward New York State's Climate Leadership and Community Protection Act (CLCPA) goals. Additionally, New York City (City) has committed to advancing energy storage development to achieve its objectives of creating a resilient low-carbon energy supply, improving air quality, and reducing greenhouse gas emissions by 80 percent from 2005 levels by 2050. The City has established an energy storage resource deployment target of 500 MW in NYC by 2025. These initiatives complement the State's CLCPA goals.

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

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

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

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

4. Impact on Flooding: The proposed project is located within the 100-year and 500-year floodplains in an already developed location. This project is the installation of battery storage on the site of a former power plant within the Astoria Complex, which is a key location for utility infrastructure within New York City. The design of the project will ensure the battery megapacks will be above the height of a 100-year and 500-year flood for the life expectancy of the project based on estimated sea level rise according to projections made by NYC Panel on Climate Change. This project will not exacerbate impact of flooding nor attract addition development within the floodplain.

5. Impacts on Air: The construction and operation of this project will not result in any emissions affecting air quality; rather, this project will show beneficial effects on air quality should battery

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energy storage result in reduced reliance on combustion turbines within New York City. The circumstance that could result in an impact to air would be limited to catastrophic failure event, which is a minimal risk based on the technology to be used and design of the facility. The proposed project will be constructed in accordance with applicable codes regarding fire protection. NYPA will consult with FDNY regarding the required fire suppression. FDNY will issue an operational permit to East River ESS giving it jurisdiction over the facility's operational fire prevention and response.

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

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

8. Impact on Energy: The Project facility will be a component of the bulk electric system in the New York Control Area subject to NYISO requirements. The Project will support grid reliability through system balancing, participation in wholesale market, enabling renewable integration, Transition and Distribution ("T&D")support and peak shaving. The Project will operate with an approximate efficiency of 92.5%, which meets or exceeds industry norms for energy storage. Operation of the Project (battery charging and discharge) is metered. The Project will be charged using power from the grid (the adjacent 138 kV Astoria West substation) during non-peak times and, when needed, the stored electrical energy will be discharged to the grid. The connection to the adjacent substation entails approximately 150 to 650 feet of underground or overhead cable depending on the final route. The tie-in will also entail installing ancillary electrical equipment. Energy storage will not result in additional residential, commercial or industrial electrical usage. As stated earlier, the proposed Project will help to ensure system reliability and resiliency.

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

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

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

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

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

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

4. NYCIDA (Agency) Findings

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

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

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

Exhibit H

Project Summary

This is a proposal to support the redevelopment of the Hunts Point Terminal Produce Market ("HPTPM" or the "Market"). HPTPM is an intermodal wholesale produce distribution facility that supplies 25% of New York City's produce. It is a critical element of New York City's food supply chain and economy, which was especially visible during the onset of the COVID-19 pandemic when the Market continued its operations to feed and employ New Yorkers when most businesses came to a halt. The existing Market facilities are aging and should be redeveloped to meet current and future operational needs. The redevelopment will also mitigate negative environmental impacts on the surrounding community, keep and grow the jobs at the Market, protect and strengthen our food supply chain on local, regional and national levels, and promote HPTPM business growth and more efficient land use. It is proposed that the Agency enter into a services agreement with New York City Economic Development Corporation ("NYCEDC") to retain a consultant to conduct the Hunts Point Terminal Produce Market Freight Rail Study, which is critical in implementing the redevelopment project, as described below.

Project Location

Hunts Point Terminal Produce Market
772 Edgewater Road
The Bronx, NY 10474

Background

The Hunts Point Food Distribution Center (the "FDC") is situated on 329 acres of land owned by the City of New York (the "City") under the jurisdiction of the Department of Small Business Services ("SBS") in the Hunts Point neighborhood of the Bronx. The FDC is the largest geographic hub for food distribution by volume into the City, distributing 4.5 billion pounds of food annually to approximately 22 million customers in the New York Metropolitan region. Twelve percent of all food distributed to the City comes through the FDC.

HPTPM is an intermodal wholesale produce distribution facility located within the FDC, on the northeast side of Food Center Drive, east of Halleck Street. Its 103-acre site is leased by the City to the Hunts Point Terminal Produce Cooperative ("Cooperative") through May 31, 2031. The lease ("Existing Lease") is administered on behalf of the City by the New York City Economic Development Corporation ("NYCEDC").

HPTPM distributes over 2.5 billion pounds of produce a year, sourced from farms in 49 states and transported to the market via trucks and rail. HPTPM is also a large provider of unionized jobs within the FDC. There are 2,000 employees at the Market; approximately 60% of the workforce are unionized and a majority are Bronx residents.

The existing HPTPM facility includes 800,000 square feet of Market facilities, consisting of four primary refrigerated warehouse structures, two adjunct warehouses, and various administrative and maintenance structures. Significant portions of the HPTPM site constitute common uses, such as parking, trailer storage, and train staging and storage.

HPTPM is operated under the Existing Lease by the Cooperative, a corporation wholly owned by the 30 subtenants (the "Co-op Members"). The Co-op Members at the Market utilize the site for the wholesale sale of produce. They take possession of large, palletized loads of produce and break these loads into small units for distribution to restaurants, supermarkets, bodegas and food markets.

Built in 1967, the existing Market facilities must be redeveloped to meet the Cooperative's current and future needs, and to significantly improve operational efficiency. The warehouse buildings should be upgraded to comply with newer Food and Drug Administration regulations. Further, the buildings do not have enough refrigerated warehouse capacity to keep pace with growing food demand. As a result, there are approximately 1,000 diesel-powered

Alyana Roxas, Asset Management
Judy Fensterman and Randi Cohen, Legal

refrigerated trailer units idling on site 24/7, operating as additional cold storage. Not only is this operationally inefficient and expensive, but it also creates negative environmental and health impacts on the Hunts Point community, which suffers from asthma at rates exceeding the average levels for both the Bronx and the entire City. Traffic conflicts between inbound and outbound trucks and rail, and a shortage of parking and queuing areas on site, further hinder the Market's operations and result in extensive traffic congestion and pervasive truck idling.

To help solve these issues, NYCEDC is seeking to redevelop the HPTPM for use by the Cooperative. NYCEDC is currently reviewing two schematic design options for the redevelopment. At present, both designs are conceptual and will continue to be refined in consultation with the Cooperative and via an additional food distribution analysis facilitated by NYCEDC that seeks to establish a unified and modern standard for best-in-class practices for wholesale food distribution facilities locally, nationally, and globally.

Rail plays a vital role in HPTPM operations, providing HPTPM wholesalers with access to an inexpensive and environmentally friendly transportation alternative for long-haul, cross country produce shipments.

During the facility design exercise, it was discovered that the users of the existing rail onsite are federally protected by the Surface Transportation Board ("STB"). The main user of concern is Bulkmatic Transport, which uses four rail lines to deliver grain and flour into HPTPM and stores a number of rail cars onsite. NYCEDC was informed that any changes to the rail lines in the redevelopment must be approved by the rail operator, CSX Transportation ("CSX"), to verify that their users' needs are fully considered. If NYCEDC fails to prove an in-kind replacement of Bulkmatic Transport's lines in the proposed rail design, CSX may bring this matter to STB to dispute the project.

To advance the entire redevelopment project, NYCEDC is seeking a rail expert to address the rail-related concerns in tandem with the design of the new HPTPM facility.

Services to be Provided

The objective of this study is to better understand the existing conditions at the current HPTPM and identify the improvements necessary to enhance the current and future freight rail capacity and service at the new HPTPM facility.

It is proposed that NYCEDC, through Hatch Associates Consultants, Inc. and its subcontractors, will provide the following services:

- A qualitative assessment of the existing rail activity and conditions at HPTPM. This assessment scope would include, but is not limited to, an assembly and review of all pertinent documents and materials related to rail activity at HPTPM, including materials related to recent rail projects, a description of typical rail activities, operations, volume of rail car activity, storage and staging requirements, and other information that describes current rail activity onsite. This scope would also include interviews with rail providers and receivers at HPTPM to determine current utilization of the rail system, future needs, and potential to expand rail usage to more Co-op Members.
- A recommendation of rail improvements to support the new HPTPM facility. This qualitative and quantitative assessment would include but is not limited to a review of the two schematic design options considering current and future Market needs, and a determination of how current rail activities can be preserved and enhanced for all rail users now and into the future in conjunction with the facility redevelopment criteria. Additionally, this assessment would include two site plan options indicating new rail design for the two facility schematic design options. These site plans will address the need for increased receiving, sorting and storage capacity of rail cars before their removal from the site, the relocation of existing rail infrastructure to address shortcomings including but not limited to the aforementioned traffic circulation issues and intermodal conflicts, and the requirement to retain rail lines for Federally-protected users onsite while permitting removal of lines that are unused and out of service. The new rail designs would be accompanied by, among other things, an estimated project schedule, a cost estimate, and an identification of all permitting and regulatory processes involved in implementing the new rail design.

Hunts Point Terminal Produce Market Rail Study

Timeline
The proposed services contract will require NYCEDC to provide services during fiscal year 2023.

Contract Value
Up to $110,707.20

Anticipated Contract Date
October 2022

Actions 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 described herein.

Exhibit I

Project Summary

This is a proposal to support the redevelopment of the Hunts Point Terminal Produce Market ("HPTPM" or the "Market"). HPTPM is an intermodal wholesale produce distribution facility that supplies 25% of New York City's produce. It is a critical element of New York City's food supply chain and economy, which was especially visible during the onset of the COVID-19 pandemic when the Market continued its operations to feed and employ New Yorkers when most businesses came to a halt. The existing Market facilities are aging and should be redeveloped to meet current and future operational needs. The redevelopment will also mitigate negative environmental impacts on the surrounding community, keep and grow the jobs at the Market, protect and strengthen our food supply chain on local, regional and national levels, and promote HPTPM business growth and more efficient land use. It is proposed that the Agency enter into a services agreement with New York City Economic Development Corporation ("NYCEDC") to retain a consultant to conduct the Hunts Point Market Analysis which is critical in implementing the redevelopment project, as described below.

Project Location

Hunts Point Terminal Produce Market
772 Edgewater Road
The Bronx, NY 10474

Background

The Hunts Point Food Distribution Center (the "FDC") is situated on 329 acres of land owned by the City of New York (the "City") under the jurisdiction of the Department of Small Business Services ("SBS") in the Hunts Point neighborhood of the Bronx. The FDC is the largest geographic hub for food distribution by volume into the City, distributing 4.5 billion pounds of food annually to approximately 22 million customers in the New York Metropolitan region. Twelve percent of all food distributed to the City comes through the FDC.

HPTPM is an intermodal wholesale produce distribution facility located within the FDC, on the northeast side of Food Center Drive, east of Halleck Street. Its 103-acre site is leased by the City to the Hunts Point Terminal Produce Cooperative ("Cooperative") through May 31, 2031. The lease ("Existing Lease") is administered on behalf of the City by the New York City Economic Development Corporation ("NYCEDC").

HPTPM distributes over 2.5 billion pounds of produce a year, sourced from farms in 49 states and transported to the market via trucks and rail. HPTPM is also a large provider of unionized jobs within the FDC.There are 2,000 employees at the Market; approximately 60% of the workforce are unionized and a majority are Bronx residents.

The existing HPTPM facility includes 800,000 square feet of Market facilities, consisting of four primary refrigerated warehouse structures, two adjunct warehouses, and various administrative and maintenance structures. Significant portions of the HPTPM site constitute common uses, such as parking, trailer storage, and train staging and storage.

HPTPM is operated under the Existing Lease by the Cooperative, a corporation wholly owned by the 30 subtenants (the "Co-op Members"). The Co-op Members at Market utilize the site for the wholesale sale of produce. They take possession of large, palletized loads of produce and break these loads into small units for distribution to restaurants, supermarkets, bodegas and food markets.

Built in 1967, the existing Market facilities must be redeveloped to meet the Cooperative's current and future needs, and to significantly improve operational efficiency. The warehouse buildings should be upgraded to comply with newer Food and Drug Administration regulations. Further, the buildings do not have enough refrigerated warehouse capacity to keep pace with growing food demand. As a result, there are approximately 1,000 diesel-powered refrigerated trailer units ("TRUs") idling on site 24/7, operating as additional cold storage. Not only is this operationally inefficient and expensive, but it also creates negative environmental and health impacts on the Hunts Point community, which suffers from asthma at rates exceeding the average levels for both the Bronx and the entire City. Traffic conflicts between inbound and outbound trucks and rail, and a shortage of parking and queuing areas on site further hinder the Market's operations and result in extensive traffic congestion and pervasive truck idling.

To help solve these issues, NYCEDC is seeking to redevelop the HPTPM for use by the Cooperative. As part of due diligence, NYCEDC independently engaged a consultant to conduct a study ("The 2019 Design Criteria") that identified a set of design criteria for the new facility based on HPTPM operations and on comparable produce markets.

NYCEDC released a Request for Expression of Interest ("RFEI") in August 2019 for an opportunity to develop a new HPTPM facility. The 2019 Design Criteria were included in the RFEI.

The RFEI listed the following goals for the new facility:

a) Protect and strengthen the local, regional, and national food supply chains
b) Keep and grow the 2,000+ jobs at HPTPM
c) Promote the highest standard of environmental sustainability and resiliency that is financially feasible on city-owned land in the neighborhood of Hunts Point, which is subjected to a disproportionate burden of environmental hazards relative to the rest of the Bronx
d) Promote HPTPM business growth and achieve more efficient land use by accommodating HPTPM's full current operations with room for future growth; and enhancing the competitiveness of HPTPM and increasing its market share
e) Create an archetype of 21st century urban food distribution in the City that is modern, resilient, and compliant with the Food and Drug Administration's Food Safety Modernization Act

NYCEDC reviewed the RFEI responses ("Schematic Designs") in partnership with the Cooperative. Since 2019, the Cooperative expressed a change in their requirements for the new facility as a result of a shift in their business needs during the COVID-19 pandemic, and NYCEDC engaged another consultant in Spring of 2022 to conduct another design exercise ("Additional Schematic Design") in partnership with the Cooperative.

Because the Schematic Designs and the Additional Schematic Design were completed at different times and were informed by different sets of operational needs, the proposals under review cannot be compared linearly to determine the best path forward for redevelopment.

To establish a unified and updated standard of best-in-class criteria for wholesale food distribution facilities, NYCEDC is seeking a food distribution expert to provide an analysis of the current and future state of wholesale food distribution. This will inform the standard by which NYCEDC will evaluate the specifications to determine the design of the new HPTPM facility.

Services to be Provided

It is proposed that NYCEDC, through HR&A Advisors, Inc. and its subcontractors, will provide the following services:

- A qualitative and quantitative assessment of "best in class" practices for wholesale food distribution locally, nationally, and globally. This assessment scope would include but is not limited to the built environment of comparable wholesale food distribution centers, operational programming, logistics management, inbound and outbound product flow and minimum/maximum inventory capacities, packaging processes, traffic circulation, etc. This assessment would contemplate current and future trends of wholesale food distribution as it may be affected by factors including but not limited to agricultural, environmental, technological, economic, and policy considerations, etc.
- Two economic models. The first model will estimate the projected revenue and expenses over the next ten years of a wholesale produce distribution facility comparable in size to the current HPTPM. The

second model will estimate the projected revenue and expenses over the next 20-50 years of a wholesale produce distribution facility comparable in size to a potential redeveloped HPTPM. Both models will consider best in class practices, and agricultural, environmental, technological, economic and policy considerations that may affect the wholesale food distribution industry.

Timeline

The proposed services contract will require NYCEDC to provide services during fiscal year 2023.

Contract Value

Up to $200,000

Anticipated Contract Date

October 2022

Actions 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 described herein.

Exhibit J

Project Summary

It is proposed that the Agency enter into a services agreement with New York City Economic Development Corporation ("NYCEDC") to retain a firm (the "Technical Consultant") and a separate community engagement firm (the "Engagement Consultant") to support a community visioning process that will help guide future redevelopment of the Kingsbridge Armory (the "Project").

Location

1 West Kingsbridge Road, the Bronx, NY

Background

History

The Kingsbridge Armory (the "Armory") is located at 1 West Kingsbridge Road in Kingsbridge Heights. The Armory is a City-owned landmarked building built between 1912 and 1917. The Armory, officially the former home of the 258th Field Artillery (Eighth Regiment), is a noted example of military architecture. Reputedly the largest (former) armory in the world, it gives the appearance of a medieval Romanesque-style fortress with its massive towers and crenellated parapets.

The building occupies an approximately 200,000 square foot footprint and has almost 600,000 gross square feet of space. The main drill hall at the center of the Armory measures approximately 300 by 600 feet and is spanned freely by an arched roof framing that rises approximately 110 feet above the drill hall floor. Beneath the drill hall floor, a basement level and a cellar level formerly housed offices, a garage, a gymnasium, rifle and pistol ranges, and other military functions. The drill hall is flanked to the south by a two-story head house with windows, a single basement floor and four towers.

Over the course of the 20th century, the Armory's drill hall hosted numerous public events, particularly in the early 1950s before the completion of the Coliseum at Columbus Circle. These events included radio broadcasts; bicycle races, track and tennis events; auto, boat, flower and dog shows; and stockholder meetings. In the early 1980s, the Armory was also used as a shelter for the homeless. As part of a nationwide program of military cutbacks, the Eighth Regiment departed the Armory in 1994, the City of New York took control of the Armory in 1996, and it has been vacant since that date.

Previous Development Attempts

During the 1990s, a plan was developed to utilize the building for a retail and sports complex, but this effort never moved past the planning stage. In 2006, NYCEDC released a Request for Proposals ("RFP") and selected The Related Companies ("Related") to redevelop the Armory. Related's proposed program included an approximately 600,000 gross square foot retail shopping center with community uses included within the drill hall and approximately 400 parking spaces. The Related proposal certified into ULURP in 2009 but was voted down by the New York City Council. In 2012, NYCEDC released a second RFP and selected the Kingsbridge National Ice Center ("KNIC") as the developer. The KNIC proposal called for converting the Armory into an ice center, including nine ice rinks, parking, ancillary retail, and community facility space. The City Council approved the required ULURP actions in December 2013, and the project closed into escrow in October 2014. KNIC was unable to meet their deadline for securing financing, and as a result the project was unable to proceed.

Current Effort

Local elected officials recently asked NYCEDC to lead a community engagement effort to define a vision for the future redevelopment of the Armory. To support that effort, NYCEDC has engaged WXY, a multi-disciplinary urban design firm, as the Technical Consultant. WXY and their subconsultant team has a broad range of experience with similar tasks and experience working on Armories. Their experience also includes supporting similar engagement processes.

Nate Gray, Haya Rizvi, Neighborhood Strategies
Meah Clay, Legal

WXY was selected through a competitive process using the EDC Neighborhood Strategy Department's retainers. WXY will complete four tasks:

1. complete a building conditions assessment,
2. support ongoing community engagement,
3. prepare an adaptive reuse report, and
4. write a final vision document.

The building condition assessment task will culminate in a report with recommended improvements to address any life and safety hazards, to maintain the Armory in a state of good repair for the next five to ten years, and to make improvements that would allow the public to access the building. The adaptive reuse report will analyze reuse scenarios for the Armory, including test fits and concept drawings. This report will provide NYCEDC with the feasibility of various development options, as well as an understanding of the potential capital costs. The final vision document will be a public document, published in both English and Spanish, summarizing the engagement process, goals, principles, and vision for the future redevelopment of the Armory. It is expected that NYCEDC will release an RFP to select a developer who will be responsible for redeveloping the Armory into a future use or uses, and the final vision document will be included in that future RFP.

In addition to the Technical Consultant, NYCEDC has hired Hester Street as the Engagement Consultant because of their experience leading similar efforts and their work in similar communities. They were selected through a competitive RFP, one that was sent to a targeted list of non-profit and MWBE engagement firms. Hester Street will develop and carry out a robust, inclusive, and transparent community engagement process that will culminate in the final vision document. Hester Street will develop an overall engagement strategy, manage the relationship with a community working group, plan and facilitate public engagement sessions, lead and facilitate community tours, work with the Technical Consultant, produce content for a Project website and social media, and prepare a final document that compiles the recommendations from the engagement process. WXY will support Hester Street's community engagement efforts.

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.

Services to be Provided

The Technical Consultant will provide the following services as part of the Project:

- Review existing building conditions information and prepare a list of recommended improvements.
- Support a six-month community engagement process led by the Engagement Consultant.
- Conduct an Adaptive Reuse Study that illustrates a series of redevelopment options.
- Prepare a vision document for the future of the Kingsbridge Armory.

The Engagement Consultant will provide the following services as part of the Project:

- Refine and write an overall engagement strategy.
- Prepare engagement materials.
- Facilitation, logistics, and stakeholder engagement.
- Support preparation of the vision document.

Contract Value

The total contract value will be up to $770,000. Of that amount, up to $650,000 will be for the Technical Consultant to complete the scope of services and up to $100,000 will be for the Engagement Consultant to complete their scope of services. An additional $20,000 will be for EDC's Marketing Department to supplement the Engagement Consultant's outreach efforts through a variety of methods.

Anticipated Contract Date

The services to be provided to the Agency by NYCEDC, through NYCEDC's subcontracts with the Technical Consultant and the Engagement Consultant, will be performed in fiscal year 2023.