

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
NOVEMBER 8, 2023

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

Andrew Kimball (Chairperson)
Ellen Baer
Nate Bliss, alternate for Maria Torres-Springer,
Deputy Mayor for Housing, Economic Development and Workforce
Francesco Brindisi, alternate for Brad Lander
Comptroller of The City of New York
HeeWon Brindle-Khym
Felix A. Ciampa
Richard W. Eaddy
Adam Friedman
Venetia Lannon
Janet Mejia-Peguero
Douglas Rose, alternate for Dan Garodnick,
Chair of the City Planning Commission of The City of New York
Shanel Thomas
Betty Woo, alternate for Hon. Sylvia Hinds-Radix,
Corporation Counsel of The City of New York

The following directors and alternates were not present:

Randolph Peers
James Prendamano

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

Mr. Kimball stated that he would like to introduce and welcome the Agency's four newest board members Richard Eaddy, Ellen Baer, Felix A. Ciampa and Venetia Lannon, who are all here with us today and that their bios are included in the Board materials packet. Mr. Kimball stated that these are four extraordinary individuals with long track records of civic life and understanding of economic development in New York City. Mr. Kimball stated that he and Agency staff are thrilled to have them join us today. Mr. Kimball stated that while there is at least one highly debated item on the agenda this morning he would like to reiterate New York City IDA's rules for a respectful and ultimately productive board meeting. Mr. Kimball stated that the Agency values input and active participation and ideas processes, which is why we have systems in place to collect feedback from matters that this Board votes on. Mr. Kimball stated that the Agency has hosted public hearings for all projects and distributed all written comments received by Agency staff to all board members. Mr. Kimball stated that it's important that these processes are adhered to so that our Board meetings are productive, while also providing a framework for constructive dialogue in the face of different viewpoints. Mr. Kimball stated that this meeting is open to the public, but this meeting does not include a public commentary period which occurred up to today's meeting.

1. Adoption of the Minutes of the September 19, 2023 Board Meeting

Mr. Kimball asked if there were any comments or questions relating to the minutes of the September 19, 2023 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 September 30, 2023 (Unaudited)

Carol Ann Butler, an Assistant Vice President for NYCEDC, presented the Agency's Financial Statements for the three-month period ending September 30, 2023 (Unaudited). Ms. Butler reported that for the three-month period the Agency recognized revenues from project finance fees from two transactions totaling \$2.4 million. In addition, revenues derived from compliance, application, termination and recapture fees amounted to \$395,000. Ms. Butler also reported that \$1.1 million was recognized in operating expenses, largely consisting of the monthly management fee, were recorded for the Agency for the three-month period that ended on September 30, 2023 (Unaudited). Ms. Butler stated that lastly, the Agency recognized approximately \$45,000 in special project costs largely consisting of the circular construction design guidelines project costs.

3. Appointment of Ellen Baer as a Member of the Finance Committee and designated as Chairperson of the Agency

Mr. Kimball presented for review and adoption a resolution to appoint Ellen Baer as a member of the Finance Committee and to designate her as Chairperson of the Agency. A motion was made to adopt the resolution. The motion was seconded and unanimously approved.

4. Appointment of Richard Eaddy as a Member of the Finance Committee

Mr. Kimball presented for review and adoption a resolution to appoint Richard Eaddy as a member to the Finance Committee. A motion was made to adopt the resolution. The motion was seconded and unanimously approved.

5. 302 Meat Corp.

Joseph Taecker-Wyss, an Associate for NYCEDC, presented for review and adoption an inducement and authorizing resolution for FRESH program transaction for the benefit of 302 Meat Corp., recommended the Board adopt a negative SEQRA determination that the project would not have a significant adverse effect on the environment and adopt a finding that the project is a retail project located in a “highly distressed area” as defined in Section 854(18) of the IDA Act that will result in increasing the overall number of permanent, private sector jobs in New York State (the “IDA Findings Statement”). Mr. Taecker-Wyss described the project and its benefits, as reflected in Exhibit A.

At this point Ms. Thomas joined the quorum.

Mr. Kimball stated that he would like to note that Jennifer Hamden, the owner of 302 Meat Corp. is in the audience today and to recognize the application process for FRESH benefits is long and arduous so he and Agency staff would like to thank her for this commitment to bring this project to life. Mr. Kimball stated that he would also like to recognize this project received many letters of support as well as letters of opposition as Mr. Taecker-Wyss noted. Mr. Kimball stated that he would like to thank all the public commenters for the vigorous debate about how FRESH benefits are distributed and that he acknowledges Board members took the time to review the public comments very seriously. Mr. Kimball stated that he would like to remind everyone of two important items. Mr. Kimball stated that first, much of the opposition of this project seems to be focused on the concern that is not addressing a “food desert.” Mr. Kimball stated that that he wants to be clear that the IDA FRESH program does not require that a project be located in a “food desert” and that the location eligibility required to distress census tracts is serving the primary goal of expanding options for underserved communities. Mr. Kimball stated that, second, this application meets all of the eligibility requirements for the program and that the IDA Board has never rejected a project that met all the eligibility, requirement and program goals so my belief is the City and the Agency should be doing everything they can to support small businesses, especially those that provide real community benefits who are making investments in their community and activating vacant buildings, particularly as the City continues to recover from the COVID-19 pandemic and deal with this high environment. Mr. Kimball stated he would now like to open the discussion to other board members for any comments.

Ms. Mejia-Peguero thanked Mr. Kimball for the opportunity to speak. Ms. Mejia-

Peguero stated that she strongly stands in support of 302 meet Corp.'s FRESH application which, as highlighted, is a minority and women-owned business that will activate a vacant storefront that has been dormant for 5 years. Ms. Mejia-Peguero stated that this is exactly what the FRESH program was designed for and intended to do which is to support the growth of small businesses and offer a diversity of options for fresh food and produce. Ms. Mejia-Peguero stated that on merits the applicant meets all eligibility requirements which serve herself and her fellow Board members as guiding principles when it comes to approving applications. Ms. Mejia-Peguero stated that the application process is extensive, delicate, and thorough to ensure fairness and point-blank eligibility. Ms. Mejia-Peguero stated that the applicant before the Board today represents a woman and a minority-owned business, which is an incredibly rare, and the first application of its kind, for the FRESH program. Ms. Mejia-Peguero stated that this application encourages many others to apply to the FRESH program as well and increases the number of minority and women-owned businesses that will come before the Board in the future. Ms. Mejia-Peguero stated that the Board prides itself in advocating for equity and inclusion. Ms. Mejia-Peguero stated that these are the applicants that she would like to continue to support and that approving this application will activate retail, support the development and growth of our "mom-and-pop" shops that are so desperately in need of the Board's support today more than ever. Ms. Mejia-Peguero thanked the Board and Agency staff for their time.

Mr. Friedman stated that he will be voting "no" and he would like to explain why. Mr. Friedman stated that this was an incredibly hard decision. Mr. Friedman stated that the map and project location was essential in making his decision and will refer to it momentarily. Mr. Friedman stated that when making hard decisions in these situations one must play the hand they are dealt and that he would like to point out that Ms. Marcus Falda, Mr. Schumer and the rest of Agency staff did a great job. Mr. Friedman stated that this was a really difficult decision for him because Agency staff addressed many of his concerns and reasons for supporting this project. Mr. Friedman stated that the fact that the applicant is a MWBE business is very important. Mr. Friedman stated that he had raised the issue about the workforce and in response Agency Staff enlisted Canva to help provide referrals and work with the applicant. Mr. Friedman stated that he had raised the energy concern and in response Agency staff addressed that issue as well where outreach was difficult. Mr. Friedman stated that another issue was the competitive advantage of this store versus other stores in the neighborhood. Mr. Friedman pointed to the yellow highlighted area on the map wherein there are two black dots which are both incredibly vibrant, fresh food markets nearby and so the question is: do these two other supermarkets have the same opportunities under this program as the applicant? Mr. Friedman stated that this also came up in the case of Foodtown which is eligible for the FRESH program, but made its renovation several years ago and did not apply to the FRESH program which is an outreach issue and requires knowledge and awareness of the FRESH program which the Board discussed. Mr. Friedman stated that with respect to outreach he hopes to be work with Agency staff in the future and suggested Agency staff connect with members of the American Merchants Association which represents a very large percentage of the grocery stores and food markets in the City as well as the Business Improvement District Association so with that in mind there is a pathway for improvement. Mr. Friedman stated that if such outreach

was made then he would have been willing to vote in favor of the project. Mr. Friedman stated that over the weekend he made the mistake of going out to the project location and found it to be a very vibrant commercial strip. Mr. Friedman stated that there was some debate early on about the boundaries of this area but referring back to those 2 black dots are very vibrant fresh produce stores. Mr. Friedman stated that referring to the black dot on the left forms a kind of triangle and the adjoining block next to it is closed. Mr. Friedman stated that there's been a lot of place making activity and that there's a clear synergy with that food store and doing anything to undermine their operations or their revenue would really be detrimental to the community. Mr. Friedman stated that you can see by the proximity of the applicant to those other 2 stores on the map and within the yellow area how close they are to one another. Mr. Friedman stated that he does not think creating another food store is going to have such a marginal benefit to the community in terms of food access because there is plenty of fresh produce already there. Mr. Friedman stated that this information was a real challenge for him in forming an opinion and that it is a flaw of the program and not this particular applicant. Mr. Friedman stated that when the boundaries were set and the criteria was researched and the data was collected, the existing specialty food stores in the neighborhood weren't taken into account. Mr. Friedman stated that for these reasons he will be voting "no" but that he looks forward to working with Agency staff to finish the job and get as much outreach as possible in order to get more companies into the FRESH program. Mr. Friedman thanked the Board and Agency staff for their time.

Ms. Mejia-Peguero stated that he would like to quickly make the comment that in terms of outreach Ms. Marcus Falda, Mr. Schumer and Agency staff have been amazing thus far. Ms. Mejia-Peguero welcomed them to a "big Me" Board meeting and that they are set to present in front of the National Supermarket Association so to Mr. Friedman's point Agency staff have been doing an amazing job identifying organizations, grassroot organizations and community-based organizations to present to. Ms. Mejia-Peguero stated that she would like to commend Agency staff on outreach. Mr. Friedman agreed that Agency staff have done a great job in terms of outreach.

Mr. Brindisi stated that Agency staff have always been amazing and that everything Mr. Friedman said he subscribes to as well. Mr. Brindisi stated that DCP and EDC and the Comptroller's office started the review of the program and it seems to me that it's called "FRESH," but it is an eligibility that does not rely on its policy intent explicitly but it relies on a proxy so for that reason I'm going to join the Brooklyn Borough President's vote.

Ms. Brindle-Khym stated that like many of the Board members here today she was also challenged with this proposal. Ms. Brindle-Khym stated that she spoke many times with Ms. Marcus Falda about this project. Ms. Brindle-Khym stated that she recognizes that the applicant may fulfill the requirement eligibility for FRESH but that she feels the project does not meet the spirit of the program as a requirement so she will be voting no. Ms. Brindle-Khym stated that, in particular, one of the components of the program is to support small businesses, but there have been many letters of opposition from small businesses in which they would be competing against. Ms. Brindle-Khym stated that the other component that I would support is

that it brings in new jobs but it is her understanding that currently it is a commitment to the certain number of purported full-time and part-time jobs. Ms. Brindle-Khym stated that there are no claw back provisions to this and, so for a number of reasons, including hurting a business and particularly the organized workers at Foodtown that have been supporting the community for years and especially during the COVID-19 pandemic by donating food and giving back to frontline workers, she will be voting “no” for this proposal.

Mr. Eaddy stated that he appreciates the comments from his fellow Board members and that he feels very strongly that this project deserves the Board’s support. Mr. Eaddy stated that the project meets the criteria for the FRESH program and that the building at the project location has been sitting vacant for 5 years. Mr. Eaddy stated that the project will add new jobs and create additional vitality to the street that it is located on. Mr. Eaddy stated that oftentimes more supply creates more demand and competition is not necessarily a bad thing. Mr. Eaddy stated that it's quite possible that all of these supermarkets can thrive in this community and serve the community. Mr. Eaddy stated that for all these reasons he strongly supports this application.

Mr. Bliss stated that from the Mayor’s administration's perspective they are unambiguous supporters of the FRESH program and the great impact it has had around the City. Mr. Bliss stated that he commends Agency staff for the impact that this program has had across the 5 boroughs. Mr. Bliss stated asked if Agency staff could elaborate on the issue that there has some discussion about an unfair advantage from a real estate tax perspective that this site might enjoy relative to some of the competitor stores.

Mr. Taecker-Wyss stated that Mr. Bliss brings up a good point in that the existing property taxes at 3 Church Avenue are disproportionately high for the area. Mr. Taecker-Wyss stated that the nearest supermarket has roughly the same taxes despite being twice the size and runs through to Church Avenue. Mr. Taecker-Wyss stated that additionally the taxes associated with the supermarkets located at 430 Church Avenue and 302 Church Avenue are very high on a per square foot basis relative to other retailers in the neighborhood and so an added benefit and reason to support this project is that it will stabilize the existing taxes, so they don't further increase after the capital investment is made.

Mr. Bliss stated thanked Mr. Taecker-Wyss for that information and that the Mayor’s Administration's perspective is that they are in support of this application and would encourage Board members to contribute to the debate here which is robust and healthy but that he also encourages his fellow board members to vote “yes”. Mr. Bliss stated that this is an opportunity not only to serve this community of Kensington in Brooklyn, but also to support a small business, a minority-owned business and a woman-owned business. Mr. Bliss stated that, particularly in in these turbulent times, Board members should be availing themselves of all opportunities and to support business growth. Mr. Bliss stated that he will be voting “yes” and encourages a “yes” vote from his fellow Board members.

There being no further comments or questions, a motion to approve the inducement

and authorizing resolution, the SEQRA determination and the IDA Findings Statement attached hereto as Exhibit B for the benefit of 302 Meat Corp. was made, seconded and approved with Mr. Friedman, Ms. Brindle-Khym and Mr. Brindisi voting in opposition.

6. VM 4401 LLC

Sophie King, a Senior Associate for NYCEDC, presented for review and adoption an inducement and authorizing resolution for an Industrial Program transaction for the benefit of VM 4401 LLC and recommended the Board adopt a negative SEQRA determination that the project would not have a significant adverse effect on the environment. Ms. King described the project and its benefits, as reflected in Exhibit C.

Mr. Rose stated that he is supportive of the project and commended the applicant on a really great adaptive reuse project while preserving the history and the architecture of this building while making it available for creative light manufacturing fashion. Mr. Rose stated that this is exactly the type of project that he would like to see more of and congratulated the developer for getting this far.

There being no further comments or questions, a motion to approve the inducement and authorizing resolution and the SEQRA determination attached hereto as Exhibit D for the benefit of VM 4401 LLC, respectively, was made, seconded and unanimously approved.

Noah Schumer, Deputy Executive Director of the Agency and an Assistant Vice President for NYCEDC, stated that Agency Staff is organizing briefings on market trends and the type of projects that include rolling battery storage briefing will be on Monday December 4th, 2023. Mr. Schumer stated that Agency staff are also exploring dates following the holidays for the half-day board member retreat where board members and Agency staff can discuss the mission for the IDA and the Build NYC Resource Corporation which is expected to take place in February or March.

7. Adjournment

There being no further business to come before the Board of Directors at the meeting, pursuant to a motion made, seconded and unanimously approved, the meeting of the Board of Directors was adjourned at 9:34 a.m.

A handwritten signature in black ink, appearing to read "Arthur Hauser", written over a horizontal line.

Assistant Secretary

Dated: 1/23/24

New York, New York

Exhibit A

Project Summary

302 Meat Corp., a New York corporation, is a supermarket operator (the "Company"). The Company is seeking financial assistance in connection with the renovation, furnishing and/or equipping of a one-story 7,043 square foot building located on a 7,199 square foot parcel of land located at 302 Church Avenue, Brooklyn, New York (the "Facility"). The Facility is owned by 302-306 Church Realty Corp. and will be leased to and operated by the Company as a full-service supermarket under the Met Fresh banner (the "Project").

Project Location

302 Church Avenue
 Brooklyn, NY 11218

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.
- Adopt a finding that the Project, a retail project located in a "highly distressed area" as defined in Section 854(18) of the IDA Act, will result in increasing the overall number of permanent, private sector jobs in New York State

Anticipated Closing

December 2023

Impact Summary

Employment	
Jobs at Application:	0
Jobs to be Created at Project Location (Year 3):	39.0
Total Jobs (full-time equivalents):	39.0
Projected Average Hourly Wage (excluding principals):	\$17.13
Highest/Lowest Hourly Wage:	\$20.00/\$15.00
Construction Jobs to be Created (full-time equivalents)	7.0

Estimated City Tax Revenues	
Impact of Operations (NPV 20 years at 6.25%)	\$2,656,265
One-Time Impact of Renovation	\$109,339
Total impact of operations and renovation	\$2,765,604
Additional benefit from jobs to be created	\$3,256,952

Estimated Cost of Benefits Requested: New York City	
Building Tax Exemption (NPV, 25 years)	\$881,343
Land Tax Abatement (NPV, 25 years)	\$587,470
Sales Tax Exemption	\$64,904
Agency Financing Fee	-\$16,250
Total Value of Benefits provided by Agency	\$1,517,467
Available As-of-Right Benefits (ICAP)	\$152,685
Agency Benefits In Excess of As-of-Right Benefits	\$1,364,782

302 Meat Corp.

Costs of Benefits Per Job	
Estimated Total Cost of Benefits per Job	\$34,994
Estimated City Tax Revenue per Job	\$154,425

Estimated Cost of Benefits Requested: New York State	
Sales Tax Exemption	\$63,101
Total Cost to NYS	\$63,101

Sources and Uses

Sources	Total Amount	Percent of Total Financing
Loan	\$1,700,000	89%
Equity	\$200,000	11%
Total	\$1,900,000	100%

Uses	Total Amount	Percent of Total Costs
Construction Hard Costs	\$606,500	32%
Construction Soft Costs	\$60,000	3%
Furnishings, Fixtures & Equipment and Machinery	\$1,156,000	61%
Security Deposit for Lease	\$62,500	3%
Closing Fees	\$15,000	1%
Total	\$1,900,000	100%

Fees

	Paid At Closing	On-Going Fees (NPV, 25 Years)
Agency Fee	\$16,250	
Project Counsel	\$25,000	
Annual Agency Fee	\$750	\$9,364
Total	\$42,000	\$9,364
Total Fees	\$51,364	

Financing and Benefits Summary

The total cost of the Project is approximately \$1,900,000. It is anticipated that the Project will be financed with \$200,000 in equity from a Company principal's personal finances and with \$1,700,000 in a loan from Associated Supermarket Group (the "Project Loan"). The Project Loan will bear interest at a rate equal to the greater of either 8.5% or the Prime Rate, as published in the New York City edition of the Wall Street Journal, plus 1%. The current indicative rate is 9.5% as of 10/27/2023. The debt service coverage ratio is expected to be 1.22x. 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.

Company Performance and Projections

Jeneen Hamdan, the owner of the Company, and Omar Hamdan, who is the guarantor for the Project Loan, have a strong track record of owning and operating supermarkets located in New York City. Mr. Hamdan owns two supermarkets in Brooklyn and one supermarket in Staten Island. Ms. Hamdan is the General Manager at one of Mr.

302 Meat Corp.

Hamdan's supermarkets, Kisma Corp. in Bay Ridge, Brooklyn. Mr. Hamdan owns another supermarket in Bay Ridge that is operated under the Met Fresh banner. The Company will also be operated under the Met Fresh banner. Mr. Hamdan owns a third supermarket in Concord, Staten Island under the C-Town banner. The Company projects year-over-year growth, with an annual growth rate of 5%, and maintenance of an approximate 26% gross profit margin within the first three years.

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. Without the proposed financial assistance from the Agency, the Company cannot renovate, furnish, and/or equip the Facility due to the high barriers to open new supermarkets that have been exacerbated by the effects of rising costs, supply-chain, and employment-related issues.

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 \$1,900,000 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 supermarket operator founded for the purpose of supporting the Kensington neighborhood in Brooklyn under the Met Fresh banner.

Jeneen Hamdan, Owner

Ms. Hamdan started her career by working in her family's supermarket business, learning how to manage and operate grocery businesses. Her now retired father owned two supermarkets in New York City, and Ms. Hamdan helped operate both. Most recently, she worked as an Assistant Manager in a Key Food store in Coney Island, and for the last 9 years, she has been the General Manager of a supermarket in Bay Ridge that is owned by her husband, Omar Hamdan, where she runs the store's day-to-day operations. Ms. Hamdan will rely on her 20 years of supermarket experience to successfully own and operate the Project.

Employee Benefits

Employees will receive healthcare and paid vacation.

Recapture

Pursuant to UTEP, all benefits are 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.

302 Meat Corp.

Due Diligence

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

Compliance Check:	Not Applicable
Living Wage:	Exempt
Paid Sick Leave:	Compliant
Affordable Care Act:	Not Applicable
Bank Account:	JP Morgan Chase
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 McDonald, Esq. Mund & McDonald PLLC 55 Cherry Land, Suite 101 Carle Place, NY 11514
Accountant:	Jason J. Weindorf Weindorf & Company CPAs LLP 6080 Jericho Turnpike, Suite 306 Commack, NY 11725
Community Board:	Brooklyn Community Board 12

Exhibit B

302 MEAT CORP.
302-306 Church Avenue
Brooklyn, New York 11218

February 21, 2023

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 302-306 Church Avenue, Brooklyn, NY

Dear Mr. Schumer:

302 MEAT CORP. ("302 MEAT") is a minority and woman owned venture, which is wholly owned by Jeneen Hamdan. Mrs. Hamdan and her family have a long track record of operating successful supermarkets in the City of New York. With her experience and the support of her family, Mrs. Hamdan has the expertise successfully to develop the project, and to open and operate a quality and affordable supermarket in this under-served and diverse Brooklyn community.

302 MEAT intends on developing a full-service supermarket in the free-standing former Walgreens at 302-306 Church Avenue, Brooklyn, New York. The property, which was once the home to a supermarket, will be restored to its former use as a supermarket. With its location on Church Avenue (a strong retail corridor) and its many transportation options, 302 MEAT intends on providing the sustainable and healthy food choices so greatly needed by this under-served Brooklyn community.

302 MEAT will operate as a Met Fresh supermarket and offer a variety of fresh fruit and vegetables (including a large selection of organic produce), meat and a full line product mix at affordable prices. To ensure that it meets the needs of the lower-income portion of the community, 302 MEAT will participate in both SNAP and WIC programs, and the Healthfirst OTC Plus and OTC programs. GCR will also offer a rewards program for all of its customers, as well as daily senior citizen discounts. The store will also offer phone orders and free delivery, which are particularly helpful to senior customers.

In addition to providing the healthy food options, 302 MEAT will provide quality employment opportunities to local residents. These opportunities include competitive compensation and job training and mentoring. 302 MEAT 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 Kensington and surrounding areas of Brooklyn.

302 MEAT CORP. expects to complete its build-out and open the supermarket by January 2024.

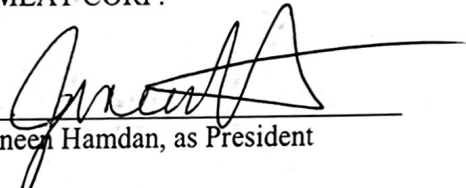
The development budget for the supermarket is approximately \$1,900,000. The normally high costs in developing a supermarket in New York City have been exacerbated by the effects of the ongoing pandemic and its supply-chain and employment-related issues. With these high costs and challenges, FRESH benefits are an essential component and necessity for the success of the project, and are fundamental to my ability to run a successful supermarket in this dark, former Rite Aid.

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

Sincerely,

302 MEAT CORP.

By:


Jeneen Hamdan, as President

Resolution inducing the financing of a Food Retail Expansion to Support Health Program facility for 302 Meat Corp. as a Straight-Lease Transaction and authorizing and approving the execution and delivery of agreements in connection therewith

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

WHEREAS, 302 Meat Corp., a New York corporation (the “Applicant”), has entered into negotiations with officials of the Agency for the renovation, furnishing and/or equipping of a commercial facility (the “Facility”), consisting of a one-story 7,043 square foot building located on an approximate 7,199 square foot parcel of land located at 302 Church Avenue, Brooklyn, New York 11218, which Facility has been leased to the Applicant by 302-306 Church Realty Corp., all for the use by the Applicant in its operations as full-service supermarket, for sublease to the Agency by the Applicant, and subsequent sub-sublease by the Agency to the Applicant in whole, and having an approximate total project cost of approximately \$1,900,000 (the “Project”); and

WHEREAS, the Applicant has submitted a Project Application (the “Application”) to the Agency to initiate the accomplishment of the above; and

WHEREAS, the Application sets forth certain information with respect to the Applicant and the Project, including the following: that the Applicant is currently located in Brooklyn, New York, and employs approximately zero (0) full time equivalent employees within The City of New York (the “City”); that the Project will meet all requirements of the City’s Food Retail Expansion to Support Health Program (“FRESH”); that the Applicant’s operations will be located in the City; that the Applicant expects to employ approximately thirty-nine (39) 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 establish 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 establish its operations in the City; and

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

WHEREAS, in order to finance a portion of the costs of the Project, Associated Supermarket Group or another lender as may be approved by a certificate of determination of an

Agency officer (the “Lender”) has agreed to enter into a loan arrangement with the Applicant pursuant to which the Lender will lend up to \$1,700,000 to the Applicant; 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 to 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” (as defined in Section 854(18) of the Act) because it is located in Census Tract 488 in Brooklyn, which is contiguous to Census Tract 486 which is a highly distressed area because (i) the poverty rate calculated from the most recent census data (American Community Survey 2017-2021 5-Year Estimate) for Census Tract 486 indicates that for the year to which the census data relates approximately 20.1% of the population was living below the poverty level, which is greater than the highly distressed area threshold of 20%; and (ii) the unemployment rate in Census Tract 486 for the year to which the census data relates was approximately 10.3%, which greater than 1.25 times the statewide unemployment rate of 5.5%;

(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;

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 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 that Agency financial assistance and related benefits in the form of a straight-lease transaction between the Agency and the Applicant are necessary to induce the Applicant to establish its operations in the City; and

WHEREAS, in order to provide financial assistance to the Applicant for the Project, the Agency intends to grant the Applicant financial assistance through a straight-lease transaction in the form of real property tax abatements 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;

(c) the Project is located in a “highly distressed area” (as defined in Section 854(18) of the Act); and

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

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 302-306 Church Realty Corp. subleasing the Facility to the Agency, an Agency Lease Agreement from the Agency sub-subleasing the Facility to the Applicant (the “Lease Agreement”), a Sales Tax Letter from the Agency to the Applicant, and the acceptance of a Guaranty Agreement from the Applicant and 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 Chairman, Vice Chairman, Executive Director, Deputy Executive Director and General Counsel of the Agency are each hereby authorized to execute, acknowledge and deliver each such Agency Document. The execution and delivery of each such agreement by one of said officers shall be conclusive evidence of due authorization and approval.

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

Section 6. All covenants, stipulations, obligations and agreements of the Agency contained in this Resolution and contained in the Agency Documents shall be deemed to

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

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

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

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

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

Section 10. The Agency, as lead agency, is issuing this determination pursuant to the State Environmental Quality Review Act ("SEQRA") (Article 8 of the Environmental Conservation Law) and implementing regulations contained in 6 N.Y.C.R.R. Part 617. This determination is based upon the Agency's review of information provided by the Applicant and

such other information as the Agency has deemed necessary and appropriate to make this determination.

The Agency has determined that the proposed action is a Type II action, pursuant to 6 N.Y.C.R.R. Part 617.5(c)(29), because the proposed action constitutes “investments by or on behalf of agencies or pension or retirement systems, or refinancing existing debt...”, which would not result in adverse environmental impacts requiring the preparation of an Environmental Impact Statement.

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

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

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

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

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

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

Section 12. In connection with the Project, the Agency intends to grant the Applicant real property tax abatements, and sales and use tax exemptions in an amount not to exceed \$128,005.

Section 13. This Resolution shall take effect immediately

ADOPTED: November ___, 2023

Accepted: _____, 2023

302 MEAT CORP.

By: _____

Name:

Title:

Exhibit C

Project Summary

VM 4401 LLC is a New York limited liability company (the “Company”), the members of which are affiliates of The VOREA Group, LLC (“VOREA”) and Mega Group Development LLC (“Mega”), both real estate development and construction management companies, and Coren Capital LLC (“Coren”), a passive investor (together, the “Sponsors”). The Company is seeking financial assistance in connection with the renovation and equipping of an existing 45,000 square foot, four-story industrial building (including a 9,000 square foot basement) located on a 9,000 square foot parcel of land at 44-01 11th Street, Long Island City, New York 11101 (the “Facility”). The Facility is owned by Metropolitan LIC LLC and has been leased to the Company. The Company intends to sublease the Facility to various subtenants for manufacturing, light industrial, and ancillary office uses, including makers, small scale production, artists’ lofts, tech incubators, fashion ateliers, and other small studio users (the “Project”).

Project Location

44-01 11th Street
Long Island City, New York 11101

Actions Requested

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

Anticipated Closing

Q1 2024

Impact Summary

Employment	
Jobs at Application (Applicant Jobs):	0.5
Tenant Jobs to be Created at Project Location (Year 3):	*36
Total Permanent Jobs (full-time equivalents):	36.5
Projected Average Hourly Wage (excluding principals):	*\$34.00
<i>* Estimate based on industry statistics for anticipated tenants</i>	
Construction Jobs to be Created (full-time equivalents):	37

Estimated City Tax Revenues	
Impact of Operations (NPV 25 years at 6.25%)	\$5,433,311
One-Time Impact of Renovation	\$489,987
Total impact of operations and renovation	\$5,923,298
Additional benefit from jobs to be created	\$5,998,760

VM 4401 LLC

Estimated Cost of Benefits Requested: New York City	
Building Tax Exemption (NPV, 25 years at 6.25%)	\$2,939,089
Land Tax Abatement (NPV, 25 years at 6.25%)	\$367,169
MRT Benefit	\$120,952
Sales Tax Exemption	\$241,481
Agency Financing Fee	(\$141,516)
Total Value of Benefits provided by Agency	\$3,527,175
Available As-of-Right Benefits (ICAP)	\$1,428,164
Agency Benefits in Excess of As-of-Right Benefits	\$2,099,011

Costs of Benefits Per Job	
Estimated Total Cost of Net City Benefits per Job in Year 3	\$57,507
Estimated City Tax Revenue per Job in Year 3	\$326,632

Estimated Cost of Benefits Requested: New York State	
MRT Benefit	\$65,128
Sales Tax Exemption	\$234,774
Total Cost to NYS	\$299,902

Sources and Uses

Sources	Total Amount	Percent of Total Financing
Equity	\$5,615,030	43.0%
Commercial Loan	\$7,443,180	57.0%
Total	\$13,058,210	100.0%

Uses	Total Amount	Percent of Total Costs
Construction Hard Costs	\$7,603,824	58.2%
Construction Soft Costs	\$997,272	7.6%
Non-Construction Soft Costs	\$2,892,467	22.2%
Closing Fees	\$1,564,647	12.0%
Total	\$13,058,210	100.0%

Fees

	Paid At Closing	On-Going Fees (NPV, 25 Years)
Agency Fee	\$141,516	
Project Counsel	\$35,000	
Annual Agency Fee	\$1,250	\$15,607
Total	\$177,766	\$15,607
Total Fees	\$193,373	

Financing and Benefits Summary

The estimated cost of the Project is \$13,058,210. It is expected that the Project will be financed with \$5,615,030 in equity from each of the three Sponsors and with \$7,443,180 in a commercial mortgage loan from Urban Standard Capital. The loan term will be 24 months with one 6-month extension option. The interest rate is reset daily at the WSJ Prime Rate plus 450 basis points, with a floor of 13.00% (indicative rate of 13.00% as of 10/23/2023). The loan

VM 4401 LLC

will be interest-only for the initial 24-month loan term; the Company intends to refinance the full principal amount at the end of the loan term, by which point building stabilization is expected to have occurred. The loan will be secured by (i) a first mortgage lien on the Company's leasehold interest in the Facility; (ii) a first priority pledge of all equity interests in the Company; (iii) a collateral pledge of all contracts, bank accounts, and agreements relating to the Facility; (iv) an assignment and security interest in future leases; (v) an assignment of all plans, contracts, approvals, licenses and permits; and (vi) liens on all property, equipment and fixtures. The financial assistance proposed to be conferred by the Agency will consist of a partial exemption of City and State mortgage recording taxes, an exemption from City and State sales and use taxes and payments in lieu of City real property taxes.

Company Performance and Projections

The Project aims to transform the currently vacant Facility into a mixed-use building for manufacturing, light industrial, and office uses. The renovations involve subdividing the open floor plates into four to six units per floor to meet market demand for smaller units, while preserving the building's historic features such as the exposed brick, 4-grid pattern windows, and exposed timber frame structure. The renovations also include accessibility-related improvements, building façade upgrades, window replacements, a new elevator, and new mechanical, electrical, and plumbing systems. The Project is part of a broader development effort by the Sponsors focused on adaptive reuse projects in the Long Island City neighborhood. The Project is located on the same city block as the "12th Street Campus," a public pedestrian plaza developed by the Sponsors in coordination with the New York City Department of Transportation. The Sponsors maintain significant commercial and retail leasing activity in this neighborhood and have identified demand for smaller suites to house creative and light industrial tenants.

Inducement

- I. The Project would not be financially viable without Agency benefits.
- II. The Project will convert an underutilized building into a productive asset expected to meet market demand for smaller rental units among manufacturing and light industrial users and will generate City tax revenue.

UTEP Considerations

The Agency finds that the Project complies with the Agency's policies and meets one or more considerations from Article 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 create permanent private-sector jobs.
- III. The Project is likely to be completed in a timely manner.

Applicant Summary

The Company is a joint venture of affiliates of VOREA, Mega, and Coren.

VOREA Group

Established in 2009, VOREA is a real estate development firm based in New York City with over thirty employees. It offers construction management and real estate consulting and brokerage services. Vorea's development portfolio includes twenty projects, primarily in New York City. Notable experience includes an 80,000 square foot mixed-use commercial development located at 23-30 Jackson Avenue in Long Island City, completed in 2021, and a 270,000 square foot mixed-income apartment building with retail and commercial space located 1133 Manhattan Avenue in Greenpoint, completed in 2015.

Peter Papamichael, Principal, VOREA Group

Mr. Papamichael is Principal and Founder of VOREA and leads its executive management team. Prior to founding VOREA in 2009, Mr. Papamichael was the Vice President of Acquisitions and Development for Essex Capital Partners, Ltd, where he spearheaded over \$80 million in development transactions and also created and managed Apogee Management Construction, LLC, an in-house construction management company, which managed over \$45 million

VM 4401 LLC

in construction projects. Prior to his tenure at Essex Capital Partners, Mr. Papamichael held an Owners Representative position with Zubatkin Associates, a firm specializing in large scale development projects for nonprofits. Mr. Papamichael is a graduate of the Cooper Union for the Advancement of Science and Art with a Bachelor of Engineering in Civil Engineering.

Mega Group Development

Established in 1990, Mega is a real estate development, general contracting, and construction management firm based in New York City with over 100 employees. Mega has developed 865,000 square feet of residential and commercial assets in New York City, with a further 1.43 million square feet currently under development. Mega has experience as developer and/or construction manager on over 100 projects, including commercial developments, affordable and market-rate residential, landmark rehabilitation projects, schools, public infrastructure, and recreational facilities.

Emanuel Kokinakis, Principal and Development Manager, Mega Group Development

Mr. Kokinakis is Principal and Development Manager at Mega, where he oversees all aspects of Mega Development's operations and pipeline including deal sourcing, acquisitions, design development, financing, general construction oversight, marketing and leasing. Since joining Mega 15 years ago, Mr. Kokinakis has expanded Mega's development arm and he holds over \$1 billion in transaction experience including commercial and residential properties. Mr. Kokinakis is a graduate of the Cooper Union with a Bachelor of Engineering.

Coren Capital

Coren is an investment entity founded in 2022 by Andru Coren, former CEO of The Pace Companies, and Eaglestone, LLC, both providers of plumbing, fire protection and HVAC system services throughout the New York metropolitan area. Coren has partnered with VOREA as an investor on its previous projects, including 23-30 Jackson Avenue.

Employee Benefits

VOREA is expected to retain one employee working part-time at the Facility. VOREA offers healthcare, dental, and vision coverage, life insurance coverage, parental leave, vacation time, retirement plan contributions, reimbursements for phone expenses, and commuter benefits.

Tenants are expected to offer industry-standard benefit packages to employees.

Recapture

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

SEQRA Determination

Unlisted action which, if implemented, will not result in significant adverse environmental impacts. Staff recommends the Board adopt a Negative Declaration for the 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, the Sponsors and its principals and found no derogatory information.

Compliance Check: Not Applicable (VOREA); Compliant (Mega)

Living Wage: Compliant

Paid Sick Leave: Compliant

Affordable Care Act: Not Applicable (VOREA); Compliant (Mega)

VM 4401 LLC

Bank Account:	Flagstar Bank; New York Community Bank
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
M/WBE Participation:	30% goal (construction)
Consultant:	Sunil Aggarwal ThinkForward Financial 15 Overlook Terrace Larchmont, NY 10538
Attorney:	Alvin Schein Seiden & Schein 570 Lexington Avenue, 14 th Floor New York, NY 10022
Accountant:	Diana Mari, Controller The VOREA Group 44-02 11 th Street, Suite 312 New York, NY 11101
Community Board:	Queens, CB #2

Exhibit D



September 6, 2023

Emily Marcus
Executive Director
NYC Industrial Development Agency
One Liberty Plaza
New York, NY 10006

Re: Redevelopment of The Metropolitan Building in Long Island City

Dear Ms. Marcus:

The VOREA Group and Mega Development (the “Sponsors”) are pleased to provide this application for NYCIDA benefits for its planned redevelopment of a 45,000 sf mixed-use facility located in an Industrial Business Zone in Long Island City, Queens (the “Project”). The Project will create much needed space for manufacturing and light industrial uses, including makers, small scale production, artists’ lofts, tech incubators, fashion atelier and other small studio users. The Project will create approximately 200 manufacturing jobs in the area and provide a home for this creative class at affordable rental rates. The Sponsors are seeking a waiver of mortgage recording taxes, sales tax exemption on purchases of construction materials and an abatement of land taxes and stabilization of building taxes through a PILOT agreement. The total project investment is estimated at \$15 million.

Sponsors

VM 4401 LLC, the Project ownership entity and applicant, is a partnership between two development entities, The VOREA Group and Mega Development (the “Sponsors”). The VOREA Group, established in 2009, offers a management team of high-profile leaders with expertise spanning various real estate segments, including mixed-use, multifamily, commercial, and industrial projects.

Mega Development brings over 30 years of experience in real estate and construction, with its esteemed Mega Construction Companies excelling as renowned general contractors and construction manager. Together, their combined expertise promises a successful project that will advance important city goals.

Demand for Small manufacturing Spaces

The building will be designed to meet market demand for smaller suites, dividing the floor plates primarily into six individual units and introducing special design features within the building. The goal is to create an incubator type environment, with tenants in the building

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working within the same industries, forming connections by working alongside each other. The Sponsors are seeking to create a safe, attractive environment for tenants while maintaining the features that make the building unique and special (*i.e.*, exposed brick, 4-grid pattern windows, exposed timber frame structure, unique wood flooring, etc.). Due to its rich history and impressive structure, the building holds great potential, but faces significant challenges due to the absence of crucial building systems, essential for its functionality. Upgrades to the building will include façade upgrades, window replacements, new MEP systems, a new elevator and other improvements.

Addition to 12th Street Campus

This initiative is part of a larger development under the Sponsors' control, which focuses on adaptive reuse projects in the submarket of Long Island City, Queens. The Sponsors have made significant investments in the area and are very cognizant of the needs of the Long Island City Live, Work, Play community, and share a strong commitment to improving the neighborhood. The Project is intended to be a continuation of the special community VOREA has been creating around the "12th Street Campus", a public pedestrian plaza that has become an alluring outdoor destination for those living in or traveling to Long Island City, which the Sponsors have developed in concert with the Department of Transportation. The Sponsors maintain significant leasing activity in this market and have identified strong demand for move-in ready smaller suites to house the creative class within Long Island City, which creates music, art, jewelry, furniture, clothing, print + design, etc.

The Project is expected to create over 200 permanent jobs in the area and over 100 construction jobs, rejuvenate the neighborhood and a run-down building, preserve a historically significant structure, foster the growth of small businesses, generate significant tax revenue, and potentially yield additional sales tax revenue by accommodating ground-floor and cellar retail spaces. The Project has the profound support of the Long Island City Partnership, the local development corporation for Long Island City, whose mission is to advocate for economic development that enhances industrial, commercial, cultural, and residential sectors in the area.

Need for NYCIDA Benefits

Given that the Project is intended to provide affordable rental rates to manufacturing and light industrial tenants, who cannot afford to pay the same level of rent as commercial tenants, the Sponsors are seeking to keep capital and operating costs as low as possible. A key part of this effort includes benefits offered through the New York City Industrial Development Agency ("NYCIDA"), including waiver of mortgage recording taxes and sales taxes on construction materials, as well as a property tax abatement.

These benefits are critical to the Project's capitalization strategy and the ultimate success of the Project. Without the support of the NYCIDA, the Project would not generate sufficient cash flow to support the debt required to finance the project, as detailed in our financial pro-forma,

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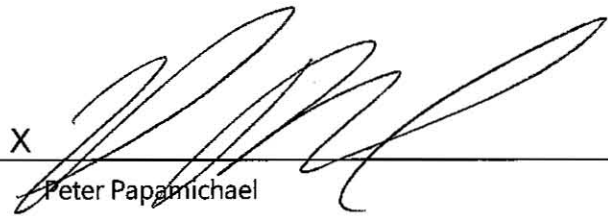
VOREA

rendering the Project infeasible. Additionally, the lingering impact of the COVID-19 pandemic, increasing interest rates, economic uncertainty, the ongoing war in Europe, and persistent supply chain issues all contribute to the complexities of undertaking a gut renovation for this Project. Absent NYCIDA benefits, we would not be able to undertake the Project as conceived and would have to lease the space in its current configuration or seek an alternate use for the building.

We look forward to working with the Board and the Long Island City community on this Project.

Thank you for your consideration.

X



Peter Papanichael

VM 4401 LLC - Managing Member

THE VOREA GROUP

44-02 11th Street, Suite 312

LONG ISLAND CITY, NY 11101

718.707.2884 VOREA.COM

Resolution inducing the financing of an industrial facility for VM 4401 LLC as a Straight-Lease Transaction and authorizing and approving the execution and delivery of agreements in connection therewith

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

WHEREAS, VM 4401 LLC, a New York limited liability company (the “Applicant”), has entered into negotiations with officials of the Agency for the renovation and equipping of an existing 45,000 square foot, four-story industrial building (including a 9,000 square foot basement) located on a 9,000 square foot parcel of land at 44-01 11th Street, Long Island City, New York 11101 (the “Facility”), which Facility is owned by Metropolitan LIC LLC and has been leased to the Applicant, who intends to develop and sublease the Facility to various subtenants for manufacturing, light industrial, and office uses, including makers, small scale production, artists’ lofts, tech incubators, fashion ateliers, and other small studio users, for sublease to the Agency by the Applicant, and subsequent sub-sublease by the Agency to the Applicant in whole, and having an approximate total project cost of approximately \$13,058,210 (the “Project”); and

WHEREAS, the Applicant has submitted a Project Application (the “Application”) to the Agency to initiate the accomplishment of the above; and

WHEREAS, the Application sets forth certain information with respect to the Applicant and the Project, including the following: that the Applicant is currently located in Queens, New York; that the Applicant intends to make an investment in the Facility to convert it into a productive asset expected to meet market demand for smaller units among manufacturing and light industrial users and generate tax revenue in the City of New York (the “City”); that the Applicant’s operations will be located in the City; that the Applicant expects to employ approximately zero (0) full time equivalent employees and one (1) part time equivalent employee at the Facility through an affiliate; that the Applicant expects that users of the Facility not affiliated with the Applicant will employ approximately thirty-six (36) 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 establish 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 establish its operations in the City; and

WHEREAS, based upon the Application, the Agency hereby determines that Agency financial assistance and related benefits in the form of a straight-lease transaction between

the Agency and the Applicant are necessary to induce the Applicant to establish its operations in the City; and

WHEREAS, in order to finance a portion of the costs of the Project, Urban Standard Capital (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 a loan arrangement with the Applicant pursuant to which the Lender will lend approximately \$7,443,180 to the Applicant, and the Agency and the Applicant will grant a mortgage on the Facility to the Lender (the “Mortgage”); and

WHEREAS, for purposes of refinancing from time to time the indebtedness secured by the 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 Mortgage; and therefore the Applicant may request the Agency to enter into the mortgage instruments required for such new mortgage arrangements (“Refinancing Mortgage”); 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, sales and use tax exemptions and mortgage recording tax deferrals 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 Metropolitan LIC LLC subleasing the Facility to the Agency, an Agency Lease Agreement from the Agency sub-subleasing the Facility to the Applicant (the "Lease Agreement"), a Sales Tax Letter from the Agency to the Applicant, the Mortgage, the Refinancing Mortgage and the acceptance of a Guaranty Agreement from the Applicant and 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 Chairman, Vice Chairman, Executive Director, Deputy Executive Director and General Counsel of the Agency are each hereby authorized to execute, acknowledge and deliver each such Agency Document. The execution and delivery of each such agreement by one of said officers shall be conclusive evidence of due authorization and approval.

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

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

No covenant, stipulation, obligation or agreement herein contained or contained in the Agency Documents shall be deemed to be a covenant, stipulation, obligation or agreement of

any member, director, officer, agent or employee of the Agency in his or her individual capacity and neither the members nor the directors of the Agency nor any officer executing any Agency Document shall be liable personally for any amounts payable thereunder or arising from claims thereon or be subject to any personal liability or accountability by reason of the execution and delivery or acceptance thereof.

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

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

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

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

The Agency hereby determines that the Project, an unlisted action, pursuant to SEQRA and the implementing regulations, will not have a significant effect on the environment and that a Draft Environmental Impact Statement will not be prepared for the Project. The reasons supporting this determination with respect to the Project are as follows:

- (1) The proposed Project would not result in a substantial adverse change in existing traffic;

- (2) The Project will not result in significant adverse impacts on cultural, archaeological, architectural, or aesthetic resources or the existing neighborhood;
- (3) A Phase I and limited Phase II Environmental Site Assessment were completed for the site in October 2021 and October 2023, respectively. The Phase I identified that past on-site industrial operations was a Recognized Environmental Condition (REC) on the site and recommended further investigation. As the site will not be demolished for the project, a Phase II was completed, consisting of sub-slab soil vapor and indoor/outdoor air samples. The limited Phase II identified VOC compounds that triggered the mitigation recommendation as per State (NYSDOH), and Federal (USEPA) guidelines, but those identified VOCs were found to be low in severity and mitigatable by keeping the basement slab intact, and not penetrating that slab with the redevelopment of the site. The basement floor slab is currently in good condition with no observed penetrations. If any cracks or penetrations are observed during the change in use/improvement process of the site, then they should be sealed immediately with epoxy or other material. If these recommendations are followed, we do not anticipate any significant adverse impacts resulting from the proposed projects due to Hazmat;
- (4) The Project will not result in a change in existing zoning or land use. The proposed use would be as-of-right under zoning; and
- (5) No other significant effects upon the environment that would require the preparation of an Environmental Impact Statement are foreseeable.

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

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

shall be grounds for the Commissioner of the New York State Department of Taxation and Finance (the “Commissioner”) to assess and determine New York State sales or use taxes due from the Applicant under Article Twenty-Eight of the New York State Tax Law, together with any relevant penalties and interest due on such amounts.

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

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

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

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

State sales or use taxes and the Agency shall receive any such amounts or payments, whether as a result of court action or otherwise, as trustee for and on account of New York State.

Section 12. In connection with the Project, the Agency intends to grant the Applicant real property tax abatements, sales and use tax exemptions in an amount not to exceed \$476,255, and a partial exemption from mortgage recording tax.

Section 13. This Resolution shall take effect immediately

ADOPTED: November ___, 2023

Accepted: _____, 2023

VM 4401 LLC

By: _____

Name:

Title: