

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
JUNE 11, 2024

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

Andrew Kimball (Chairperson)
Ellen Baer
HeeWon Brindle-Khym
Aaron Charlop-Powers, alternate for Maria Torres-Springer,
Deputy Mayor for Housing, Economic Development and Workforce
Felix A. Ciampa
F. Jay Olson, alternate for Brad Lander
Comptroller of The City of New York
Richard W. Eaddy
Adam Friedman
Carolyn Grossman Meagher, alternate for Dan Garodnick,
Chair of the City Planning Commission of The City of New York
Venetia Lannon
Janet Mejia-Peguero
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.

1. Adoption of the Minutes of the April 23, 2024 Board Meeting

Mr. Kimball asked if there were any comments or questions relating to the minutes of the April 23, 2024 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 March 31, 2024 (Unaudited)

Wilson Gao, a Senior Accountant for NYCEDC, presented the Agency's Financial Statements for the nine -month period ending March 31, 2024 (Unaudited). Mr. Gao reported that for the nine -month period the Agency recognized revenues from project finance fees from six transactions totaling \$2.6 million. In addition, revenues derived from compliance, termination and post-closing recapture fees amounted to \$1.2 million. Mr. Gao also reported that \$3.4 million was recognized in operating expenses, largely consisting of the monthly management fee, were recorded for the Agency for the nine -month period that ended on March 31, 2024 (Unaudited). Mr. Gao stated that lastly, the Agency recognized approximately \$1 million in special project costs with the largest expense consisting of the LifeSci NYC Internship Program.

3. Approval of Annual Contract with NYCEDC

Emily Marcus Falda, a Vice President for NYCEDC and Executive Director of the Agency, presented for review and approval the Agency's Annual Contract with NYCEDC (the "Contract"), pursuant to which NYCEDC would provide administrative services to the Agency in support of the Agency's programs. Ms. Marcus Falda stated that under the Contract, NYCEDC provides services to the Agency such as project management, legal and accounting services.

Ms. Marcus Falda presented the following items as required by the Public Authorities Reform Act followed by a request for Board approval for the Annual Contract with NYCEDC and said items: Investment Guidelines Policy, Disposition of Personal Property Policy, Acquisition and Disposition of Real Property Policy, Procurement Policy and Mission Statement and Performance Measurements.

4. Approval of Investment Guidelines Policy

Ms. Marcus Falda presented for review and approval the Agency's Investment Guidelines Policy, as required by the Public Authorities Accountability Act.

5. Approval of Disposition of Personal Property Policy

Ms. Marcus Falda presented for review and approval the Agency's Disposition of Personal Property Policy, as required by the Public Authorities Accountability Act.

6. Approval of Acquisition and Disposition of Real Property Policy

Ms. Marcus Falda presented for review and approval the Agency's Acquisition and Disposition of Real Property Policy, as required by the Public Authorities Accountability Act.

7. Approval of Procurement Policy

Ms. Marcus Falda presented for review and approval the Agency's Procurement Policy, as required by the Public Authorities Accountability Act.

8. Mission Statement and Performance Measurements

Ms. Marcus Falda presented for review and approval the Agency's Mission Statement and Performance Measurements, as required by the Public Authorities Accountability Act.

There being no comments or questions, a motion to approve the Annual Contract with NYCEDC, attached hereto as Exhibit A, Agency's Investment Guidelines Policy, attached hereto as Exhibit B, the Agency's Disposition of Personal Property Policy, attached hereto as Exhibit C, the Agency's Acquisition and Disposition of Real Property Policy, attached hereto as Exhibit D, the Agency's Procurement Policy, attached hereto as Exhibit E and the Agency's Mission Statement and Performance Measurements, attached hereto as Exhibit F was made, seconded and unanimously approved.

9. Project Update on the South Brooklyn Marine Terminal

Mr. Kimball stated that there before continuing with the Agency's agenda there will be a presentation about what's happening on the Brooklyn waterfront because it's quite extraordinary. Mr. Kimball stated that from the Brooklyn Navy Yard to the Brooklyn Army Terminal to Governor's Island there's an incredible amount happening around green tech, climate tech companies, modern manufacturing and research and development which you heard about in the Green Economy Action Plan. Mr. Kimball stated that one of those initiatives was to accelerate the City's engagement and support of offshore wind and so there was a huge milestone yesterday when NYCEDC broke ground. Mr. Kimball stated that it was quite breathtaking to see all of the massive construction equipment out in the South Brooklyn Marine Terminal, a 75-acre site that has been in fallow for 50 years, where there will be a two year build-out of the port and the staging area. Mr. Kimball stated that the first set of turbines will be put on barges, sent 15 to 20 miles out to sea where they will generate over 800 megawatts of power which will be brought back into the South Brooklyn Marine Terminal via cable into a substation and stepped down into the power grid which will power about half a million homes. Mr. Kimball stated that he encouraged everyone to go check it out. Mr. Kimball stated that this Board helped facilitate one of the final pieces with the Agency's approval for cabling costs related to it and on top of that about \$100 million of City capital, \$106.5 million to be precise, which will leverage over \$1 billion of private investment. Mr. Kimball stated that there are an extraordinary number of workforce development initiatives associated with it including a couple hundred carpenters already trained, 75 of whom are from the Sunset Park

neighborhood in Brooklyn, big investments with the South Brooklyn Industrial Development Corporation which has its Workforce One Center and Brooklyn Army Terminal around apprenticeship programs funding for local groups like UPROSE. Mr. Kimball stated that in terms of local engagement, supply chain, procurement and strong MWBE numbers resulting in an overall big success. Mr. Kimball stated that one of the big sites along the waterfront, which has really been hidden from public view and not invested in for about 50 years, is the Red Hook Container Terminal. Mr. Kimball stated that NYCEDC staff are calling it the Brooklyn Maritime Terminal which has been under management from the Port Authority of New York and New Jersey (the "Port Authority") under a tri-party agreement with the City and New York State with the Port Authority controlling the land. Mr. Kimball stated that there's been an explosion in cargo business in the last 10 years but because of the abundant land, rail access and highway access in New Jersey the Port Authority's investment has been directed there and not in Red Hook which the project team will talk about in a minute. Mr. Kimball stated that what is so unique about this 125 acres is the opportunity to pivot it to a modern maritime port focused on specialty cargo coming in, particularly food that supports the five borough food security, that ensures food is coming directly into the harbor and not through New Jersey and getting on a truck and going up to Hunts Point but instead coming to the Brooklyn Maritime Terminal and either going into cold storage there for distribution or getting on a barge and going up to Hunts Point by water. Mr. Kimball stated that NYCEDC staff think this site can also be a critical component in the blue highway network which will touch on numerous sites around the harbor most of which NYCEDC controls so the upcoming presentation from the project team is the result of 6 months of intensive negotiation and essentially a swap where the Port Authority will get full control of the Howland Hook site in Staten Island, the City will get full control of the Brooklyn Maritime Terminal and its 125 acres. Mr. Kimball stated that NYCEDC staff are already beginning significant investment there and putting our money where our mouth is towards a modern port while also going through a community engagement process because much of that land today is underutilized with non-maritime related uses. Mr. Kimball stated that NYCEDC staff believe that given the City's housing crisis everything needs to be on the table and looked at and that non-maritime uses can potentially cross subsidize what will be the enormous cost of a future port so with that Eric Bilal, Kevin Dunlevy and Matthew Furlong will take the board through a presentation.

Mr. Dunlevy, a Vice President for NYCEDC, presented an overview of the Brooklyn Marine Terminal project and transaction. Mr. Dunlevy stated that he is joined by Matthew Furlong from NYCEDC's Real Estate Transactions Group and Eric Bilal from NYCEDC's Neighborhood Strategies Group. Mr. Dunlevy stated that he and Mr. Furlong will share the overall thesis of the transaction and Eric will discuss the planning process. Mr. Dunlevy stated that NYCEDC staff anticipate closing on this transaction today at which point the City and NYCEDC will seize a generational opportunity to assume control of the Brooklyn Marine Terminal encompassing over 120 acres of prime Red Hook waterfront property across Piers 7 through 12 and their uplands. Mr. Dunlevy stated that as Mr. Kimball mentioned the Port Authority currently owns certain portions of the site shaded in blue on the map shown on the screen and the City owns certain portions shaded in yellow which it leases to the Port Authority. Mr. Dunlevy stated that the majority of the site is subject to a three-party

agreement between the Port Authority, the City and New York State entered into in 1979 and due to expire in 2031. Mr. Dunlevy stated that today Piers 7 through 12 support a variety of maritime and industrial uses and that NYCEDC currently leases portions of Piers 11 and 12 from the Port Authority for the Brooklyn Cruise Terminal as well as the planned NYC Ferry Home Port 2 Terminal. Mr. Dunlevy stated that Piers 8 through 10 in the middle and their uplands are operated for maritime container operations and other uses pursuant to an operating agreement with Red Hook Container Terminal, LLC (“Red Hook Container Terminal”) under which there are several licenses to various sub-users. Mr. Dunlevy stated that there are also several agreements directly between the Port Authority and 3rd parties including Manhattan Beer Distributors on a portion of Pier 7, Vein Line Bunkering on a portion of Pier 8 and the U.S. General Services Administration on a portion of Pier 12. Mr. Dunlevy stated that the Brooklyn Marine Terminal has been a key regional port and maritime center throughout New York City's history serving an evolving mix of maritime, industrial and transportation functions. Mr. Dunlevy stated that over recent decades, port activities and the needs of working waterfronts have changed necessitating a new vision for the Brooklyn marine terminal to ensure it supports the current and future needs of the City. Mr. Dunlevy stated that the 1979 tri-party agreement has proven ineffective without clarity of site, jurisdiction, and ownership the site-planning efforts have stalled and investment in the site has been limited leading to deteriorating conditions at the terminal. Mr. Dunlevy stated that gaining control of Piers 7 through 12 will provide the City and NYCEDC, in partnership with local communities and stakeholders, with an opportunity to reimagine this site with modern maritime at its core, and a mix of other uses. Mr. Dunlevy stated that a new vision, for the site is the potential to accomplish a number of policy goals such modernization of maritime operations, the introduction of housing, open space and community amenities at the site and the creation of jobs along the waterfront. Mr. Dunlevy stated that the site has the potential to become a critical node in the City's blue highway and harbor of the future initiatives helping to reactivate the waterways for cargo and remove trucks from the roads which will improve air quality and pedestrian safety. Mr. Dunlevy stated that the City's Department of Transportation and NYCEDC released a Blue Highways RFEI last fall and received almost 30 responses showing strong private sector interest in moving more freight by water from New Jersey to the City. Mr. Dunlevy stated that the Brooklyn Marine Terminal location, coupled with its existing maritime infrastructure, are key to moving freight at a scale that is financially viable and competitive to trucking. Mr. Dunlevy stated that NYCEDC has already submitted applications for 4 Federal grant opportunities totaling almost \$800 million in potential funding for modern maritime related improvements with a focus on micro mobility and specialized cargo. Mr. Dunlevy stated that, as Mr. Kimball mentioned, in exchange for control and eventual fee ownership of the Brooklyn Marine Terminal the City is planning to transfer fee ownership of Howland Hook Marine Terminal and an approximately 225-acre industrial property on Staten Island's west shore to the Port Authority. Mr. Dunlevy stated that the Howland Hook Marine Terminal, currently owned by the City, has been leased to the Port Authority since 1983 and functions as an intermodal port facility together with approximately 120 acres owned by the Port Authority adjacent to Howland Hook. Mr. Dunlevy stated that due to its size and intermodal nature the Howland Hook facility is more mission aligned with the Port Authority's responsibility to manage international supply chains and container cargo. Mr. Dunlevy stated that Holland Hook is currently subleased by the Port

Authority to CMA CGM, the 3rd largest shipping company in the world, through 2047. Mr. Dunlevy stated that in September 2023 evidencing its commitment to the site CMA CGM announced a commitment to invest over \$200 million in capacity, expansion, infrastructure, improvements and sustainability upgrades. Mr. Dunlevy stated that this investment will provide the Port Authority with greater control over Howland Hook and further supports Port Authority's long-term planning and growth of a strategic New York City intermodal shipping terminal. Mr. Dunlevy stated that Mr. Furlong will now present an overview of the transaction.

Matthew Furlong, a Senior Vice President for NYCEDC, presented an overview of the Brooklyn Marine Terminal project and transaction. Mr. Furlong stated that it's important to emphasize the end-state that has been alluded to by Mr. Dunlevy and Mr. Kimball which is the ownership transfer, also referred to as the "port swap", and specifically the transfer of the port's ownership interest and Brooklyn Marine Terminal to the City and the City's concurrent transfer of ownership and Howland Hook Marine Terminal to the Port Authority. Mr. Furlong stated that these ownership transfers provide both parties with the clarity of site control that's currently lacking and necessary to implement long-term investment plans for the site. Mr. Furlong stated that NYCEDC staff refer to this state of the transaction as the "redevelopment period" that acts as a bridge to this end-state of entitlement and ownership transfer. Mr. Furlong stated that the project includes an interim period commencing upon NYCEDC and the Port Authority securing long-term leases for their respective sites by the end of today. Mr. Furlong stated that, as Mr. Dunlevy mentioned, the Port Authority has an existing lease interest for the entirety of the City's property at Howland Hook Marine Terminal which expires in 2058. Mr. Furlong stated that this lease is being amended to substantially conform with a new lease between NYCEDC and the Port Authority at Brooklyn Marine Terminal effectively expanding the City's presence from Piers 11 and 12 to Piers 7 through 12 and their associated uplands and the terms of both leases will be co-terminus in 2058 unless they're extended. Mr. Furlong stated that it's important to note that the leases are comparable to a "fee ownership" structure with limited landlord and termination rights and all benefits accruing to, and costs and obligations borne by, NYCEDC and the Port Authority as ground tenants. Mr. Furlong stated that these agreements are interim bridging structures that provide a path to ultimate fee ownership. Mr. Furlong stated that both NYCEDC and Port Authority received board approval back in May, 2024 to enter into these leases. Mr. Furlong stated that upon execution NYCEDC staff will assume operational control at midnight and will begin assessing, undertaking and stabilizing repairs and investigative work to the existing infrastructure and assets. Mr. Furlong stated that in addition NYCEDC staff are setting up a partnership with a project task force and a number of stakeholders to support a robust community visioning process commencing shortly this Spring, which will inform a shared vision for the future of this vital facility and district. Mr. Furlong stated that both properties that are released and ultimately transferred on an "as-is, where-is" condition and leased on an absolutely net leased basis so, as mentioned, the leases have reciprocal rights and obligations, financial benefits accrue in whole to the tenants but full operational control and costs are borne by the tenant and the landlord has no responsibility for the operations, maintenance, remediation or related activities at the site. Mr. Furlong stated that, as mentioned, there are limitations on land oversight and rights including NYCEDC and Port Authority's ability to subtenant or to enter into new occupancy agreements without

landlord consent, limitations on termination provisions and reciprocal environmental obligations whereby NYCEDC and Port Authority are assuming all costs associated with legacy and existing environmental liabilities. Mr. Furlong stated that there are comparable indemnities to the City and Port Authority as respective landlords including environmental matters. Mr. Furlong stated that the leases will be co-terminus with an expiration date of June 30th 2058, unless terminated on account of the ownership transfers described previously, and in the event that the approvals for the ownership transfers are not obtained before April 30th 2031, this being the expiration date of that tri-party agreement currently governing the terminal, both the City and Port Authority have agreed to extend the leases to a full 99 years subject to necessary approvals. Mr. Furlong stated that the rent is set at \$1 million without a participation structure and the rent is offsetting and suspended so long as both leases are in effect. Mr. Furlong stated that in summary these leases are intended to be interim structures that bridge to the ownership transfers but they include mechanisms and provisions that immediately empower NYCEDC to invest in the property starting today as well as the autonomy, flexibility and adequate term to implement new uses and more substantive investments over time. Mr. Furlong stated that operations during the interim period, and prior to the implementation of the long-term investment plan, the site will be operating with consistent uses and NYCEDC will be honoring existing user agreements that are being assigned to NYCEDC. Mr. Furlong stated that concurrent with the lease closing today the Port Authority will assign its interest in all existing user agreements including the Red Hook Container terminal operating agreement that encompasses over 60 acres of the of the site, which was recently extended to 2028, and for the provision of site wide services NYCEDC will assume all responsibilities as mentioned and NYCEDC staff anticipate utilizing existing contractor agreements for the provision of those services. Mr. Furlong stated that NYCEDC staff believe the site is ripe for optimization and investment. Mr. Furlong stated that the site has lacked not only the defensive maintenance capital to preserve infrastructure but also the growth capital necessary, as Mr. Kimball mentioned, to really capitalize on disruptive and evolving maritime and logistic trends as well as the climate and environmental justice issues that play in the area. Mr. Furlong stated NYCEDC staff anticipate modest operating deficits during the initial years of operation while the plan is being formulated so there may be savings on account of the Brooklyn Cruise Terminal rent currently paid to Port Authority for Piers 11 and 12 and some modest incremental revenue opportunities that may arise but NYCEDC staff are looking through this interim period to the significant value potential and financially self-sustaining uses that will be unlocked upon adoption and implementation of the long term investment plan. Mr. Furlong stated that with respect to capital needs NYCEDC staff are not wasting any time and with this announcement NYCEDC is investing \$70 million in the existing infrastructure which is the initial investment that's combined with \$10 million to support the community and planning effort. Mr. Furlong stated that the \$70 million will be allocated towards stabilizing existing infrastructure and operations to defend those existing revenue streams and really set the foundation for broader site wide investment. Mr. Furlong stated that the physical state, as mentioned, varies across the site, but recent condition reports indicate that portions require substantial investment so that \$70 million will effectively be allocated of which \$55 million will go towards stabilizing and repairing Piers 7, 8, and 10, and \$15 million will go towards the purchase of a new electrified crane to support the operations. Mr. Furlong stated that last

week there were divers in the water investigating the piers so investigative work has begun to help refine the specific interventions that are tied to the \$55 million. Mr. Furlong stated that NYCEDC staff expect to complete the investigative work early next year that will inform the scope of this repair work. Mr. Furlong stated that in terms of capital needs broadly speaking NYCEDC staff believe this is the right seed investment to stabilize the asset during the interim planning phase and is foundational towards attracting and leveraging additional capital sources. Mr. Furlong stated that with the public announcement New York State committed \$15 million to cold storage on site. Mr. Furlong stated that, as Mr. Dunlevy mentioned, NYCEDC staff are pursuing hundreds of millions of dollars in federal grant funds and hope that this combined investment is the capital that's needed to leverage the private sector to realize this vision for the site. Mr. Furlong stated that Mr. Bilal will now present an overview of the planning process for the site.

Erich Bilal, a Vice President for NYCEDC, presented an overview of the planning process associated with the Brooklyn Marine Terminal project and transaction. Mr. Bilal stated that NYCEDC staff's approach includes three different scopes of work: community engagement, master planning and environmental review. Mr. Bilal stated that these three scopes will be coordinated by NYCEDC staff and run in parallel culminating in a plan that will help shape the future of the waterfront geography at and around the Brooklyn Marine Terminal. Mr. Bilal stated that the initiative is to transform the over 120-acre waterfront site, building on Mayor Adam's efforts to develop a harbor of the future, and fuel 21st century growth and innovation. Mr. Bilal stated that the master planning process is a generational opportunity to reimagine the site with modern maritime at its core and mixed uses including housing and open space particularly on parts of the site that today are under-utilized and non-maritime. Mr. Bilal stated that as described by Mr. Kimball and reiterated by my colleagues Mr. Furlong and Mr. Dunlevy the goals for the master plan are to build a modernized 21st century maritime port focused on micro-distribution strategies to remove trucks from New York City roadways, to drive economic growth with the potential to help create thousands of jobs, explore a multitude of mixed use development options including housing and community amenities, protect the site against increasing threats from climate change and support the long term financial sustainability of the Brooklyn Marine Terminal. Mr. Bilal stated that NYCEDC staff will perform that work with the help of a robust set of consultants and experts. Mr. Bilal stated that to determine the future of the site NYCEDC has initiated a community engagement process to develop a shared vision for the future of the Brooklyn Marine Terminal with local elected officials, waterfront stakeholders, industry experts, citywide civic organizations, Brooklyn businesses and local communities. Mr. Bilal stated that as a first step NYCEDC has established a Brooklyn Marine Terminal task force chaired by U.S. representative Dan Goldman and vice chaired by New York State Senator Andrew Gounardes and New York City Council member Alexa Avilés (the "Task Force") to oversee the process. Mr. Bilal stated that NYCEDC, the Task Force and the engagement consultant will work together to plan and execute an effective engagement process which will inform the master planning effort. Mr. Bilal stated that the engagement consultant selected is Claire Weisz Architects LLP (also known as "WXY") who has extensive experience leading successful community engagement efforts for complex and ambitious planning projects such as Kingsbridge Armory and Atlantic Avenue mixed use plans as well as relevant experience in the

local community such as the Red Hook Brownfield opportunity area study. Mr. Bilal stated that in order to accomplish this shared vision for the future of the site the engagement consultant will develop a comprehensive stakeholder engagement plan and strategy, which will be co-designed with NYCEDC staff and the Task Force, identify community based organizations within the surrounding community who can help broaden our outreach efforts, coordinate and facilitate community focus groups with industry, local and citywide stakeholders, coordinate and lead site tours for community members, industry stakeholders and elected officials, coordinate, plan for, and lead public engagement, including public workshops, small group discussions, tabling at public events, and canvassing within the neighborhood as well as other additional related services as requested by NYCEDC. Mr. Bilal stated that it's critical that the master planning work happens in concert with the community engagement work because the complexities associated with the site require a robust planning team with the ability to translate information from the engagement process into an innovative and implementable plan for the Brooklyn marine terminal to conduct the planning work. Mr. Bilal stated that NYCEDC staff will contract with a to-be-selected planning consultant team including subcontractors to integrate a variety of disciplines and services that include port and maritime freight planning, urban planning and design, transportation planning, civil engineering, architecture, landscape architecture and climate resilience planning. Mr. Bilal stated that finally to conduct any necessary environmental review work NYCEDC will contract with an environmental review consultant to perform the following tasks: preparation of environmental impact statement materials pursuant to the appropriate City and State regulations, preparation of the appropriate land use approval documents, coordination of agencies associated with the above tasks as well as other additional related services as requested by NYCEDC. Mr. Bilal stated that NYCEDC staff are very excited by the energy around this effort and look forward to building off of the tremendous work of the transaction team and is happy to take any questions.

In response to a question from Ms. Baer, Mr. Furlong stated that the Brooklyn Marine Terminal is operating at a deficit in the single digit millions of dollars and that there could be modest incremental revenue opportunities. Mr. Kimball stated that for years Michael Stamatis who runs Red Hook Container Terminal that covers about 65 acres of the 125 has had a series of 5 year deals with the Port Authority to operate the port which brings in about 1.4% of all the containers coming into New York Harbor and has received very little capital investment both in base infrastructure which should be the public's obligation but also in terms of private investment because of the length of lease. Mr. Kimball stated that he has been disincentivized to invest and that he's a good port operator but has been disincentivized to invest. Mr. Kimball stated that half of the goods that come in there get barged back to New Jersey so this is the craziness of the way this port has operated for years so, for instance, out of all the food that arrives at Red Hook Container Terminal, which is a very viable specialized cargo use to bring into Brooklyn, half of it gets on a barge and goes right back to New Jersey, is stored in cold storage, is loaded onto a truck which delivers it to Hunts Point in the Bronx. Mr. Kimball stated that this makes no sense and that NYCEDC staff need to figure out a harbor-wide strategy, so those goods stay in the 5 boroughs when they are initially delivered and either go into cold storage on the Red Hook site and then sent out for delivery to businesses in the five boroughs or delivered to Hunts Point by barge. Mr. Kimball stated that NYCEDC staff want to rationalize

the set of cargo uses there and have it be a hub along with another a number of other sites similar to Hunts Point that have better waterfront landings to bring in goods by water. Mr. Kimball stated that NYCEDC staff are considering sites such as Pier 92 on the West side of Manhattan, the downtown Manhattan heliport where we have an active solicitation to find an operator who will both run an EV toll electric helicopter business but also oversee goods coming in and out by barge or fast boat on e-cargo bike but NYCEDC staff need a long term master plan to understand exactly what this container port should look like such as whether it should be 65 acres, 85 acres or 100 acres and if so then what do you do with the rest of it, how do you cross subsidize some of the important maritime uses with other development and ultimately when NYCEDC staff have that master plan and the consensus of the community will take time. NYCEDC staff put out a long-term operating lease so that people like Michael Stamatis at Red Hook Container Terminal and others, since competition is always good and there are lots of good port operators out there, in exchange for a long term lease for approximately 30 to 50 years, NYCEDC staff will invest what NYCEDC staff think will be north of \$100 million dollars, if not a multiple of that, in improving the port itself. Mr. Kimball stated that until NYCEDC staff have that master plan NYCEDC will not be in the position to put out that long term lease until it is known exactly how these sites operate and so in the interim there will be some operating deficits before executing a long-term lease. Mr. Kimball stated that he expects that you know there will be upside both from that long term deal for NYCEDC and the City as well as from the sites on the perimeter that are under-utilized today.

Ms. Baer stated that the interim period could be substantial. Mr. Kimball stated that it could be a few years. Ms. Baer stated that she worked on this project 30 years ago and congratulated the project team. In response to a question from Ms. Baer, Mr. Kimball stated that there are 2 pieces to the project and NYCEDC staff are not asking this Board to take action. Mr. Kimball stated that this presentation is meant to inform the NYCIDA Board what NYCEDC is doing with the Brooklyn Marine Terminal because it's been in the news and undoubtedly there will be opportunities down the line for NYCIDA related projects on this site. Mr. Kimball stated that NYCEDC staff are entering into a 99-year lease today lease with the goal that within a few years the fee ownership of the site will be transferred to the City as part of a master plan which will require going through a lane use and review process. Mr. Kimball stated that New York State will have to be involved because of their long-term interest in the site which they are committed to. Mr. Kimball stated that there will be a transaction for both Red Hook and Howland Hook to move from a 99-year lease to the Port Authority to fee ownership. Mr. Kimball stated that those two transactions are likely to take place at the same time and likely to both have New York State involvement, which means there will likely be a general project plan due to the zoning action that will take place.

Ms. Baer thanked Mr. Kimball for the explanation and congratulated the project team. Ms. Lannon stated that this is also a walk down memory lane for her as an alumni of the EDC Maritime Group she congratulated the project team because she recognizes how enormous this transfer is and what a good idea it is which has been talked about for decades so “kudos” to NYCEDC staff for making it actually happen because she personally knows all the challenges and steps that were involved. Ms. Lannon stated that with respect to resiliency and climate change

in that obviously buildings and mechanicals can be elevated but what about all the surrounding roads and infrastructure that are at grade, or even some below grade, so from a sea level rise perspective what are you thinking in terms of the residential area and also attracting residents to the waterfront at this time which sort of sets off mild alarm bells for her. In response to a question from Ms. Lannon, Mr. Bilal stated that while it is early, and NYCEDC staff expect a lot of the appropriate solutions to be unearthed as a part of the master planning process which is why NYCEDC staff are casting a wide net for that master planning consultant group, NYCEDC staff are currently coordinating with the existing efforts from other City agencies such as the City's Department of Design and Construction and Department of Transportation to bolster resiliency in this geography. Mr. Bilal stated that it's unclear exactly what the solutions will be at this point, though NYCEDC expect that to be a significant component of the master planning consultants work and of course NYCEDC staff expect the recommendations from that plan to be actionable into resulting investments.

Mr. Friedman stated that he is supportive of the exchange and of NYCEDC gaining control of the site. Mr. Friedman stated that he remembers the dedication of the cranes at the Brooklyn Marine Terminal by Elaine Townsend which was 40 years ago. Mr. Friedman stated that the long-term investment that NYCEDC has made in terms of community engagement here precedes this by years which is amazing and being able to bring South Brooklyn Development Corporation and UPROSE and other community partners together is a real feat and deserves a lot of acknowledgment. Mr. Friedman stated that referring to Ms. Lannon's comment about residential development and infrastructure a key challenge for this site has always been the limitations on the upland area and what NYCEDC staff have demonstrated is a tremendous amount of need for the maritime uses of the future and that he is concerned about the introduction of housing anywhere on this site. Mr. Friedman stated that he doesn't understand the rationale for why cross-subsidy is needed because this is clearly a citywide project with citywide benefits. Mr. Friedman stated that when he looks at other City projects that included a financial cross subsidy when people deserve sidewalks, roads and sewer systems which are not peculiar to any one site and so the whole notion of seeking cross subsidy on a particular site like this that will have has citywide impact and merit eludes him.

Mr. Kimball stated that Mr. Friedman's comment is fair and that obviously a subsidy will be a big part of future conversations. Mr. Kimball stated that referring to both Mr. Friedman and Ms. Lannon's comments on sustainability he would like to add that Red Hook Container Terminals has won a couple of Federal grants in the past few years to electrify their equipment. Mr. Kimball stated that NYCEDC staff are imagining this to be a port with fully electrified equipment resulting in a very low impact on the environment where you would have onshore power for vessels coming. Mr. Kimball stated that NYCEDC staff hope over time tug boats will have electric or hybrid options which is a ways off but the marketplace is changing quickly and that there are mid-size container ships that come in to Red Hook Container Terminal as opposed to the super-max and Panama ships that come in to New Jersey but there are significant sized container ships that come into Red Hook Container Terminal and NYCEDC staff want that to continue to happen and for those ships to be connected to shore power and so the ability to have these kinds of uses side by side, meaning residential open space and active

maritime powered by clean energy, is very viable. Mr. Kimball stated that the master planning process will include all these options as well as the entire 125 acres and potentially beyond. Mr. Kimball stated that there's an important conversation that has to happen around last mile distribution and that Red Hook has been disproportionately impacted with 6 massive last mile facilities along the waterfront. Mr. Kimball stated that NYCEDC staff need to, as a part of this master planning process, figure out how to lower environmental impact. Mr. Kimball stated that the local council member calls it a "truck apocalypse" which raises the question: 'how can those warehouses use the water that abuts their property' because currently they're not set up to do so. Mr. Kimball stated that the private sector is finally responding because they are losing hundreds of millions of dollars a year by getting their trucks tolled and stuck in traffic which is both a negative impact for the environment and in terms of commerce and the ability to move goods throughout the City. Mr. Kimball stated that there are very well capitalized companies now that are actively looking at, particularly on the Jersey side, how they can utilize the water that they sit on and move goods directly out those warehouses into the five boroughs, so NYCEDC staff hope to capitalize on that opportunity. Mr. Friedman stated that the team selected to work on this project has been great with no learning curve. Mr. Kimball stated that there is a big choice coming up, and obviously WXY has been great with respect to their community engagement, as Mr. Bilal mentioned as part of the master planning process a new consultant will be brought in and a whole team with port expertise. Mr. Kimball stated that NYCEDC staff have been looking at many international models because this initiative is unique, so NYCEDC staff are going to be on the leading edge of this blue highway industry. In response to a question from F. Jay Olson, Mr. Furlong stated that NYCEDC staff have identified repurposed City capital funds that NYCEDC has currently been allocated which will be used to fund the \$70 million.

10. Board Self-Evaluation

Noah Schumer, an Assistant Vice President for NYCEDC and Deputy Executive Director of the Agency, presented the Agency's Board Self-Evaluation, as required by the Public Authorities Accountability Act (the "Survey") attached hereto as Exhibit G, which was reviewed and approved by the Governance Committee. Mr. Schumer stated that the Survey was required under the Public Authorities Accountability Act. Mr. Schumer discussed the logistics and timeline for participating in the Survey.

11. MGN 24-51 49th Street, LLC, MGN 145 Hinsdale, LLC, MGN 434 Riverdale Ave. LLC, Williams-Glenmore

Joseph Taecker-Wyss, an Associate for NYCEDC, presented for review and adoption inducement and authorizing resolutions for the benefit of MGN 178 Williams Ave, LLC ("178 Williams"), MGN 172 Williams Ave, LLC ("172 Williams"), and MGN 284 Glenmore Avenue, LLC ("284 Glenmore") (collectively, "Williams-Glenmore Project") and MGN 24-51 49th Street, LLC ("49th Street Project"), MGN 145 Hinsdale, LLC ("Hinsdale Project"), MGN 434 Riverdale Ave,

LLC (“Riverdale Project”) and recommended that the Board adopt a negative SEQRA declaration for the projects asserting that they are unlisted actions and will not have a significant adverse effect on the environment. Mr. Taecker-Wyss provided a description of each project and its benefits, as detailed in Exhibit H.

There being no comments or questions, a motion to approve the inducement and authorizing resolutions and SEQRA determinations attached hereto as Exhibit I for the benefit of 178 Williams, 172 Williams and 284 Glenmore and 49th Street Project, MGN 145 Hinsdale, LLC and MGN 434 Riverdale Ave, LLC was made, seconded and unanimously approved.

12. 882 East LLC & Apthorp Cleaners Inc.

Theresa James, a Project Manager for NYCEDC, presented for review and approval a post-closing resolution to approve amendments to the project documents and assignments necessary to permit the sale of the facility realty and the stock sale of the operating company, including the release of 882 East LLC and the current individual guarantors. Ms. James described the project and its benefits, as reflected in Exhibit J.

There being no comments or questions, a motion to approve the post-closing resolution attached hereto as Exhibit K, was made, seconded and unanimously approved.

13. Tri-State Surgical Supply & Equipment Ltd. and H & H Laboratories, Inc.

Shin Mitsugi, a Senior Vice President for NYCEDC, presented for review and approval a post-closing resolution to approve amendments to the project documents necessary to remove approximately 15,000 square feet of space within a building located at 25-35 4th Street, Brooklyn, New York from the project. Mr. Mitsugi described the project and its benefits, as reflected in Exhibit L.

There being no comments or questions, a motion to approve the post-closing resolution attached hereto as Exhibit M, was made, seconded and unanimously approved.

14. Services Contract Proposal for Kips Bay Science District Education & Workforce Taskforce Vision Plan

Ian Karpon-King, an Assistant Vice President for NYCEDC, and Jenny Osman, an Assistant Vice President for NYCEDC, presented for review and approval a proposal for a services contract with NYCEDC in an amount of up to \$350,000, which will support the Kips Bay Science District Education & Workforce Vision Plan. Mr. Karpon-King and Ms. Osman described the proposal and its benefits, as reflected in Exhibit N.

Mr. Kimball stated that for broader context this is one of the Administration's key economic development projects which will become a national, or potentially international, model for how to integrate a high school, 2 year CUNY school, 4 year CUNY school and graduate CUNY school all on one campus and connected with a million square feet of private biotech right next to it on the same five acre site surrounded by another 2 million square feet of biotech and the health and academic institutions that surround it. Mr. Kimball stated that the Task Force is the way NYCEDC staff will make sure to get both the workforce side of the equation and the curriculum in these schools and coordinated together. Mr. Kimball stated that the project is certifying into ULURP in June which is exciting with the expectation to break ground in 2025 which is an incredibly fast timeline give it was announced a year and a half ago and again, this consultancy will be a major help by making sure NYCEDC staff get the workforce part of it right.

There being no further comments or questions, a motion to approve the services contract proposal for the Kips Bay Science District Education & Workforce Vision Plan attached hereto as Exhibit N was made, seconded and unanimously approved.

15. 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 10:10 a.m.

Assistant Secretary

Dated: _____
New York, New York

DRAFT

Exhibit A

DRAFT

AGREEMENT

between

NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION

and

**NEW YORK CITY
INDUSTRIAL DEVELOPMENT AGENCY**

FOR FISCAL YEAR 2025

Dated as of July 1, 2024

TABLE OF CONTENTS

PAGE

ARTICLE I	DEFINITIONS	ERROR! BOOKMARK NOT DEFINED.
ARTICLE II	SCOPE OF SERVICES.....	ERROR! BOOKMARK NOT DEFINED.
ARTICLE III	ADMINISTRATION AND ACCOUNTING OF FUNDS; INSPECTION RIGHTS	ERROR! BOOKMARK NOT DEFINED.
ARTICLE IV	TERM.....	ERROR! BOOKMARK NOT DEFINED.
ARTICLE V	PAYMENT TO EDC	ERROR! BOOKMARK NOT DEFINED.
ARTICLE VI	REPRESENTATIONS AND WARRANTIES OF EDC	ERROR! BOOKMARK NOT DEFINED.
ARTICLE VII	REPRESENTATIONS AND WARRANTIES OF IDA	ERROR! BOOKMARK NOT DEFINED.
ARTICLE VIII	ADDITIONAL COVENANTS OF EDC	ERROR! BOOKMARK NOT DEFINED.
ARTICLE IX	EXECUTIVE DIRECTOR	ERROR! BOOKMARK NOT DEFINED.
ARTICLE X	RENEWAL OF AGREEMENT ...	ERROR! BOOKMARK NOT DEFINED.
ARTICLE XI	EVENTS OF DEFAULT; TERMINATION ..	ERROR! BOOKMARK NOT DEFINED.
ARTICLE XII	GENERAL PROVISIONS.....	ERROR! BOOKMARK NOT DEFINED.

AGREEMENT, dated as of the 1st day of July, 2024 between NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION (“EDC”), a corporation incorporated under the Not-for-Profit Corporation Law of the State of New York, having an office at One Liberty Plaza, New York, New York 10006, and NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY (“IDA”), a corporate governmental agency constituting a body corporate and politic and public benefit corporation of the State of New York organized under the laws of the State of New York, having an office at One Liberty Plaza, New York, New York 10006.

WHEREAS, Financial Services Corporation of New York City (“FSC”) entered into an agreement with The City of New York to act as the City's agent in managing and administering various financial assistance programs; and

WHEREAS, FSC and IDA entered into an agreement dated as of July 1, 1984 (the “Original Contract”) relating to the provision by FSC of certain services to IDA and the Board of Directors of IDA; and

WHEREAS, pursuant to agreements dated July 1, 1985, July 1, 1986, July 1, 1987, July 1, 1988, July 1, 1989, and July 1, 1990, as amended, the Original Contract was duly amended, restated, supplemented and modified; and

WHEREAS, effective July 1, 1991 FSC was merged into New York City Public Development Corporation, and the name of the surviving corporation was New York City Economic Development Corporation, a not-for-profit local development corporation incorporated pursuant to Section 1411 of the Not-for-Profit Corporation Law of the State of New York (“Old EDC”); and

WHEREAS, Old EDC assumed FSC's contractual obligations, and, by agreement dated as of July 1, 1991, and by subsequent agreements each dated as of every July 1 through and including

July 1, 2012, Old EDC and IDA renewed, amended, restated, supplemented and modified the Original Contract; and

WHEREAS, on November 1, 2012, the following actions occurred simultaneously: (a) Old EDC merged into New York City Economic Growth Corporation, a New York not-for-profit corporation, (b) New York City Economic Growth Corporation survived as successor in interest to Old EDC and assumed the rights and obligations of the latter, and (c) New York City Economic Growth Corporation changed its name to “New York City Economic Development Corporation,” which is the party hereinabove defined as “EDC”; and

WHEREAS, pursuant to an agreement dated July 1, 2013, IDA and EDC, as successor-in-interest to Old EDC, renewed the Original Contract; and

WHEREAS, pursuant to an agreement dated July 1, 2014, as amended, the Original Contract was duly amended, restated, supplemented and modified; and

WHEREAS, pursuant to an agreement dated July 1, 2015, as amended, the Original Contract was duly amended, restated, supplemented and modified; and

WHEREAS, pursuant to an agreement dated July 1, 2016, as amended, the Original Contract was duly amended, restated, supplemented and modified; and

WHEREAS, pursuant to an agreement dated July 1, 2017, as amended, the Original Contract was duly amended, restated, supplemented and modified; and

WHEREAS, pursuant to an agreement dated July 1, 2018, as amended, the Original Contract was duly amended, restated, supplemented and modified; and

WHEREAS, pursuant to an agreement dated July 1, 2019, as amended, the Original Contract was duly amended, restated, supplemented and modified; and

WHEREAS, pursuant to an agreement dated July 1, 2020, as amended, the Original Contract was duly amended, restated, supplemented and modified; and

WHEREAS, pursuant to an agreement dated July 1, 2021, as amended, the Original Contract was duly amended, restated, supplemented and modified; and

WHEREAS, pursuant to an agreement dated July 1, 2022, as amended, the Original Contract was duly amended, restated, supplemented and modified; and

WHEREAS, pursuant to an agreement dated July 1, 2023, as amended, the Original Contract was duly amended, restated, supplemented and modified; and

WHEREAS, IDA and EDC (as successor-in-interest to Old EDC) desire to renew the contractual relationship between IDA and EDC by entering into this Agreement; and

WHEREAS, EDC desires to enter into this Agreement in the capacity of an independent contractor for the purpose of providing certain staff services to IDA and the Board of Directors of IDA; and

WHEREAS, IDA desires to retain EDC, as an independent contractor, under the terms set forth in this Agreement, to provide to IDA those services as are deemed necessary and desirable by the Board of Directors of IDA for the administration of IDA and the implementation of IDA programs; and

WHEREAS, IDA was created and organized for the purposes, *inter alia*, of promoting the economic welfare of the inhabitants of the City and to actively promote, attract, encourage and develop economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration in the City in accordance with the provisions of 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; and

WHEREAS, under the Act, IDA is authorized to make contracts and to employ private consultants for professional and technical assistance and advice; and

WHEREAS, IDA and EDC have agreed that EDC, as an independent contractor, shall provide certain staff services to IDA for the administration of IDA programs and shall render such other services to IDA as IDA may from time to time request, in the manner and to the extent set forth in this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, IDA and EDC agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 For the purposes of this Agreement the following terms shall have the respective meanings ascribed to them below:

“Act” shall mean, collectively, 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.

“Agreement” shall mean this agreement as the same may from time to time be modified, amended, renewed or supplemented in accordance with the provisions contained herein.

“Applicant” shall mean any person, firm, corporation, partnership or association that has submitted an application for financial assistance from IDA.

“Base Contract Fee” shall have the meaning provided in Section 5.1 of this Agreement.

“Board” shall mean the Board of Directors of IDA, including any duly designated committee thereof.

“City” shall mean the City of New York, a municipal corporation of the State of New York.

“Executive Director” shall mean the chief executive officer of IDA.

“EDC” shall mean New York City Economic Development Corporation, a New York not-for-profit corporation.

“Fees” shall mean, collectively, the fees referred to in Section 5.1 hereof.

“Financial Advisor” shall have the meaning assigned to such term in Section 2.3(d) of this Agreement.

“Financial Services Program” shall mean the various financial assistance programs as managed and administered by EDC pursuant to a certain contract between EDC and the City as amended and renewed from time to time.

“FSC” shall mean the former Financial Services Corporation of New York City.

“IDA” shall mean New York City Industrial Development Agency, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation of the State of New York, duly organized and existing under the laws of the State of New York.

“IDA Annual Budget” shall mean the statement of annual estimated expenses (as the same may be amended from time), which IDA shall or may incur for any fiscal year, whether directly or through EDC, pursuant to this Agreement. The IDA Annual Budget previously approved for the fiscal year ending June 30, 2025 is annexed hereto as Exhibit “A”.

“IDA Bank Accounts” shall mean all bank accounts of IDA as of the effective date of this Agreement and all subsequent bank accounts established in accordance with applicable laws and the by-laws of IDA for the deposit of funds of the Agency.

“Services” shall have the meaning provided in Section 2.1 of this Agreement.

“Term” shall mean the term of this Agreement as set forth in Article IV hereof.

ARTICLE II

SCOPE OF SERVICES

Section 2.1 The services described and set forth in this Article II shall hereinafter be collectively referred to as the “Services”.

Section 2.2 In order to assist IDA in furthering the purposes of the Act and so long as this Agreement is effective, EDC covenants and agrees to provide, in coordination with the Executive Director as provided in Article IX hereof and in accordance with the terms and conditions of this Agreement, such personnel, office space, access to equipment, furniture, conference rooms, other materials and services deemed necessary by the Board for the efficient (i) distribution, receipt, evaluation and processing of all applications for industrial development revenue bonds and straight-lease transactions, (ii) monitoring, review, evaluation and servicing of all IDA projects and all financings entered into by IDA with respect thereto and (iii) coordination with local, state and federal agencies (including but not limited to the timely disclosure of all financial incentives and benefits provided by such agencies and EDC) with respect to the projects financed and to be financed by IDA.

Section 2.3 EDC covenants and agrees to provide to IDA, in accordance with the Act, the by-laws of IDA and all other applicable laws, rules, regulations and agreements, such services as may be authorized by the Board and provided for in the IDA Annual Budget, including but not limited to the following:

(a) Such advertising, marketing and other outreach services as are necessary and desirable to make Applicants and potential Applicants aware of the availability of IDA services;

(b) Such technical assistance services to Applicants and potential Applicants as are necessary and desirable in connection with the administration of IDA programs;

(c) Such information and assistance as may be deemed necessary by the Executive Director, on behalf of the Board, to monitor, report upon, timely enforce and evaluate the performance by EDC of its obligations under this Agreement;

(d) Upon approval of the Board, to engage a financial advisor (a “Financial Advisor”) to provide the following services to IDA:

(i) Assist in the development of new IDA financing programs and alternative financing mechanisms available to IDA;

(ii) Assist in the development and structuring of IDA bond issues, including but not limited to, issues of tax-exempt or taxable bonds, notes, commercial paper or variable rate instruments, and financing either single borrowers or multiple borrowers through pooled or composite issues;

(iii) Perform financial analysis of select entities and projects seeking financing through IDA and assist in the design of appropriate financing structures for those entities and projects;

(iv) Analyze the market for potential purchasers of IDA bonds with a view toward optimal targeting of new issues;

(v) Assist in negotiations with managing underwriters, placement agents and credit enhancement providers;

(vi) Prepare for and participate in meetings with Federal, State and City officials, underwriters, placement agents, credit enhancement providers, investors, counsel, rating agencies and entities obtaining financing through IDA;

(vii) Assist in the preparation of official statements, private placement memoranda, flow of funds memoranda and other documents in connection with IDA financings; and

(viii) Work with rating agencies to obtain timely and proper ratings for IDA issues; provided, however, that the Financial Advisor may also provide services to EDC in furtherance of the Financial Services Program.

(e) Such other services or assistance as the Board may request, *provided however*, that the expenses incurred in connection with such services or assistance must have been provided for in the IDA Annual Budget.

Section 2.4 So long as this Agreement is effective, IDA hereby authorizes EDC and EDC covenants and agrees to take all necessary action to promptly collect, on behalf of IDA: (i) any and all fees that are owed to IDA in connection with the providing of financial assistance, including but not limited to the issuance of bonds; and (ii) any and all fees owed to IDA under IDA project documents in connection with the administration of IDA programs; and (iii) payments in lieu of taxes owed to IDA under IDA project documents; and (iv) recapture amounts owed to IDA under IDA project documents, such amounts representing the financial assistance provided by IDA in the form of exempted or waived taxes; and (v) interest and penalty amounts owed to IDA under IDA project documents in connection with the amounts referred to in clauses “iii” and “iv;” and (vi) any other amounts as may from time to time be owed to IDA, including but not

limited to damage awards and settlement amounts. The parties hereto agree that the Services described in this Section 2.4 also include collection by EDC on behalf of IDA when the monies so collected are intended to be collected by IDA on behalf of governmental jurisdictions and subdivisions.

Section 2.5 EDC covenants and agrees to administer the programs of IDA in a manner consistent with the policies of the Board and to develop recommendations in connection therewith for approval by the Board, consistent with the following guidelines that shall be in accordance with the Financial Services Program:

(i) consolidate services, including, where appropriate, combined application, review, analysis, monitoring and reporting procedures for all financial assistance incentives offered through the Act and the Financial Services Program;

(ii) expedite the assistance process, including, where appropriate, assigning one professional staff member to each Applicant, which member shall be responsible for structuring a financial package consisting of appropriate incentives available under the Act and the Financial Services Program and guiding the Applicant through the assistance process in a timely and efficient manner;

(iii) standardize financial analysis, including, where appropriate, performing uniform analysis in connection with each Applicant which shall be utilized in the review of that Applicant's application for any incentive under the Act and the Financial Services Program;

(iv) standardize fees, including, where appropriate, a unified fee structure for all incentives available under the Act and the Financial Services Program;

(v) standardize employment projections and analysis, including, where appropriate, establishing a uniform procedure with regard to the definition, calculation and monitoring of employment opportunities in connection with incentives available under the Act and the Financial Services Program;

(vi) centralize outreach, publicity and marketing, including, where appropriate, implementing seminars and conferences to alert the public and private sectors to the availability of incentives under the Act and the Financial Services Program;

(vii) standardize reporting and monitoring, including, where appropriate, creating a single reporting procedure to monitor Applicant compliance and performance;

(viii) standardize term sheets for each of the incentives available under the Act and the Financial Services Program, including where appropriate, the name of the Applicant, the amount of the incentive issued or awarded, interest rate, term, use of proceeds, collateral security and employment information;

(ix) standardize requirements with regard to financial statements from recipients of incentives available under the Act and the Financial Services Program;

(x) standardize documentation and analysis to support the issuance of incentives available under the Act and the Financial Services Program in order to induce Applicants to remain, expand or locate within the City;

(xi) standardize documentation and analysis in connection with market justifications to support Applicants' sales growth projections;

(xii) standardize documentation and analysis in connection with each Applicant's capability to manage a proposed project;

(xiii) develop program proposals with regard to the use of IDA funds which are not dedicated to the costs incurred or to be incurred by EDC in connection with the administration of the programs of IDA pursuant to the IDA Annual Budget; and

(xiv) perform such other services and render such other assistance as the Board or the Executive Director shall request.

In addition, the administrative services to be provided to IDA by EDC with respect to certain larger projects, including but not limited to the monitoring of sales tax exemptions taken in connection with the purchase of machinery and equipment for such projects, shall be included in the “Services.”

Section 2.6. EDC shall, in the performance of the Services, follow procedures substantively similar to the rules issued by the City to enhance the ability of minority and women owned business enterprises (“MWBE(s)”) to compete for City contracts. Specifically, for the purpose of procuring consulting and professional services, EDC shall assist IDA in seeking to obtain responses from MWBEs. In addition, EDC shall assist IDA in marketing efforts to obtain project applications from MWBE applicants.

Section 2.7. Services related to IDA closings shall be limited to sixteen (16) IDA closings. EDC shall be compensated for additional IDA closings pursuant to Section 5.1(c) of this Agreement.

ARTICLE III

ADMINISTRATION AND ACCOUNTING OF FUNDS; INSPECTION RIGHTS

Section 3.1 EDC covenants and agrees that all funds received by EDC pursuant to Section 2.4 shall be promptly deposited into IDA Bank Accounts or remitted to appropriate governmental jurisdictions in accordance with requirements of applicable law.

Section 3.2 EDC shall provide to the Board and IDA's Treasurer investment recommendations and such other advisory services with respect to any monies held in IDA Bank Accounts as the Board may reasonably request.

Section 3.3 EDC will keep proper books of records and accounts in which proper entries will be made of its transactions with respect to all monies received and investments made pursuant to the terms of this Agreement, all in accordance with generally accepted accounting principles.

Section 3.4 EDC will permit IDA or its agents to examine the books of account and records of EDC and to make copies and extracts therefrom, and to discuss the affairs, finances and accounts of EDC with its officers and with its independent public accountants, all at such reasonable times and as often as IDA may reasonably request.

ARTICLE IV

TERM

Section 4.1 The Term of this Agreement shall be for a period from the date of this Agreement to June 30, 2025 or until the earlier termination of this Agreement pursuant to Article XI hereof.

Section 4.2 This Agreement shall be renewable pursuant to Article X hereof for successive additional 12 month periods.

ARTICLE V

PAYMENT TO EDC

Section 5.1 (a) Payment for the Services. IDA shall remunerate EDC in the amounts required under this Section 5.1.

(b) Base Contract Fee. In consideration of the Services provided to IDA by EDC during the Term, IDA shall pay to EDC a base contract fee in the amount of \$4,400,000 (the “Base Contract Fee”). IDA shall so remunerate EDC by paying to EDC, on the first day of each calendar month during the Term, an amount equal to one twelfth (1/12) of the Base Contract Fee.

(c) Additional Contract Fee. In addition to the Base Contract Fee, IDA shall pay to EDC an additional contract fee or fees (collectively, the “Additional Contract Fee”) of \$135,000 for each IDA closing beyond the sixteenth (16th) IDA closing during the Term of this Agreement.

IDA shall pay EDC an amount equal to the Additional Contract Fee within thirty (30) days of the related closing.

(d) Contribution toward Tenant Improvements. In consideration of any cost incurred by EDC in the improvement of its tenanted offices at One Liberty Plaza, New York, New York, IDA shall make a contribution toward such cost in a reasonably-allocated amount based upon the number of EDC personnel providing the Services and the time expended by such personnel. At the direction of the Chief Financial Officer of IDA, such contribution (if any) shall be deemed a part of the Base Contract Fee or it shall be payable as a separate fee in addition to the amount of the Base Contract Fee.

(e) Contingency Fees. In consideration of the Services rendered during the Term by EDC to IDA pursuant to Section 2.4 hereof, EDC may charge, and IDA shall pay to EDC, a contingency fee or fees (collectively, the “Contingency Fee”) for any amounts recovered by EDC on behalf of IDA under Section 2.4 hereof, other than the amounts described in clauses “iii” and “iv” of such Section 2.4; *provided, however*, that the payment to EDC of a Contingency Fee, and the amount thereof, when arising out of the recovery by EDC of the amounts described in clause “v” of such Section 2.4, shall be subject to applicable requirements of law, if any. The Contingency Fee shall equal fifteen (15%) per centum of the aggregate amount recovered by EDC pursuant to Section 2.4; and such Contingency Fee shall be payable exclusively out of the recovered amount, it being the express understanding and agreement of the parties hereto that EDC shall have no recourse to other monies or assets of IDA for the payment of the Contingency Fee.

ARTICLE VI
REPRESENTATIONS AND WARRANTIES OF EDC

EDC represents and warrants that:

Section 6.1 EDC is a not-for-profit corporation duly organized and validly existing and in good standing under the laws of the State of New York, and has all requisite power and authority to execute, deliver and perform this Agreement.

Section 6.2 This Agreement has been duly authorized by all necessary corporate action on the part of EDC and has been duly executed and delivered by EDC and, assuming due execution and delivery by IDA, constitutes a legal, valid and binding obligation of EDC, enforceable in accordance with its terms.

Section 6.3 There are no actions, suits or proceedings (whether or not purportedly on behalf of EDC) pending or, to the knowledge of EDC, threatened against or affecting EDC at law or in equity or before any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality which involves the possibility of any material adverse change in the business, operations, property or assets, or in the condition, financial or otherwise of EDC.

Section 6.4 Neither the execution and delivery of this Agreement, consummation of the transactions herein contemplated, nor compliance with the terms, conditions or provisions hereof, will conflict with or result in a breach of any of the terms, conditions or provisions of the Certificate

of Incorporation or by-laws of EDC or any statute, indenture, mortgage, deed of trust or other agreement or instrument to which EDC is bound, or to the knowledge of EDC, any order, rule, or regulation of any court or governmental agency or body having jurisdiction over EDC or any of its activities or properties.

ARTICLE VII

REPRESENTATIONS AND WARRANTIES OF IDA

IDA represents and warrants that:

Section 7.1 IDA is a corporate governmental agency constituting a body corporate and politic and public benefit corporation of the State of New York, duly organized, validly existing and in good standing under the laws of the State of New York and has all requisite power and authority to execute and deliver this Agreement.

Section 7.2 This Agreement has been duly authorized by all necessary corporate action on the part of IDA and has been duly executed and delivered by IDA, and assuming due execution and delivery by EDC, constitutes the legal, valid and binding obligation of IDA, enforceable in accordance with its terms.

Section 7.3 Neither the execution and delivery of this Agreement, consummation of the transactions herein contemplated, nor compliance with the terms, conditions or provisions hereof, will conflict with or result in a breach of any of the terms, conditions or provisions of the by-laws of IDA or any statute, indenture, mortgage, deed of trust or other agreement or instrument to which

IDA is bound, or to the knowledge of IDA, any order, rule, or regulation of any court or governmental agency or body having jurisdiction over IDA or any of its activities or properties.

ARTICLE VIII

ADDITIONAL COVENANTS OF EDC

So long as this Agreement is effective, EDC further covenants and agrees as follows:

Section 8.1 EDC will maintain its corporate existence under the laws of the State of New York as a not-for-profit corporation and that it will maintain its tax-exempt status pursuant to the Internal Revenue Code of 1986, as amended.

Section 8.2 EDC will keep and maintain adequate books and records relating to its operations, including but not limited to records with respect to:

- (a) any funds received in connection with IDA and its program;
- (b) the disbursement of such funds; and
- (c) financial documents relating to IDA and its programs, e.g. bank statements, fund balances, cancelled checks, bills, invoices, receipts, and deposit slips.

Section 8.3 EDC will provide monthly and year-to-date financial reports regarding IDA and its program to the Board and the Executive Director, which reports, shall include the following:

- (a) Total deposits at the beginning and end of the month;
- (b) Amount, source, application and date of all monies received and/or disbursed by or on behalf of IDA during the month;
- (c) Amount and application of any interest received during the month on IDA funds;

- (d) A monthly operations report; and
- (e) Such other information as the Board or Executive Director shall reasonably request.

Section 8.4 EDC will deliver to IDA, as soon as practicable and in any event not later than 90 days prior to the end of the Term and each successive term thereafter, an operations report setting forth at least the following information:

(i) discussion of the operations of EDC pursuant to this Agreement during the period covered by such report, including but not limited to IDA funds received and disbursed, project financings closed, revenues and scope of other activities hereunder;

(ii) an officer's certificate stating whether or not any default has occurred and is continuing hereunder and if so, specifying each such default, the nature of such default, and what action or actions it plans to take with respect thereto; and

(iii) such other information as the Board shall reasonably request.

Section 8.5 As soon as practicable and in any event not later than 120 days after the end of EDC's fiscal year, EDC will deliver to IDA the audited financial statements of EDC including a balance sheet and statement of profits and losses prepared in accordance with generally accepted accounting principles consistently applied.

Section 8.6 Promptly upon receipt thereof, EDC will deliver to IDA copies of any report on accounting procedures or internal controls submitted to EDC by independent certified public accountants in connection with any annual examination of the financial statements of EDC.

Section 8.7 EDC will deliver to IDA such other information as to the business or operations of EDC filed with any governmental department, bureau, commission or agency, as the Board may, from time to time, reasonably request.

Section 8.8 EDC will, in a timely manner, obtain all approvals necessary and make all filings required under city, state and federal laws with respect to the performance of this Agreement and the administration of IDA program.

Section 8.9 EDC will perform all acts to be performed in connection with this Agreement in strict conformity with applicable city, state and federal laws, rules, regulations and orders.

ARTICLE IX

EXECUTIVE DIRECTOR

Section 9.1 EDC and IDA covenant and agree that the Executive Director shall coordinate all aspects of this Agreement with the Board and shall dutifully undertake and be responsible for insuring the proper performance by EDC of the terms and provisions of this Agreement, in accordance with the Act, the by-laws of IDA and policies and procedures of the Board.

Section 9.2 EDC shall provide to the Board and the Executive Director, in accordance with the terms of this Agreement, such personnel, reports, forms and other information and

assistance necessary and desirable to fulfill and properly perform the obligations contained in this Agreement.

ARTICLE X

RENEWAL OF AGREEMENT

Section 10.1 EDC shall annually submit to the Board this Agreement and any proposed amendments thereto. The Board shall, if it is so advised, offer proposed amendments to the Agreement to EDC.

ARTICLE XI

EVENTS OF DEFAULT; TERMINATION

Section 11.1 If one or more of the following events (“Events of Default”) shall occur:

(a) EDC shall fail to perform or shall violate any provision of this Agreement and such default or violation shall continue for a period of thirty (30) days after the Chairman or Vice Chairman of the Board has given written notice thereof to EDC, or, in the case of a default or violation which cannot with due diligence be cured within such period of thirty (30) days, EDC shall not have commenced curing the same within such thirty (30) day period and thereafter shall not have prosecuted the curing of such default or violation with all due diligence to completion (it being understood in connection with a default or violation not susceptible to being cured with due diligence within thirty (30) days that the time to cure the same shall be extended for such period

as the Board may deem reasonably necessary to complete the curing thereof with all due diligence);
or

(b) The contract between the City and EDC dated as of June 30, 2023 as amended from time to time (the “Master Contract”) shall be terminated or an Event of Default (as defined in the Master Contract) shall occur and as a result of such Event of Default or for any other reason, the City or EDC shall elect to terminate the Master Contract; or

(c) EDC shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent or shall file any petition or answer seeking any reorganization, arrangement, recapitalization, readjustment, liquidation, dissolution or similar relief under any present or future applicable federal, state or other statute or law, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of EDC or of all or any substantial part of its properties or shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due; or

(d) Within ninety (90) days after the commencement of any proceedings against EDC seeking any reorganization, arrangement, recapitalization, readjustment, liquidation, dissolution or similar relief under the present or any future Federal Bankruptcy Act or any other statute or law, such proceedings shall not have been dismissed, or if, within ninety (90) days after the appointment, without the consent or acquiescence of EDC, of any trustee, receiver or liquidator of EDC or all or any substantial part of its properties, such appointment shall not have been vacated or stayed on appeal or otherwise, or within ninety (90) days after the expiration of any such stay such appointment shall not have been vacated; then, in any such Event of Default, IDA, at any time thereafter (but prior to the curing of all such Events of Default), may give written notice to EDC specifying such Event of Default or Events of Default and stating that this Agreement shall

expire and terminate on the date specified in such notice, which shall be at least ten (10) days after the giving of such notice, and on the date specified in such notice, this Agreement shall expire and terminate and EDC shall remain liable for all its obligations incurred pursuant to this Agreement prior to the date of such termination. EDC shall assume no further binding obligations in connection with any services to be rendered pursuant to this Agreement after the date of receipt of such notice from IDA, provided that IDA may direct such wind up work as it deems necessary.

Section 11.2 This Agreement shall terminate ninety (90) days after IDA shall have given to EDC, or EDC shall have given to IDA, written notice of the respective party's intention to terminate this Agreement. EDC shall assume no further binding obligations pursuant to any agreement after the date of receipt of such notice from IDA, provided that IDA may direct such wind-up work as it determines is necessary.

Section 11.3 On the date fixed for termination as provided in Sections 11.1 or 11.2 hereof, EDC shall transfer, assign and set over to IDA immediately (a) any and all documentation maintained by EDC in connection with services rendered hereunder and (b) all agreements, records, correspondence and other documents of any kind relating to outstanding IDA monies, projects and other matters.

ARTICLE XII

GENERAL PROVISIONS

Section 12.1 This Agreement may be assigned by EDC to its successor in function with

the consent of the Board.

Section 12.2 No modification, amendment, waiver or release of any provision of this Agreement or of any right, obligation, claim or cause of action arising hereunder shall be valid or binding for any purpose unless in writing and duly executed by the parties hereto.

Section 12.3 The table of contents and captions of this Agreement are for convenience and reference only and in no way define, limit or describe the scope or intent of this Agreement or in any way affect this Agreement.

Section 12.4 This Agreement contains all the terms and conditions agreed upon by the parties hereto, and no agreement, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to be binding upon any of the parties hereto.

Section 12.5 Each written notice, demand, request or other communication in connection with this Agreement shall be either served in person, with delivery or service acknowledged in writing by the party receiving the same, or deposited in the United States mails, postage prepaid, and addressed:

- (a) To EDC: One Liberty Plaza, New York, N.Y. 10006
Attention: President
- (b) To IDA: One Liberty Plaza, New York, N.Y. 10006
Attention: Executive Director

or addressed to either party at any other address that such party may hereinafter designate by written notice to the other party.

Section 12.6 This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

Section 12.7 The parties agree that each and every provision of federal, state or local law, rule, regulation or order, required to be inserted in this Agreement, is deemed by this reference to be so inserted in its correct form, and upon the application of either party, this Agreement shall be amended by the express insertion of any such provisions not so inserted and by the deletion of any such provision which is inserted incorrectly.

Section 12.8 No director, officer, member, employee, agent or other person authorized to act on behalf of EDC or IDA shall have any personal liability in connection with this Agreement or any failure of EDC or IDA to perform its obligations hereunder. Each of the parties hereto agrees that no action in connection with this Agreement shall lie or be maintained unless such action is commenced within six (6) months after the termination of this Agreement, or the accrual of the cause of action, whichever is earliest.

Section 12.9 EDC agrees to indemnify, defend and hold IDA, its members, directors, officers, employees and agents, harmless from any and all claims, demands, suits, expenses, judgments or liabilities of every kind and nature to which they may be subject because of any act or omission of EDC, its agents, or employees, in connection with this Agreement or because of any negligence of the EDC, its agents, or employees. EDC shall be solely responsible for the safety and protection of all its employees and shall assume all liability for injuries, including death,

that may occur to said employees due to the negligence, fault or default of EDC.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

NEW YORK CITY ECONOMIC
DEVELOPMENT CORPORATION

By: _____
Name:
Title:

NEW YORK CITY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____
Name:
Title:

EXHIBIT A

*New York City Industrial Development Agency
Budget for Fiscal Year 2025
follows this page*

**NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY
FISCAL YEAR 2025 BUDGET**

	FY 2023 Actual	FY 2024 Budget	FY 2024 Proj. Year-End Actual	FY 2025 Budget	FY 2026 Budget	FY 2027 Budget	FY 2028 Budget
REVENUES							
Financing Fees*	\$ 1,022,877	\$ 4,611,041	\$ 4,816,106	\$ 6,056,911	\$ 6,309,757	\$ 7,075,245	\$ 7,854,007
Application Fees	201,000	200,550	268,625	282,056	296,159	310,967	326,515
Compliance Fees	1,000,647	1,081,712	1,016,074	1,036,396	1,057,124	1,078,266	1,099,831
Post-Closing Fees	257,500	348,075	381,429	389,057	396,838	404,775	412,871
Investment Income	562,234	250,000	1,436,467	1,000,000	1,000,000	1,000,000	1,000,000
Other Income	88,603	93,875	23,450	23,919	24,397	24,885	25,383
TOTAL REVENUES	\$ 3,132,861	\$ 6,585,253	\$ 7,942,150	\$ 8,788,339	\$ 9,084,275	\$ 9,894,138	\$ 10,718,607
EXPENSES							
Contract Fee	\$ 4,400,000	\$ 4,400,000	\$ 4,400,000	\$ 4,400,000	\$ 4,400,000	\$ 4,400,000	\$ 4,400,000
Audit and Accounting Fees	77,744	75,102	75,102	77,355	79,676	82,066	84,528
Outreach / Marketing / Training	1,320	25,000	25,000	25,000	25,000	25,000	25,000
Public Notice Fees	67,000	80,160	33,472	70,350	73,868	77,561	81,439
Miscellaneous and Legal Expenses	12,607	100,000	25,000	200,000	200,000	200,000	200,000
TOTAL EXPENSES	\$ 4,558,671	\$ 4,680,262	\$ 4,558,574	\$ 4,772,705	\$ 4,778,543	\$ 4,784,627	\$ 4,790,967
OPERATING EXCESS/(DEFICIT) FROM IDA OPERATIONS	\$ (1,425,811)	\$ 1,904,991	\$ 3,383,576	\$ 4,015,634	\$ 4,305,732	\$ 5,109,511	\$ 5,927,640
SERVICE CONTRACTS							
Less: Service Contracts**	2,052,242	7,554,278	3,039,327	8,316,951	4,305,732	5,109,511	5,927,640
NET OPERATING EXCESS/(DEFICIT)	\$ (3,478,053)	\$ (5,649,287)	\$ 344,249	\$ (4,301,317)	\$ -	\$ -	\$ -

**NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY
NET ASSETS**

Unrestricted Net Assets (Beginning)	\$ 25,035,121	\$ 23,249,288	\$ 21,557,068	\$ 21,901,317	\$ 17,600,000	\$ 17,600,000	\$ 17,600,000
Net Operating Excess/(Deficit)	(3,478,053)	(5,649,287)	344,249	(4,301,317)	-	-	-
UNRESTRICTED NET ASSETS (ENDING)	\$ 21,557,068	\$ 17,600,000	\$ 21,901,317	\$ 17,600,000	\$ 17,600,000	\$ 17,600,000	\$ 17,600,000

* FY24 projected year-end financing fees are based on 8 transactions.

** Pursuant to various Board approved agreements between the Agency and NYCEDC, the Agency is committed to fund various projects being performed by NYCEDC related to the City's economic and industrial development projects and initiatives

NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY
BUDGETED REVENUES, EXPENDITURES, AND CHANGES IN CURRENT NET ASSETS
(Office of the State Comptroller's Submission Format)

	Last Year (Actual) 2023	Current Year (Estimated) 2024	Next Year (Adopted)* 2025	Proposed 2026	Proposed 2027	Proposed 2028
<u>REVENUE & FINANCIAL SOURCES</u>						
Operating Revenues						
Charges for services	2,482,024	6,482,234	7,764,420	8,059,878	8,869,253	9,693,224
Other operating revenues	88,603	23,450	23,919	24,397	24,885	25,383
Nonoperating Revenues						
Investment earnings	562,234	1,436,467	1,000,000	1,000,000	1,000,000	1,000,000
Total Revenues & Financing Sources	3,132,861	7,942,150	8,788,339	9,084,275	9,894,138	10,718,607
<u>EXPENDITURES</u>						
Operating Expenditures						
Professional services contracts	6,610,913	7,597,902	13,089,656	9,084,275	9,894,138	10,718,607
Total Expenditures	6,610,913	7,597,902	13,089,656	9,084,275	9,894,138	10,718,607
Excess (deficiency) of revenues and capital contributions over expenditures	(3,478,053)	344,249	(4,301,317)	-	-	-

* The FY2025 budget will be presented to the Board of Directors on April 23, 2024

Exhibit B

DRAFT

**NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY
COMPREHENSIVE INVESTMENT GUIDELINES POLICY
Adopted June 13, 2006; as amended through June 11, 2024**

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 <i>eligible securities</i> 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.

Exhibit C

DRAFT

**NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY
POLICY FOR THE DISPOSITION OF PERSONAL PROPERTY
Adopted June 13, 2006; as amended through June 11, 2024**

Personal Property Valued at \$5,000 or Less

Whenever New York City Industrial Development Agency (the “Agency”) wishes to transfer title to or a beneficial interest in an item of personal property or an interest therein with an estimated value of \$5,000 or less, it shall obtain offers from one or more persons or entities as the Agency’s contracting officer for personal property dispositions (the “Contracting Officer”), appointed by the Agency’s Board of Directors, or his or her designee deems appropriate. The Agency shall maintain a record of the persons or entities approached and their responses. The Agency may conduct discussions with some or all of the persons and entities. The property may be disposed of to whichever person or entity the Contracting Officer or his or her designee selects based on the proposed price and any other factors that the Contracting Officer or his or her designee deems appropriate.

All personal property that the Contracting Officer or his or her designee considers to be of no sale value and no use to the Agency may be destroyed or otherwise disposed of in such manner as is determined by the Contracting Officer or his or her designee. Notwithstanding the foregoing, records may only be destroyed or disposed of at a time and in a manner not in conflict with applicable law, regulation or contract.

No approval of a disposition of a type described above is required from the Board of Directors or any committee thereof. All disposal documents must be approved and executed by an officer who is an authorized signatory of all agreements of the Agency.

Personal Property Valued in Excess of \$5,000

Whenever the Agency wishes to transfer title to or a beneficial interest in an item of personal property or an interest therein with an estimated value in excess of \$5,000 it shall first obtain an appraisal of the property if, because of the unique nature of the property or the unique circumstances of the proposed transaction, it is not readily valued by reference to an active market for similar property. However, an appraisal of the property will not be required if an appraisal of the property or similar property has been made within the past two years.

The person or entity to which the property shall be disposed of shall be determined through a procurement conducted in accordance with Title 5-A of Article 9 of the Public Authorities Law. The Agency shall publicly advertise for proposals for the disposal of the property in accordance with Title 5-A, provided that it may dispose of the property without public advertising, obtaining such competition as is feasible under the circumstances, when permitted to do so under Title 5-A. In connection with the disposition, in addition to complying with the requirements of Title 5-A, the Agency shall also comply with the lobbying-and-procurement requirements of Sections 139-j and 139-k of the State Finance

Law, and with all other laws, if any, that are applicable to the disposition of personal property.

Prior to the disposal of the property, the project manager involved in the disposition shall be the primary person responsible for the monitoring of compliance with the terms of the contract for the disposal, and shall keep the Contracting Officer or his or her designee informed of all major issues that arise and of the status of the disposition.

The disposal must be approved by the Board of Directors if the disposal (i) is on a sole source basis for an amount in excess of \$20,000, or (ii) is for an amount in excess of \$100,000 and has been competitively procured, or (iii) is for property valued in excess of \$5,000 and will be disposed of for less than fair market value. For disposals for less than those amounts, no approval is required of the Board of Directors. In all cases, the disposal must be approved by the Contracting Officer or his or her designee and disposal documents must be approved and executed by an officer who is an authorized signatory of all agreements of the Agency.

The Contracting Officer shall cause a record to be maintained of all personal property disposed of for an amount in excess of \$5,000 and shall cause to be prepared and transmitted all reports relating to the disposition of personal property required by Title 5-A.

Acknowledgment of Inapplicability

It is acknowledged that acquisition and disposition by the Agency of interests in personal property, when the Agency so acquires and disposes in the course of providing financial assistance to projects (as such terms are defined in the General Municipal Law) in accordance with relevant requirements of the General Municipal Law, are exempt from the requirements of Title 5-A; and that, accordingly, this Policy will have no application to such financial-assistance-related transactions of the Agency.

Exhibit D

DRAFT

**NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY
POLICY FOR THE ACQUISITION AND DISPOSITION OF REAL PROPERTY
Adopted June 13, 2006; as amended through June 11, 2024**

I. Introduction

In accordance with the requirements of Title 5-A of Article 9 of the Public Authorities Law and Section 2824(1)(e) of the Public Authorities Law, as amended by the Public Authorities Accountability Act of 2005, as amended (“PAAA”), the following comprehensive guidelines (“Guidelines”) set forth for the New York City Industrial Development Agency (“NYCIDA”) (i) the operative policy and instructions regarding the use, awarding, monitoring and reporting of contracts for the disposal of property through means of real property sale, ground lease, space lease and roof top lease, (ii) the guidelines relating to the acquisition of real property, and (iii) the related policies and procedures.

It is acknowledged that acquisition and disposition by NYCIDA of interests in real property, when NYCIDA so acquires and disposes in the course of providing financial assistance to projects (as such terms are defined in the General Municipal Law) in accordance with relevant requirements of the General Municipal Law, are exempt from the requirements of the PAAA; and that, accordingly, these Guidelines will have no application to such financial-assistance-related, real estate transactions of NYCIDA.

II. Methods of disposing of real property

NYCIDA shall dispose of real property in accordance with Title 5-A and other applicable laws in a manner so as to permit such full and free competition as is appropriate under the circumstances and shall award contracts to parties offering the most advantageous terms, financial and/or otherwise. The Contracting Officer for real property dispositions, appointed by NYCIDA’s Board of Directors (the “Board”), shall supervise and direct all dispositions of NYCIDA real property. The real property may be disposed of for not less than fair market value for cash, credit, or other property, with or without warranty, upon such terms and conditions as the Contracting Officer or his/her designee deems proper, except as otherwise permitted herein. No disposition of real property shall be made unless an appraisal has been made by an independent appraiser whose written report will be included in the NYCIDA file. To the extent reasonably feasible, the appraisal shall be dated within twelve months of the date on which NYCIDA enters into a contract to dispose of the real property. The independent appraiser must be a New York State Certified General Real Estate Appraiser and may not be an entity owned or controlled by the City, New York City Economic Development Corporation, or the prospective purchaser or lessee, or any of their affiliates. An appraisal meeting the foregoing requirements is a “Conforming Appraisal”. Before approving the disposal of any property the Board shall be advised of the date of the Conforming Appraisal.

Under the Contracting Officer’s or his/her designee’s direction, NYCIDA primarily uses two methods of disposition: Request for Proposals (“RFP”) and negotiated disposition.

RFPs

The RFP process is a process whereby the development community and other entities and individuals are invited to submit proposals for one or more properties. In an effort to create full and free competition consistent with the value and nature of the property, as certified in writing by the Contracting Officer, RFPs will be advertised in the City Record and shall be advertised in local newspapers, including community-based newspapers, in multi-language publications, and/or in a trade publications, where appropriate given the nature of the property. In addition, RFPs shall be posted on NYCIDA's web-site (or the portion of another entity's web-site devoted to NYCIDA), and, on occasion, distributed to a direct mailing list. All advertisements shall list when and where proposals shall be disclosed, except that if the disposition falls within one of the criteria for a negotiated disposition described below, as certified in writing by the Contracting Officer, at the discretion of the Contracting Officer, the advertisement may omit such disclosure information and/or the disclosure may or may not be made. The Contracting Officer shall approve the location of all advertisements and postings and any omission of disclosure information.

RFPs for real property sales and ground leases may, but are not required to, include an introduction and sections on development strategy, objectives, disposition process, public review process, general conditions and, where appropriate, economic development benefits. All RFPs for real property sales and ground leases must include a site description, proposal requirements and selection criteria.

Although the selection criteria for each RFP varies, as appropriate, NYCIDA will include at least the following selection criteria in reviewing submissions and selecting a proposal:

- *Economic Impact on / Spending in New York City* - projected expenditures, including purchase price, construction costs and annual operating costs; projected temporary (construction) and permanent on-site employment and payroll; projected applicable New York City taxes such as real property, sales and personal income taxes; and the extent, if any, to which the proposed project will create additional sources of revenue to the City.
- *Development Team Qualifications* – experience and development skills to complete the proposed project on time and within budget, for which experience in completing projects of a similar nature and scope as is contemplated by the RFP shall be taken into account.
- *Financial Viability* – developer's financial means to complete the project, availability of funding sources to finance the project, and sufficient use to support operating expenses, capital costs and any debt service.
- *Integration into Surrounding Community* – environmental issues such as pedestrian access, vehicular access and circulation, building mass, parking availability, landscaping, environmental impact, and overall integration into surrounding community.

- *Design* – architectural design, urban design, environmental development techniques, and compliance with applicable zoning, environmental and other regulatory controls.
- *MWBE Participation* – participation by minority-owned and women-owned businesses, or partnering arrangements with minority-owned and women-owned businesses.
- *Purpose* – whether the project involves an industry or activity which the City seeks to retain and foster and conforms with NYCIDA’s mission

Depending on the nature of the real property, RFPs may or may not include additional selection criteria, deemed appropriate by the Contracting Officer or NYCIDA’s President.

With regard to an RFP for a real property sale or ground lease, NYCIDA shall notify the City Council Member and Community Board whose districts include the property, that an RFP is being issued.

The contract will be awarded to the candidate presenting the most advantageous terms, price and other factors considered in connection with the criteria enumerated in the RFP. NYCIDA may reject the proposals when the minimum terms and conditions have not been met, competition is insufficient and/or it is in the public interest to do so. The award/designation will be made by notice within a reasonable time of the original advertisement, all circumstances considered.

Notwithstanding anything that may be to the contrary in the foregoing description of the RFP process, NYCIDA shall, when using the RFP process, comply with the requirements of Sections 139-j and 139-k of the State Finance Law pertaining to procurements by a governmental entity (collectively, the “Procurement Requirements”) by acting in accordance with NYCIDA’s Procurement Policy.

Negotiated Disposition

RFP by advertisement is not always the most appropriate and effective means of disposal of real property. In certain instances, including when the disposition is for less than fair market value but the purpose of the disposition is within NYCIDA’s purpose, mission or governing statute or the disposition is otherwise authorized by law, Title 5-A permits a negotiated disposition subject to obtaining such competition as is feasible under the circumstances. In some circumstances, the disposition will involve a sole source disposition. Title 5-A, Sections 2897(6)(c)(ii)-(vi) and 2897(7), sets forth that real property may be disposed of through a negotiated disposition when:

- (i) the fair market value of the property does not exceed fifteen thousand dollars;
- (ii) bid prices after advertising therefor are not reasonable, either as to all or some part of the property, or have not been independently arrived at in open competition;

(iii) the disposal will be to the state or any political subdivision, and the estimated fair market value of the property and other satisfactory terms of disposal are obtained by negotiation;

(iv) the disposal is for an amount less than the fair market value of the property, and (a) the transferee is a government or other public entity and the terms and conditions of the transfer require that the ownership and use of the asset will remain with the government or any other public entity, (b) the purpose of the transfer is within the purpose, mission or governing statute of NYCIDA, or (c) in the event NYCIDA seeks to transfer an asset for less than its fair market value to other than a governmental entity, which disposal would not be consistent with Agency's mission, purpose or governing statutes, NYCIDA shall provide written notification thereof to the governor, the speaker of the state assembly, and the temporary president of the state senate, and such proposed transfer shall be subject to denial by the governor, the state senate, or the state assembly in the manner specified in Section 2897(7)(iii); provided, however, that with respect to a below-market transfer by NYCIDA that is not within the purpose, mission or governing statute of NYCIDA, if the governing statute provides for the approval of such transfer by the executive and legislative branches of the political subdivision in which NYCIDA resides, and the transfer is of property obtained by NYCIDA from that political subdivision, then such approval shall be sufficient to permit the transfer; or

(v) such action is otherwise authorized by law.

In the event a below fair market value asset transfer (pursuant to an RFP or negotiated disposition) is proposed to NYCIDA's Board of Directors for approval, the following information must be provided to NYCIDA's Board of Directors and the public:

1. a full description of the asset;
2. a Conforming Appraisal and any other information establishing fair market value as may be sought by the Board;
3. a description of the purpose of the transfer, and a reasonable statement of the kind and amount of the benefit to the public resulting from the transfer, including but not limited to the kind, number, location, wages, or salaries of jobs created or preserved as required by the transfer, the benefits, if any, to the communities in which the asset is situated as are required by the transfer;
4. a statement of the value to be received compared to the fair market value;
5. the names of any private parties participating in the transfer, and if different than the statement required by subparagraph "4" of this paragraph, a statement of the value to the private party; and
6. the names of other private parties who have made an offer for such asset, the value offered, and the purpose for which the asset was sought to be used.

Before approving the disposal of any property for less than fair market value, the Board shall consider the information described in the above paragraph, and the justification(s) provided in a written certification made by the Contracting Officer or NYCIDA's President and make a written determination that there is no reasonable alternative to the proposed below-market transfer that would achieve the same purpose of such transfer. The Contracting Officer shall provide such supplemental information as the Board may require.

If an RFP involves a disposition that meets one of the criteria described above for negotiated dispositions, the Contracting Officer or his/her designee may direct that the disposition of the real property be considered a negotiated disposition. In such circumstance, a public disclosure of the proposals would not be necessary unless otherwise required but an explanatory statement and 90 days' notice (or such other period as the statute may be amended to require) would be required as detailed below.

Upon meeting Title 5-A's requirements for a negotiated disposition, the decision to proceed with a negotiated disposition in a situation where an RFP will not be used is based on an analysis of the facts and nature of the project. In such instance, a negotiated disposition may be undertaken without limitation under the following circumstances (which shall be explained to the Board in writing) where appropriate:

- risk of business relocation or expansion outside the City
- to permit expansion of business in the City
- due to number of jobs to be created or retained
- development of sites which lack private sector interest (as demonstrated by a failed RFP or other competitive means within the past two years)
- proximity of real property to a business' existing location, or
- other important public purpose

Regardless of the reason the negotiated disposition is deemed permissible, such competition as is "feasible" under the circumstances is still required. In some instances where advertisement is not used, NYCIDA might notify neighboring businesses of an available parcel to give them the opportunity to submit a proposal, thereby effecting competition. However, in other instances, even such notification might not be feasible. Realistically, in certain situations a sole source disposition or little competition will be the only feasible alternative. For example, if a lease is for a sum below fair market value and failure to renew could threaten relocation outside the City, loss of jobs or business failure, a sole source negotiated disposition will be permissible under Title 5-A Section 2897(6)(c)(v). So too, if a space is leased at fair market value to a tenant that provides many jobs and services as well as promises future economic development to the community, a sole source negotiated disposition might also be appropriate to preserve the jobs in the City. Similarly, if a tenant requires an adjacent available space to expand his/her business and such expansion would create new jobs and prevent the business from leaving the City, a sole source negotiated disposition at fair market value might also be appropriate. In cases where a sole source disposition is presented to NYCIDA's board of directors for approval, the board of directors should be informed of the justification for doing a sole source.

If a negotiated disposition is undertaken, in accordance with Section 2897(d) of the PAAA, in most cases not less than 90 days (or such other period as the statute may later require) prior to the disposal of the property, an explanatory statement must be submitted to the state comptroller, state director of the budget, state commissioner of general services and state legislature, a copy of the same to be maintained in NYCIDA's files.

III. Acquisitions

Real property may be purchased or acquired by eminent domain by NYCIDA for purposes of use, resale, leasing or otherwise permitting the use of the property or space therein, and may be leased by NYCIDA for purposes of use, subleasing or assignment of lease or otherwise permitting the use of the leased property or space. The purpose of such acquisition shall be to further a purpose of NYCIDA under the General Municipal Law. Except for acquisitions arising out of the enforcement of remedies, the following requirements shall apply to acquisitions by NYCIDA. The Contracting Officer or his/her designee shall approve the terms of the acquisition and obtain the approval of the Board for the same. Further, at the discretion of the President of NYCIDA or his/her designees, where NYCIDA has a right of reacquisition of previously disposed of property, it may exercise this right. In NYCIDA's consideration of the acquisition of real property for the reasons enumerated above, the following information must be provided to the Board :

1. a full description of the real property;
2. a Conforming Appraisal and any other information establishing fair market value as may be sought by the Board;
3. a description of the purpose of the acquisition, and a reasonable statement of the kind and amount of the benefit to the public resulting from such acquisition, such as the kind, number, location, wages, or salaries of jobs created or preserved as required by the acquisition, the benefits, if any, to the communities in which the property is situated as are required by the acquisition;
4. a statement of the acquisition costs as compared to the fair market value, if such acquisition costs are above the fair market value; and
5. the names of any private parties participating in the acquisition; and
6. any known environmental issues.

IV. Approvals

All purchases, sales and leases of real property by NYCIDA must be approved by its Board. Approvals may be obtained for specific purchases, sales or leases or the Board may grant approval to purchases, sales or leases in accordance with Board-approved guidelines.

V. Monitoring and Reporting Contracts for Disposal

Prior to the disposal of the real property, the project manager involved in the disposition shall be the primary person responsible for the monitoring of compliance with the terms of the contract or other agreement or memorandum for the disposal and shall keep the

Contracting Officer or his/her designee informed of all major issues that arise and of the status of the disposition.

The Contracting Officer shall cause a record to be maintained of all real property disposed of and shall cause to be prepared and transmitted all reports relating to the disposition of real property required by Title 5-A.

Exhibit E

DRAFT

PROCUREMENT POLICY OF THE
NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY

Adopted June 13, 2006; as amended through June 11, 2024

In accordance with relevant requirements of the General Municipal Law, the Public Authorities Accountability Act, and the Lobbying and Procurement Act, all of the foregoing being enactments of the State of New York.

TABLE OF CONTENTS

SECTION A. GENERAL..... 1

SECTION B. USE OF NYCEDC 4

SECTION C. SMALL PURCHASES 4

SECTION D. SOLE SOURCE PROCUREMENT 5

SECTION E. EMERGENCY PROCUREMENTS 5

SECTION F. COMPETITIVE SEALED BIDDING 6

SECTION G. COMPETITIVE SEALED PROPOSALS..... 7

**SECTION H. CONTRACTORS RECOMMENDED BY CONSTRUCTION
MANAGER 8**

SECTION I. USE OF OTHER GOVERNMENTAL CONTRACTS..... 8

APPENDIX I RECORD OF PROCUREMENT

- Exhibit A: Record of Procurement
- Exhibit B: Supplemental Record of Procurement
- Exhibit C: Record of Contact

APPENDIX II PERMITTED CONTACTS

APPENDIX III MINIMUM REQUIREMENTS

- Exhibit A: Affirmation
- Exhibit B: Certification
- Exhibit C: Disclosure

APPENDIX IV REQUIREMENTS TO BE INSERTED IN SOLICITATIONS

Section A. GENERAL

(1) **Definitions.** The following terms shall have the meanings respectively provided:

Agency means the New York City Industrial Development Agency.

Board of Directors means the Board of Directors of the Agency.

City means The City of New York.

Competitive Method of Procurement means the following Methods of Procurement: Section C, Small Purchases (but not with respect to contracts under \$5,000); Section F, Competitive Sealed Bids; Section G, Competitive Sealed Proposals; and Section H, Contractors Recommended by Construction Manager.

Construction-Related Supplies means the providing of tangible personalty, whether or not capital in nature, in connection with Construction Services, including but not limited to fixtures, furnishings and equipment.

Construction Services means construction and/or renovation activities.

Consultant Committee has the meaning provided in subsection 7 of this Section A.

NYCEDC means the New York City Economic Development Corporation in its capacity as the contract provider to the Agency for all administrative services.

Executive Director means the Executive Director of the Agency, or, upon his or her direction, the Deputy Executive Director of the Agency.

Investigation means the then-current investigatory background check used by NYCEDC.

Method(s) of Procurement means collectively and individually the following procurement procedures: (i) *Use of NYCEDC* under Section B; (ii) *Small Purchases* under Section C; (iii) *Sole Source Procurement* under Section D; (iv) *Emergency Procurements* under Section E; (v) *Competitive Sealed Bidding* under Section F; (vi) *Competitive Sealed Proposals* under Section G; (vii) *Contactors Recommended by Construction Manager* under Section H; and (viii) *Use of other Governmental Contracts* under Section I.

Minimum Requirements has the meaning provided in subsection 8 of this Section A.

Offeror(s) has the meaning provided in subsection 5 of this Section A.

Procurement Officer(s) has the meaning provided in subsection 5 of this Section A.

Public Contract has the meaning provided in subsection 6 of this Section A.

Record of Procurement has the meaning provided in subsection 4 of this Section A.

Response means a response to a Solicitation.

Responsible Person means an individual or entity that does not fall within any of the following categories: (i) an Offeror with regard to which a governmental entity has made, within the preceding four years, a finding of non-responsibility on account of (y) impermissible contacts with such governmental entity during the restricted period for a procurement being performed by such governmental entity, or (x) intentionally providing

to such governmental entity false or incomplete information; or (ii) any subsidiary or related or successor entity of the Offeror described in clause “i” preceding when such subsidiary or related or successor entity has a substantially similar function or management; and (iii) for purposes of any procurement of the Agency, an Offeror that has made an impermissible contact with the Agency during the Restricted Period applicable to such procurement, or an Offeror that has intentionally provided the Agency with false or incomplete information in connection with such procurement.

Restricted Period means, with regard to any Competitive Method of Procurement, the period of time commencing with the earliest Solicitation and ending with the final contract award and approval by the Board of Directors.

Selection Criteria has the meaning provided in subsection 9 of this Section A.

Services means professional and consulting services.

Solicitation(s) means any notice, advertisement, bid, request for proposals, or any other request that is published or otherwise disseminated by the Agency as part of one of the Competitive Methods of Procurement.

State means the State of New York.

Supplies means the providing of tangible and intangible goods, including (without limitation) software and capital items, including (with respect to machinery and equipment) installation and servicing, but not including construction-related personalty.

Supplies and/or Services means, depending on the context, all or any one of or any combination of the following: Services, Supplies, Construction Services, and/or Construction-Related Supplies.

(2) **Applicability of this Policy.** Except as provided for Public Contracts, this Policy shall apply to the procurement of contracts for all Supplies and/or Services to be purchased by the Agency for its own use and account. This Policy shall not apply to the review and approval by the Agency of any project or project entity for the purpose of providing to such project or project entity financial assistance in accordance with relevant provisions of Title 1 of Article 18-A of the General Municipal Law Chapter 24 of The Consolidated Laws of New York, as amended.

(3) **Methods of Procurement.** Every contract for Supplies and/or Services procured by the Agency shall be procured in accordance with and pursuant to one of the Methods of Procurement. Any contract for Supplies and/or Services procured by the Agency shall be procured in accordance with and pursuant to *Competitive Sealed Bidding* unless one of the other Methods of Procurement is appropriate for such procurement.

(4) **Record of Procurement.** The Executive Director shall cause to be maintained with respect to each contract procured by the Agency for Supplies and/or Services pursuant to one of the Competitive Methods of Procurement, the “**Record of Procurement**” set forth in *Appendix I*, annexed hereto.

(5) **Procurement Officer; Permitted Contacts.** For every Competitive Method of Procurement, the Executive Director or, at the Executive Director's designation, the head of the contract administration unit for NYCEDC, shall name one or more individuals to act on behalf of the Agency for the purpose of receiving questions from, and providing information to, bidders, respondents or other offerors (or if individuals are acting on behalf of entities that are bidders, respondents or other offerors, then, to such individuals) (the "**Offeror(s)**"). The person or persons so named shall be referred to as the "**Procurement Officer(s)**." During any Restricted Period, permitted contacts between the Agency (including but not limited to the Procurement Officer(s)) and Offeror(s) are limited to those described in *Permitted Contacts, Appendix II*, annexed hereto.

(6) **Public Contracts.** When the Agency funds contract payments with monies provided by the federal government and/or the State and/or the City; and where as a condition to using such monies, federal and/or State and/or City law, rules or regulations prescribe procurement requirements that exceed or conflict with those set forth in this Policy, the requirements of such laws, rules or regulations shall govern. Agency contracts that are so funded, whether in whole or in part, shall be referred to as "**Public Contracts.**"

(7) **Board of Directors; Executive Director; Selection Consultant Committee.**

(a) With the exception of contracts for \$5,000 or less, the Board of Directors shall approve all contracts for Supplies and/or Services except that in the case of Emergency Procurements, such approvals may be retroactive.

(b) The Board of Directors may (but shall not be obligated to) appoint a Selection Consultant Committee (the "**Consultant Committee**") to evaluate and recommend Offerors and their Responses for any Supplies and/or Services for which a Competitive Method of Procurement is used. If the Board appoints a Consultant Committee, then the Consultant Committee shall be responsible for recommending Offerors and Responses (as selected pursuant to a Competitive Method of Procurement) to the Board of Directors. If the Board of Directors does not appoint a Consultant Committee, the Executive Director shall make such recommendations.

(8) **Minimum Requirements.** To be considered in a Competitive Method of Procurement, an Offeror must satisfy (and to the extent possible demonstrate in its Response that it satisfies) the "**Minimum Requirements**" set forth in *Appendix III* annexed hereto.

(9) **Selection Criteria.** For all contracts for which a Competitive Method of Procurement is used, the Executive Director (or, where applicable, the Consultant Committee) shall in writing specify criteria by which potential Offerors (and their Responses) are to be evaluated (the "**Selection Criteria**").

(10) **Applicability of Differing NYCEDC Requirements.** If NYCEDC, whether by contract or decision by the Deputy Mayor for Economic Development or by other means, amends its procurement policy and procedures, this Policy shall be similarly and automatically

amended without approval by the Board of Directors except to the extent otherwise required by law.

(11) **Solicitations of the Agency.** Solicitations of the Agency shall contain the provisions set forth in *Appendix IV* annexed hereto.

(12) **MWBEs.** The Agency shall seek to encourage participation by minority and women-owned business enterprises (i.e., “MWBEs”) in providing Supplies and/or Services to the Agency.

Section B. USE OF NYCEDC

(1) The Agency may procure NYCEDC as the contractor for providing services for the administration and operation of the Agency, and may do so without competition and without complying with any other Method of Procurement. In adopting this Policy, the Board of Directors hereby finds and determines as follows: (a) Agency has no employees; (b) staff personnel of NYCEDC (or its predecessors) have, since the establishment of the Agency, administered and operated the Agency pursuant to contract between the Agency and NYCEDC; (c) as to staffing, the operational identity between the Agency and NYCEDC has always been and remains integrated; (d) it is in the best interests of the Agency to continue this contractual and operational relationship with NYCEDC; and (e) were the relationship to be discontinued, the resulting inefficiencies would be deleterious to the effective operation of the Agency, and (f) to competitively seek an entity to administer and operate the Agency would not be in the Agency’s best interest.

(2) The Agency may procure contracts for Services through NYCEDC (other than those described in subsection (1) immediately preceding) as contractor whereby NYCEDC obtains the desired services from a third party as subcontractor, and the Agency may select NYCEDC for this purpose on a non-competitive basis without the Agency otherwise complying with any other Method of Procurement; *provided, however,* that NYCEDC shall procure the subcontractor in question in accordance with NYCEDC’s then-current procurement policy and procedures. In adopting this Policy, the Board of Directors hereby finds and determines as follows: (a) for certain Services, procuring a contractor competitively when the contractor is merely acting in an administrative or pass-through capacity, is not in the best interests of the Agency; (b) selecting NYCEDC non-competitively for this administrative and pass-through role, given that NYCEDC staff personnel provide all day-to-day administrative services to the Agency, is by far the most efficient alternative to competitively selecting an entity for this purpose; and (c) by requiring NYCEDC to procure the subcontractor in accordance with NYCEDC’s own procurement policy and procedures, the Agency is fulfilling the intent of this Policy.

Section C. SMALL PURCHASES

The procurement of a contract for Supplies and/or Services for an amount greater than \$5,000 but not more than \$100,000, shall consist of using reasonable efforts to obtain Responses from at least three Offerors. With regard to procurements of \$5,000 or less, the Agency shall not

be required to engage in any procurement process. If the Agency only obtains a Response from one Offeror pursuant to this Section C, the procurement will not be considered sole-source under this Policy. In general, procurements shall not be artificially divided so as to constitute a small purchase under this Section C. Procurement under this Section C need not be based exclusively on cost.

Section D. SOLE SOURCE PROCUREMENT

(1) **For Services.** Subject to review and approval by the Consultant Committee (if one has been appointed by the Board of Directors pursuant to subsection A.7 of this Policy), the Executive Director may award a contract for Services to a consultant on a sole-source basis if either of the following circumstances applies: (a) the consultant has unique capabilities or has exclusive access to unique technical data, either of which is relevant to the progress and/or completion of a project; or (b) a consultant's recent experience with a specialized project or its geographical location, or the consultant's familiarity with local community groups, would add significantly to the overall quality of either the planning, design or construction of the project.

(2) **For Supplies.** Subject to review and approval of the Consultant Committee (if one has been appointed by the Board of Directors pursuant to subsection A.7 of this Policy), the Executive Director may award to a vendor a contract for Supplies on a sole-source basis if either of the following circumstances applies: (a) the vendor is the only vendor that makes or supplies or installs or services a unique item (new or replacement); (in other words, this is a circumstance in which the Agency would have no visible alternative); or (b) the Agency has attempted to procure a vendor through one of the Competitive Methods of Procurement but the effort has failed to produce a Response or the Responses that were received were non-responsive; and, as a consequence, the Agency must procure a vendor on a sole-source basis in order to avoid possible cost overruns or a delay in the project.

Section E. EMERGENCY PROCUREMENTS

(1) **General.** Upon determination by the Executive Director that one of the emergency circumstances described in subsection (2) following applies, the Executive Director may direct the Agency to enter into a contract for Supplies and/or Services without the benefit of a Competitive Method of Procurement; provided, however, that the Agency shall use such competitive procedures as may be practicable without endangering life, safety, health, welfare or property, and without impairing the success of the project to which the emergency pertains. Should the Agency use competition, the resulting procurement need not be based exclusively on cost.

(2) **Emergencies.** The following are emergencies under which the Executive Director may direct the Agency to enter into a contract without benefit of a Competitive Method of Procurement: (a) procurement must occur immediately in order to avoid threat to life, safety, health, welfare or property; or (b) the failure to procure immediately is likely to threaten or jeopardize the security or value of a project or the property or goods associated with a project; or (c) immediate procurement is necessary in order to avoid cost overruns or substantial delay in project completion. For purposes of clause "c," "substantial delay" in construction projects

includes, but shall not be limited to, delay in a scheduled delivery date when such date is intrinsic to the progress of the construction.

Section F. COMPETITIVE SEALED BIDDING

(1) **Applicability.** Except as provided in Sections B through E and Sections F through I, all contracts for Supplies and/or Services of the Agency shall be competitively bid under sealed bids in accordance with the provisions of this Section F. (For purposes of this *Section F*, the undefined term “bid(s)” shall be used interchangeably with the term “Response(s)”)

(2) **Invitation for Bids.** The Executive Director shall issue a Solicitation in the form of an “Invitation for Bids.” The Invitation for Bids shall include (whether by attachment or reference) a purchase description, and all contractual terms and conditions applicable to the procurement.

(3) **Public Notice.** Adequate public notice of the Invitation for Bids shall be provided by publication in the City Record a reasonable time prior to the date set forth therein for the opening of bids. In addition, the Agency may publish such notice in a newspaper of general circulation for a reasonable time prior to bid opening.

(4) **Bid Opening.** Bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the Invitation for Bids. The amount of each bid, the name of each bidder and the bid security, if any, shall be recorded. The record and each bid shall be open to public inspection.

(5) **Bid Acceptance and Bid Evaluation.** Bids shall be unconditionally accepted without alteration or correction on the part of the bidder except as authorized in this *Section F*. Bids shall be evaluated based on the requirements set forth in the Invitation for Bids, which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery and suitability for a particular purpose. Those criteria that will affect the bid price and be considered in evaluation for award shall be objectively measurable, such as discounts, transportation costs, and total or life cycle costs. The Invitation for Bids shall set forth the evaluation criteria to be used.

(6) **Correction or Withdrawal of Bids; Cancellation of Awards.** Correction or withdrawal of inadvertently erroneous bids before or after award, or cancellation of awards or contracts based on such bid mistakes, shall be permitted in instances in which the Executive Director finds that it is in the Agency's interest to do so. After bid opening, no changes in bid prices or other provisions of bids prejudicial to the interest of the Agency or fair competition shall be permitted. All decisions to permit the correction or withdrawal of bids, or to cancel awards or contracts based on bid mistakes, shall be supported by a written determination made by the Executive Director.

(7) **Award.** The contract shall be awarded to the bid that (a) is lowest in cost, and (b) is responsive to the Invitation to Bids, and (c) meets the Minimum Criteria. Notwithstanding the

foregoing, any or all bids may be rejected when the Agency reasonably deems it is in the Agency's interest to do so.

Section G. COMPETITIVE SEALED PROPOSALS

(1) **Applicability.** The Agency may procure contractors through Competitive Sealed Proposals under this Section G for the following: (a) for Services; and (b) when the Executive Director determines (subject to review and approval of the Consultant Committee if one has been appointed by the Board of Directors pursuant to subsection A.7 of this Policy) that one or more of the following circumstances applies, then, under such circumstance, for Supplies, for Construction Services, and for Construction-Related Supplies: (x) Competitive Sealed Bidding is inadequate because of the importance of considerations other than cost; (e.g., the capacity of an Offeror to perform as stated in its Response; experience in the required area of knowledge; experience in the community to be served or studied; experience in the community where the contract work is to be performed); or (y) discussions with Offerors that are potential awardees are necessary in order to insure their full understanding and responsiveness to contract requirements; or (z) in the case of Construction Services, the needed expertise and experience is so specialized as to be outside the expertise and experience of most construction contractors.

(2) **Request for Proposals.** The Agency shall issue a Solicitation in the form of a “Request for Proposals.”

(3) **Public Notice.** The Agency shall provide adequate public notice for the Request for Proposals.

(4) **Receipt of Proposals.** When opening Responses for review, the Agency shall not, for the duration of the Restricted Period, disclose the contents of the Responses to competing Offerors. A “Register of Proposals” shall be prepared and shall be open for public inspection after the Restricted Period. The Register of Proposals shall contain the names of all Offerors and the prices respectively proposed in their Responses.

(5) **Selection Criteria.** For purposes of this Section G, the Selection Criteria shall include but not be limited to the following: cost; whether the Offeror has the capacity to execute the contract in accordance with the Offeror’s Response; whether the Offeror has relevant experience and/or knowledge; and if relevant, whether the Offeror has experience in and knowledge of the community to be served or studied or in which work is to be performed. Procurement under this Section G need not be based exclusively on cost.

(6) **Discussion with Responsible Offerors and Revisions to Proposals.** With respect to those Responses that the Executive Director or the Consultant Committee (as applicable) deem to be (in their sole discretion) candidates for award, the Agency may hold discussions with the relevant Offerors to clarify and fully understand their Responses. The Agency shall treat such Offerors fairly and equably, particularly in connection with providing opportunities to amend Responses so that the Agency may obtain best and final Responses. The Agency shall not divulge information derived from Responses submitted by competing Offerors except as provided in subsection 4 hereinabove

Section H. CONTRACTORS RECOMMENDED BY CONSTRUCTION MANAGER

(1) **Applicability.** When the Agency has retained a construction manager for Construction Services, any contract for Construction Services (other than the contract with the construction manager itself) or Construction-Related Supplies may be procured pursuant to the procedure set forth in this Section H in lieu of other Competitive Methods of Procurement. For purposes of this Section H, “Executive Director” shall mean Executive Director or Consultant Committee as applicable.

(2) **Selection of Contractors.** Procurement under this Section H consists of the following: (a) the construction manager recommends to the Executive Director a minimum of five potential contractors; (b) the Executive Director reviews such list of potential contractors and determines which of them the Agency considers to be appropriate; (c) the selected contractors are invited to submit Responses; (d) the construction manager and the Executive Director review the Responses and in their discretion, negotiate with some or all of the Offerors. Revisions may be permitted to obtain best and final Responses.

(3) **Award.** After consulting with the construction manager, the Executive Director (or the Consultant Committee if one has been appointed pursuant to subsection A(7) of this Policy) shall recommend to the Board of Directors the Response and Offeror deemed to be the most advantageous to the Agency. Procurement under this Section H need not be exclusively based upon cost.

(4) **Procurement of Construction Manager.** Nothing in this Policy may be construed to exempt the procurement of a construction manager by the Agency from the requirements of this Policy.

Section I. USE OF OTHER GOVERNMENTAL CONTRACTS

Notwithstanding any other provision of this Policy, if there is a federal, State or City contract for Supplies and/or Services that permits the Agency to utilize such contract or to obtain Supplies and/or Services from the contractor under substantially similar terms, the Agency may utilize such existing contract (or enter into a new contract on substantially similar terms) without using any Competitive Method of Procurement. Procurement under this Section I need not be exclusively based upon cost.

APPENDIX I

Record of Procurement

The Record of Procurement for each procurement performed by the Agency pursuant to one of the Competitive Methods of Procurement shall consist of the following:

1. The completed *Record of Procurement* (the form of which is provided in *Exhibit A* to this *Appendix I*); and
2. The completed *Supplemental Record of Procurement* (the form of which is provided in *Exhibit B* to this *Appendix I*); and
3. All of the attachments that are required in the *Record of Procurement*, including but not limited to the following additional documents in completed form:
 - a. *Record(s) of Contact* (the form of which is provided in *Exhibit C* to this *Appendix I*);
 - b. The *Affirmation* (the form of which is provided in *Exhibit A* to *Appendix III* to this Policy);
 - c. The *Certification* (the form of which is provided in *Exhibit B* to *Appendix III* to this Policy); and
 - d. The *Disclosure* (the form of which is provided in *Exhibit C* to *Appendix III* to this Policy.)

EXHIBIT A to APPENDIX I

Record of Procurement

RECORD OF PROCUREMENT

**Pursuant to the Procurement Policy of the
New York City Industrial Development Agency**

Name of approved Contractor:	_____
Address of Contractor:	_____
Contract No.:	_____
Purpose of Contract:	_____
Term of Contract:	From: _____ To: _____

Procurement Officer: _____

Procurement Officer designated by:

Signature: _____

(Deputy) Executive Director

Printed Name:

Date:

INSTRUCTIONS: Complete this form upon expiration of the Restricted Period, or, if no Restricted Period applies, immediately after execution and delivery of the contract. For the definitions of all defined terms used herein, see subsection A(1) of the Policy.

A. FOR ALL CONTRACTS:

Check only one of the following:

- 1. Is NYCEDC the Contractor?**
- 2. Is the contract for \$5,000 or less?**
- 3. Was the contract procured through Small Purchase (i.e., greater than \$5,000 but not more than \$100,000)?**

- 4. Was the Contractor a Sole-Source selection?
- 5. Was the Contractor an Emergency Procurement selection?
- 6. Was Competitive Sealed Bidding used?
- 7. Were Competitive Sealed Proposals used?
- 8. Was the Contractor selected through recommendation by a construction manager?
- 9. Was the contract another government contract?

B. IF A.4 OR A.5 OR A.7 WAS SELECTED, COMPLETE ONE OF THE FOLLOWING:

- 1. Sole-Source Procurement

If applicable, state the relevant justification for Sole-Source Procurement under Section D of the Policy.

Signature: _____

(Deputy) Executive Director

Printed Name: _____

Date: _____

- 2. Emergency Procurement

If applicable, state the relevant justification for Emergency Procurement under Section E of the Policy

Signature: _____

(Deputy) Executive Director

Printed Name: _____

Date: _____

3. Competitive Sealed Proposals for Supplies and/or Construction Services and/or Construction-Related Supplies

If applicable, state the relevant justification for Competitive Sealed Proposals under subsection G(1)(ii) of the Policy.

Signature:

(Deputy) Executive Director

Printed Name:

Date: _____

C. COMPLETE ALL OF THE FOLLOWING FOR ALL CONTRACTS OTHER THAN THOSE WITH NYCEDC OR FOR WHICH EMERGENCY PROCUREMENT WAS USED:

1. Is the Contractor a Responsible Person?

Y N

2. Did the Contractor complete and submit the required forms for the Investigation?

Y N

3. Were the Investigation results satisfactory?

Y N

4. Is the Investigation report attached?

Y N

5. Is the Contractor's *Affirmation* attached in the form set forth in Appendix III to the Agency's Procurement Policy?

Y N

6. Is the Contractor's *Certification* attached in the form set forth in Appendix III to the Agency's Procurement Policy?

Y N

7. Is the Contractor's *Disclosure* attached in the form set forth in Appendix III to the Agency's Procurement Policy?

Y N

D. COMPLETE ALL OF THE FOLLOWING FOR ALL CONTRACTS PROCURED THROUGH A COMPETITIVE METHOD OF PROCUREMENT:

1. Did any Offerors impermissibly contact the Agency during the Restricted Period?

Y N

2. If the answer to No. 7 is “yes”, are completed *Records of Contact* attached?

Y N NA

3. Are the Selection Criteria for this Contract attached either as a separate list or are they incorporated in the Solicitations (which are also required to be attached – see no. 5)?

Y N

4. Did the Contractor satisfy the Selection Criteria?

Y N

5. Did the Contractor’s Response have the lowest proposed price?

Y N

6. If the answer to No. 5 is “no”:

a. Did the Response containing the lowest price come from a Responsible Person?

Y N NA

b. If the answer to No. 6.a is “yes”, why was that Response/Offeror not selected?

7. Are copies of all Solicitations attached?

Y N

8. Are copies of all Responses attached?

Y N

9. Regarding approval of the Contract, are the relevant minutes of the Board of Directors attached, including the Executive Summary presented to the Board?

Y N

10. Regarding approval of the Contract, are the relevant minutes of any Consultant Committee attached including the Executive Summary presented to any Consultant Committee?

Y N NA

**E. COMPLETE THE FOLLOWING FOR CONTRACTS PROCURED BY
COMPETITIVE SEALED PROPOSALS:**

**1. Is there a register attached that contains the names of every Offeror and the prices
proposed in every Offeror's Response?**

Y N

Signature: _____

Title: **Procurement Officer**

Printed Name: _____

Date: _____

EXHIBIT B to APPENDIX I

Supplemental Record of Procurement

**SUPPLEMENTAL RECORD OF PROCUREMENT
Pursuant to the Procurement Policy of the
New York City Industrial Development Agency**

Name of approved Contractor:	_____
Address of Contractor:	_____
Contract No.:	_____
Purpose of Contract:	_____
Term of Contract:	From: _____ To: _____

Procurement Officer: _____

Procurement Officer designated by:

Signature: _____

(Deputy) Executive Director

Printed Name:

Date:

***INSTRUCTIONS:** complete this form as necessary until the contract terminates. For the definitions of terms used herein, see Section A(1) of the Policy.*

A. COMPLETE FOR ALL CONTRACTS OTHER THAN THOSE WITH NYCEDC:

1. Has this Contract been terminated pursuant to State Finance Law Section 139-k (5)?

Y N

2. If the answer to no. 1 is “yes” please provide details and/or attachments.

B. COMPLETE ALL OF THE FOLLOWING FOR CONTRACTS PROCURED THROUGH A COMPETITIVE METHOD OF PROCUREMENT:

1. To the extent that the Procurement Officer has been so informed, were written complaints or protests, or appeals filed with the General Counsel of the Agency, the State Comptroller, the State Attorney General, the State Inspector General, the City District Attorney, or either the State or City Department of Investigation, with respect to the procurement process?

Y N

2. If the answer to no. 3 is “yes” are copies of those complaints or protests or appeals attached?

Y N NA

3. To the extent the Procurement Officer has been so informed, is the procurement the subject of litigation?

Y N

4. If the answer to no. 3 is “yes” please provide details and/or attachments.

C. COMPLETE THE FOLLOWING FOR CONTRACTS PROCURED BY COMPETITIVE SEALED BIDDING:

1. Did the Executive Director permit the correction or withdrawal or cancellation of one or more bids pursuant to subsection F.6 of the Policy?

Y N

2. If the answer to No. 1 is “yes” are those written permissions attached?

Y N NA

Signature: _____

Title: Procurement Officer

Printed Name: _____

Date: _____

EXHIBIT C to APPENDIX I

Record of Contact
under State Finance Law Section 139-k(4)

New York City Industrial Development Agency
Record of Contact
Under State Finance Law §139-k(4)

Was the person making the Contact informed that the Contact would be documented?

Yes No

To: Procurement Record
Regarding _____

Procurement Contract
Number: _____

From: _____
(Name and Title)

Name of Governmental
Entity: _____

Date: _____

Subject: Record of contact under New York State Finance Law §139-k(4)

I had contact with the below named individual regarding the above identified procurement. The term “contact” is defined in New York State Finance Law §139-k(1)(c). In accordance with New York State Finance Law 139-k(4), the following information was obtained.

Name: _____

Address: _____

Telephone
Number: _____

**Place of Principal
Employment:** _____

Occupation: _____

**Is the above named person or organization the “Offeror” in this New York City Industrial
Development Agency (the “Agency”) procurement:
(Please circle) yes no**

**If no, was the above named person or organization retained, employed or designated by the
“Offeror to:**

**- appear before the Agency about the Agency procurement:
(Please circle) yes no**

**- contact the Agency about the Agency procurement?
(Please circle) yes no**

List date(s) of Contact: _____

(add additional pages as necessary)

Optional

**Summarize the form (e.g., email, letter, conversation) and topic of the communication on
each**

date of Contact: _____

(add additional pages or copies of written communications a necessary)

APPENDIX II

Permitted Contacts

During a Restricted Period the only contacts that an Offeror may have with the Agency in connection with the procurement to which the Restricted Period pertains are the following:

1. Offerors may submit Responses to the Procurement Officer.
2. When the Solicitation provides that all questions submitted by Offerors, and the answers provided by the Agency to such questions, will be disseminated to all other Offerors, then, in such instance, Offerors may submit questions in respect of the Solicitation to the Procurement Officer.
3. Offerors may participate in conferences with the Agency when the Solicitation provides that conferences will occur as part of the procurement process.
4. Offerors may file written complaints with the General Counsel of the Agency in respect of authorized, written contacts with the Procurement Officer to which the Procurement Officer did not respond in a timely fashion.
5. Offerors who have been conditionally designated as contractors may negotiate with the Agency in connection with the potential contract.
6. Offerors may request the Procurement Officer to review the award of the contract.
7. Offerors (including the apparent successful Offeror) may contact the Agency to protest, appeal or other wise cause the review of the Agency's procurement, and seek final administrative determination and subsequent judicial determination.
8. Offerors may file complaints alleging the improper conduct of procurement by the Agency with the State Attorney General, the State Inspector General, the City District Attorney, or a court of competent jurisdiction.
9. Offerors may file written protests, appeals or complaints to the State Comptroller's Office during the process of contract approval, where the State Comptroller's approval is required by law.
10. Offerors may file complaints of alleged improper conduct during the course of the Agency's procurement to the State Comptroller's Office.

APPENDIX III

Minimum Requirements

An Offeror's Response to a Solicitation, if it is to be considered by the Agency, must satisfy the following Minimum Requirements:

1. The Offeror must be a Responsible Person.
2. The Offeror must complete and submit to the Procurement Officer the forms required for the Investigation.
3. The results of the Investigation must be satisfactory to the Agency in its sole discretion.
4. The Offeror must execute and deliver to the Procurement Officer the following documents:
 - a. The *Affirmation* the form for which is provided in *Exhibit A* to this *Appendix III*;
 - b. The *Certification* the form for which is provided in *Exhibit B* to this *Appendix III*;
and
 - c. The *Disclosure* the form for which is provided in *Exhibit C* to this *Appendix III*.

EXHIBIT A to APPENDIX III

*AFFIRMATION
of Understanding of and Agreement pursuant to State Finance
Law Sections 139-j(3) and 139-j(6)(b)*

Offeror affirms that it understands and agrees to comply with the procedures of the New York City Industrial Development Agency relative to permissible contacts as required by New York State Finance Law §139-j (3) and §139-j (6) (b).

By: _____ **Date:** _____

Name: _____

Title: _____

**Contractor
Name:** _____

**Contractor
Address:** _____

EXHIBIT B to APPENDIX III

*CERTIFICATION
of Compliance with State Finance Law Section 139-k(5)*

Offeror Certification:

I certify that all information provided to the New York City Industrial Development Agency with respect to New York State Finance Law §139-k is complete, true and accurate.

By: _____ **Date:** _____

Name
:

Title: _____

Contractor Name: _____

Contractor Address: _____

EXHIBIT C to APPENDIX III

*DISCLOSURE
of Prior Non-Responsibility Determinations*

Offeror Disclosure of Prior Non-Responsibility Determinations

Name of Individual or Entity Seeking to Enter into the Procurement Contract:

Address: _____

Name and Title of Person Submitting this Form: _____

Contract Procurement Number: _____

Date: _____

1. Has any governmental entity made a finding of non-responsibility regarding the individual or entity seeking to enter into the Procurement Contract in the previous four years? (Please circle):

No Yes

If yes, please answer the next questions:

2. Was the basis for the finding of non-responsibility due to a violation of New York State Finance Law §139-j (Please Circle):

No Yes

3. Was the basis for the finding of non-responsibility due to the intentional provision of false or incomplete information to a governmental entity? (Please circle):

No Yes

4. If you answered yes to any of the above questions, please provide details regarding the finding of non-responsibility below.

Governmental Entity: _____

Date of Finding of Non-responsibility: _____

Basis of Finding of Non-responsibility:

(Add additional pages as necessary)

5. Has any governmental entity terminated or withheld a procurement contract with the above-named individual or entity due to the intentional provision of false or incomplete information? (Please circle):

No Yes

6. If yes, please provide details below.

Governmental Entity:

Date of Termination or Withholding of Contract:

Basis of Termination or Withholding :

(Add additional pages as necessary)

Offeror certifies that all information provided to the New York City Industrial Development Agency with respect to New York State Finance Law §139-k is complete, true and accurate.

By: _____ **Date:** _____
Signature

Name: _____

Title: _____

APPENDIX IV

Requirements to be inserted in Solicitations

- I. **Every Solicitation will have annexed to it a copy of this Policy (including all attachments).**
- II. **The following language, summarizing requirements of the State Finance Law pertinent to governmental procurement, must be substantially inserted in every Solicitation of the Agency.**

“Pursuant to New York State Finance Law Sections 139-j and 139-K, this [Invitation for Bid]/[Request for Proposals] includes and imposes certain restrictions on communications between the Agency and a [bidder]/[respondent] during the procurement process. A [bidder]/[respondent] is restricted from making contacts from the earliest notice of intent to solicit [an invitation for bid]/[a request for proposals] through final award and approval of the contract by the Agency and, if applicable, the Office of the State Comptroller (the “Restricted Period”), to other than designated staff of the Agency unless it is a contract that included among certain statutory exceptions set forth in New York State Finance Law Section 139-j(3)(a). Designated staff, as of the date hereof, is identified in this [Invitation for Bid]/[Request for Proposals]. Members of contract staffing, acting on behalf of the Agency, are also required to obtain certain information when contracted during the Restricted Period and make a determination of the responsibility of the [bidder]/[respondent] pursuant to these two statutes. Certain findings of non-responsibility can result in rejection for contract award and in the event of two findings within a four-year period, the [bidder]/[respondent] is debarred from obtaining governmental procurement contracts. Further information about these requirements can be found in the *Procurement Policy of the New York City Industrial Development Agency*, a copy of which is annexed to this [Invitation for Bid]/[Request for Proposals].”

- III. **Every Solicitation must notify Offerors that the resulting contract will provide the Agency with a right of termination to be exercised in accordance with provisions of the State Finance Law that are pertinent to governmental procurement. Accordingly, every Solicitation will contain substantially the notice provided below.**

“The Agency will require that the contract that the Agency enters into with the [awarded bidder]/[selected respondent] contain the following right of termination in the Agency:

The Agency reserves the right to terminate this contract in the event it is found that the certification filed by the [bidder]/[respondent] in accordance with New York State Finance Law, Section 139-k, was intentionally false or intentionally incomplete. Upon such finding, the Agency may exercise its termination right by providing written notification to the [bidder]/[respondent] in accordance with the written notification terms of this contract.”

Exhibit F

DRAFT

**NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY
MISSION STATEMENT AND PERFORMANCE MEASUREMENTS
Board of Directors Meeting
June 11, 2024**

WHEREAS, the 2009 Public Authorities Reform Act requires New York City Industrial Development Agency (“NYCIDA”) to annually review its mission statement and measurements by which the performance of NYCIDA and the achievement of its goals may be evaluated; and

WHEREAS, for Fiscal Year 2025 NYCIDA proposes to adopt the mission statement and performance measurements as indicated in Attachment A hereto; and

NOW, THEREFORE, RESOLVED that the Board approves the mission statement and performance measurements for use in Fiscal Year 2025, as set forth in Attachment A.

ATTACHMENT A

Authority Mission Statement and Performance Measurements

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 (IDA) 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.

Proposed Adoption Date: June 11, 2024

List of Performance Measurements:

- Number of contracts closed (current fiscal year and previous fiscal year)
- Amount of private investment leveraged (current fiscal year and previous fiscal year)
- Total net New York City tax revenues generated in connection with closed contracts (current fiscal year and previous fiscal year)
- Projected three-year job growth in connection with closed projects (current fiscal year and previous fiscal year)
- Current total jobs in connection with projects that commenced operations in FY 2021¹ as compared to total jobs at the time of application for such projects
- Current total jobs in connection with projects that commenced operations in FY 2021² as compared to the three-year total job projections stated in the applications for such projects
- Square footage of buildings/improvements receiving benefits (current fiscal year and previous fiscal year)
- Number of projects that received a field visit (current fiscal year and previous fiscal year)
- Percentage of projects that received a field visit (current fiscal year and previous fiscal year)
- Percentage of projects in good standing³ (current fiscal year and previous fiscal year)

¹ Also includes projects that closed in FY 2021 but commenced all project operations prior to the closing date.

² Also includes projects that closed in FY 2021 but commenced all project operations prior to the closing date.

³ Defined as those projects that did not receive a Notice of an Event of Default by the end of the Fiscal Year.

Exhibit G

DRAFT

Board Self-Evaluation (NYCIDA)

1. Board members have a shared understanding of the mission and purpose of NYCIDA.
2. The policies, practices and decisions of the Board are always consistent with this mission.
3. Board members comprehend their role and fiduciary responsibilities and hold themselves and each other to these principles.
4. The Board has adopted policies, by-laws and practices for the effective governance, management and operations of NYCIDA and reviews these annually.
5. The Board sets clear and measurable performance goals for NYCIDA that contribute to accomplishing its mission.
6. The decisions made by Board members are arrived at through independent judgment and deliberation, free of political influence, pressure or self-interest.
7. Individual Board members communicate effectively with executive staff so as to be well informed on the status of all important issues.
8. Board members are knowledgeable about NYCIDA's programs, financial statements, reporting requirements, and other transactions.
9. The Board knows the statutory obligations of NYCIDA and if NYCIDA is in compliance with state law.
10. Board and committee meetings facilitate open, deliberate and thorough discussion, and the active participation of members.
11. Board members have sufficient opportunity to research, discuss, question and prepare before decisions are made and votes taken.
12. Board members feel empowered to delay votes, defer agenda items, or table actions if they feel additional information or discussion is required.
13. Board members feel empowered to exercise appropriate oversight of the Executive Director and other executive staff, including setting performance expectations and reviewing performance annually, if applicable.
14. Board members feel empowered to identify the areas of most risk to NYCIDA and work with management to implement risk mitigation strategies before problems occur, if applicable.

Exhibit H

DRAFT

PROJECT SUMMARY

MGN 178 Williams Ave, LLC (“178 Williams”), MGN 172 Williams Ave, LLC (“172 Williams”), and MGN 284 Glenmore Avenue, LLC (“284 Glenmore”) (collectively, “Williams-Glenmore Project”) and MGN 24-51 49th Street, LLC (“49th Street Project”), MGN 145 Hinsdale, LLC (“Hinsdale Project”), MGN 434 Riverdale Ave, LLC (“Riverdale Project”) (collectively with the Williams-Glenmore Project, the “Companies”) are each New York limited liability companies and wholly owned subsidiaries of MicroGrid Networks, LLC (“MGN”). MGN is a developer of energy storage power projects. The Companies seek financial assistance in connection with the four projects consisting of six limited liability companies (collectively the “Projects”), for which the respective Companies will own and operate six battery energy storage systems capable of charging from, and discharging into, the New York power grid. The 49th Street Project, Hinsdale Project, and Riverdale Project will each lease their respective Project properties. The Williams-Glenmore Project will lease its property under MGN Williams Avenue, LLC and sublease it to 178 Williams, 172 Williams, and 284 Glenmore. The Companies are expected to begin construction in the first quarter of 2025 and to be completed in the fourth quarter of 2026 (see more information about the Companies in the Appendix).

Project Locations

Williams-Glenmore Project & MGN 145 Hinsdale, LLC

172 & 178 Williams Avenue, 284 Glenmore Avenue & 145 Hinsdale Avenue
Brooklyn, New York 11207

MGN 434 Riverdale Ave, LLC

434 Riverdale Avenue
Brooklyn, New York 11207

MGN 24-51 49th Street, LLC

24-51 49th Street
Astoria, New York 11377

Actions Requested

- Inducement and Authorizing Resolutions for Industrial Program transactions for the 49th Street Project, the Hinsdale Project, the Riverdale Project, and the Williams-Glenmore Project.
- Adopt SEQRA determinations that the 49th Street Project, the Hinsdale Project, the Riverdale Project, and the Williams-Glenmore Project are Unlisted Actions. The proposed Projects will not have a significant adverse effect on the environment.

Anticipated Closing

Fall 2024

Impact Summary

49th Street Project:

Employment	
Jobs at Application:	1.5
Jobs to be Created at Project Location (Year 3):	1.5
Total Jobs (full-time equivalents)	3
Projected Average Hourly Wage (excluding principals)	\$61.00
Construction Jobs to be Created (Full-Time Equivalent)	12

MGN 24-51 49th Street, LLC, MGN 145 Hinsdale, LLC, MGN 434 Riverdale Ave, LLC & Williams-Glenmore Project

Estimated City Tax Revenues	
Impact of Operations (NPV 10 years at 6.25%)	\$4,298,568
One-Time Impact of Renovation	\$585,642
Total Impact of Operations and Renovation	\$4,884,210
Additional Benefit from Jobs to be Created	\$238,542

Estimated Cost of Benefits Requested: New York City	
Sales Tax Exemption	\$482,648
Agency Financing Fee	(\$197,990)
Total Cost to NYC Net of Financing Fee	\$284,658
Agency Benefits in Excess of As-of-Right Benefits	\$284,658

Costs of Benefits Per Job	
Estimated Total Cost of Benefits per Job	\$94,886
Estimated City Tax Revenue per Job	\$1,707,584

Estimated Cost of Benefits Requested: New York State	
Sales Tax Exemption	\$469,241
Total Cost to NYS	\$469,241
Overall Total Cost to NYC and NYS	\$753,899

Hinsdale Project:

Employment	
Jobs at Application:	1.5
Jobs to be Created at Project Location (Year 3):	1.5
Total Jobs (full-time equivalents)	3
Projected Average Hourly Wage (excluding principals)	\$61.00
Construction Jobs to be Created (Full-Time Equivalent)	12

Estimated City Tax Revenues	
Impact of Operations (NPV 10 years at 6.25%)	\$4,393,426
One-Time Impact of Renovation	\$613,590
Total Impact of Operations and Renovation	\$5,007,016
Additional Benefit from Jobs to be Created	\$238,542

Estimated Cost of Benefits Requested: New York City	
Sales Tax Exemption	\$495,837
Agency Financing Fee	(\$206,920)
Total Cost to NYC Net of Financing Fee	\$288,917
Agency Benefits in Excess of As-of-Right Benefits	\$288,917

Costs of Benefits Per Job	
Estimated Total Cost of Benefits per Job	\$96,306
Estimated City Tax Revenue per Job	\$1,748,519

Estimated Cost of Benefits Requested: New York State	
Sales Tax Exemption	\$482,063
Total Cost to NYS	\$482,063
Overall Total Cost to NYC and NYS	\$770,980

MGN 24-51 49th Street, LLC, MGN 145 Hinsdale, LLC, MGN 434 Riverdale Ave, LLC & Williams-Glenmore Project

Riverdale Project:

Employment	
Jobs at Application:	1.5
Jobs to be Created at Project Location (Year 3):	1.5
Total Jobs (full-time equivalents)	3
Projected Average Hourly Wage (excluding principals)	\$61.00
Construction Jobs to be Created (Full-Time Equivalent)	12

Estimated City Tax Revenues	
Impact of Operations (NPV 10 years at 6.25%)	\$4,147,669
One-Time Impact of Renovation	\$583,359
Total Impact of Operations and Renovation	\$4,731,028
Additional Benefit from Jobs to be Created	\$238,542

Estimated Cost of Benefits Requested: New York City	
Sales Tax Exemption	\$481,793
Agency Financing Fee	(\$197,000)
Total Cost to NYC Net of Financing Fee	\$284,793
Agency Benefits in Excess of As-of-Right Benefits	\$284,793

Costs of Benefits Per Job	
Estimated Total Cost of Benefits per Job	\$94,931
Estimated City Tax Revenue per Job	\$1,656,523

Estimated Cost of Benefits Requested: New York State	
Sales Tax Exemption	\$468,409
Total Cost to NYS	\$468,409
Overall Total Cost to NYC and NYS	\$753,202

Williams-Glenmore Project:

Employment	
Jobs at Application:	4.5
Jobs to be Created at Project Location (Year 3):	4.5
Total Jobs (full-time equivalents)	9
Projected Average Hourly Wage (excluding principals)	\$61.00
Construction Jobs to be Created (Full-Time Equivalent)	35

Estimated City Tax Revenues	
Impact of Operations (NPV 10 years at 6.25%)	\$13,060,996
One-Time Impact of Renovation	\$1,781,316
Total Impact of Operations and Renovation	\$14,842,312
Additional Benefit from Jobs to be Created	\$715,625

Estimated Cost of Benefits Requested: New York City	
Sales Tax Exemption	\$1,456,898
Agency Financing Fee	(\$507,110)
Total Cost to NYC Net of Financing Fee	\$949,788
Agency Benefits in Excess of As-of-Right Benefits	\$949,788

MGN 24-51 49th Street, LLC, MGN 145 Hinsdale, LLC, MGN 434 Riverdale Ave, LLC & Williams-Glenmore Project

Costs of Benefits Per Job	
Estimated Total Cost of Benefits per Job	\$105,532
Estimated City Tax Revenue per Job	\$1,728,660

Estimated Cost of Benefits Requested: New York State	
Sales Tax Exemption	\$1,416,428
Total Cost to NYS	\$1,416,428
Overall Total Cost to NYC and NYS	\$2,366,216

Sources and Uses

Sources: 49th Street Project	Total Amount	Percent of Total Financing
Ser Capital Partners Equity	\$13,807,000	100%
Total	\$13,807,000	100%

Uses: 49th Street Project	Total Amount	Percent of Total Costs
Leasing Costs	\$605,000	4%
Hard Costs	\$3,675,000	27%
Soft Costs	\$538,000	4%
FF&E and M&E	\$8,153,000	59%
Closing Fees	\$238,000	2%
Other ¹	\$598,000	4%
Total	\$13,807,000	100%

Sources: Hinsdale Project	Total Amount	Percent of Total Financing
SER Capital Partners Equity	\$14,304,933	100%
Total	\$14,304,933	100%

Uses: Hinsdale Project	Total Amount	Percent of Total Costs
Leasing Costs	\$460,578	3%
Hard Costs	\$3,780,000	26%
Soft Costs	\$808,759	6%
Furnishing, Fixtures, & Equipment	\$8,372,592	59%
Closing Fees	\$246,920	2%
Other	\$636,084	4%
Total	\$14,304,933	100%

Sources: Riverdale Project	Total Amount	Percent of Total Financing
SER Capital Partners Equity	\$13,256,000	100%
Total	\$13,256,000	100%

¹ Other includes ConEd interconnection costs for all Projects.

MGN 24-51 49th Street, LLC, MGN 145 Hinsdale, LLC, MGN 434 Riverdale Ave, LLC & Williams-Glenmore Project

Uses: Riverdale Project	Total Amount	Percent of Total Costs
Leasing Costs	\$435,000	3%
Hard Costs	\$3,675,000	28%
Soft Costs	\$491,000	4%
Furnishing, Fixtures, & Equipment	\$8,134,000	61%
Closing Fees	\$237,000	2%
Other	\$284,000	2%
Total	\$13,256,000	100%

Sources: Williams-Glenmore Project	Total Amount	Percent of Total Financing
SER Capital Partners Equity	\$39,707,110	100%
Total	\$39,707,110	100%

Uses: Williams-Glenmore Project	Total Amount	Percent of Total Costs
Leasing Costs	\$1,454,000	4%
Hard Costs	\$11,025,000	28%
Soft Costs	\$1,278,000	3%
Furnishing, Fixtures, & Equipment	\$24,658,000	62%
Closing Fees	\$562,110	1%
Other	\$730,000	2%
Total	\$39,707,110	100%

Fees

49th Street Project	To be paid at Closing	On-Going Fees (NPV, 10 Years)
Agency Fee	\$197,990	
Project Counsel	\$35,000	
Annual Agency Fee	\$1,250	\$9,092
Total	\$234,240	\$9,092
Total Fees	\$243,332	

Hinsdale Project	To be paid at Closing	On-Going Fees (NPV, 10 Years)
Agency Fee	\$206,920	
Project Counsel	\$35,000	
Annual Agency Fee	\$1,250	\$9,092
Total	\$243,170	\$9,092
Total Fees	\$252,262	

MGN 24-51 49th Street, LLC, MGN 145 Hinsdale, LLC, MGN 434 Riverdale Ave, LLC & Williams-Glenmore Project

Riverdale Project	To be paid at Closing	On-Going Fees (NPV, 10 Years)
Agency Fee	\$197,000	
Project Counsel	\$35,000	
Annual Agency Fee	\$1,250	\$9,092
Total	\$233,250	\$9,092
Total Fees	\$242,342	

Williams-Glenmore Project	To be paid at Closing	On-Going Fees (NPV, 10 Years)
Agency Fee	\$507,110	
Project Counsel	Hourly	
Annual Agency Fee	\$1,250	\$9,092
Total	\$508,360	\$9,092
Total Fees	\$517,452	

Financing and Benefits Summary

The total project cost for the Projects is approximately \$81 million, which will be financed with approximately \$81 million in equity contributions provided by SER Capital (“SER”), who acquired a majority stake in MGN in 2020. SER is dedicated to investing in sustainable, environmental, and renewable businesses in North America. The Projects will be compensated on an ongoing basis under the Value of Distributed Energy Resources (“Value Stack” or “VDER”) tariffs established by the New York State Public Service Commission. MGN also plans to submit a bid for the Projects to the competitive Con Edison Dynamic Loan Management Program for load relief to the electrical grid. The financial assistance proposed to be conferred by the Agency will consist solely of exemption from City and State sales and use taxes for the Projects.

Company Performance and Projections

The Projects will each serve as battery energy storage systems capable of charging from and discharging into the New York power grid. The 49th Street, Hinsdale, and Riverdale Projects are each expected to have a 5-Megawatt battery energy storage system, metering a total of 60-Megawatt hours of storage capacity across the three battery energy storage systems. The Williams-Glenmore Project has an additional three 5-Megawatt Battery storage systems that meter a total of 15 Megawatts and 60-Megawatt hours. The total energy stored by the Projects’ battery storage systems is enough to power 30,000 New York City households for four hours on a peak summer day. Battery energy 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 and reducing the need to build additional, fossil-fuel dependent and polluting peaker plants.

Inducement

- I. The Projects would not be financially viable without Agency benefits.
- II. The Projects will expand energy storage capacity within New York City, helping to facilitate the City’s goal of reducing greenhouse gas emissions. Renewable energy sources provide power intermittently. Battery energy storage capacity allows electricity to be captured during periods of excess generation and deployed during periods of peak demand and lower generation.

MGN 24-51 49th Street, LLC, MGN 145 Hinsdale, LLC, MGN 434 Riverdale Ave, LLC & Williams-Glenmore Project

UTEP Considerations

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

- I. Financial assistance is required to induce the Projects.
- II. The Projects are likely to be completed in a timely manner.

Applicant Summary

MGN was founded in 2017 to develop, construct, and operate distributed energy storage sites, designed for interconnecting to and operating within Con Edison's distribution networks, to increase system resiliency and the local supply of energy. MGN is headquartered in East Williamsburg, Brooklyn and has an experienced team with backgrounds in construction, renewable energy, and telecommunications. MGN's management team handles the acquisition, development, and logistics of identifying and permitting of battery energy storage facilities. MGN's first two battery storage projects, both located in New York City, recently commenced operations, and MGN has several additional New York City projects in various stages of development.

Tony Maselli, Chief Executive Officer

Mr. Maselli is Chief Executive Officer at MGN as well as Chief Operating Officer of Perfect Power, LLC, a sister company to MGN. In Mr. Maselli's previous roles, he oversaw the development of nearly 10 GWs of renewable projects, including solar, energy storage, and wind projects. Mr. Maselli holds a BS in Marine Engineering with a concentration in Electrical Engineering from the State of New York State Maritime College, an MS in Utility Management from PACE University, and has also completed an Executive Development Program directed by the Harvard Business School. Mr. Maselli is a registered Professional Engineer in several states, including New York, Florida, Georgia, North Carolina, South Carolina, California, Illinois, Tennessee & Connecticut.

Tim Dumbleton, Chief Operating Officer

Mr. Dumbleton is the Chief Operating Officer at MGN. He has 20-plus years of experience in design and construction, primarily with large projects in New York City. He is responsible for MGN's relationships with strategic real estate developers, owners and operators and the design and development of the energy facilities the Company integrates and operates in partnership with landowners. Prior to joining MGN, Mr. Dumbleton owned and operated TADA, a Design and Development office in NYC where he served as principal in a dozen real estate developments in residential and commercial properties. He also served as Design Director for Young Woo & Associates and was Managing Partner of TEN Arquitectos in New York and Mexico City (5 Years). Mr. Dumbleton has a MArch Degree from Harvard University Graduate School of Design and a BA from University of Pennsylvania. He is a licensed architect in New York, New Jersey, Pennsylvania, Florida, and Texas..

Philippe Habib, Chief Financial Officer

Mr. Habib is the Chief Financial Officer at MGN and brings over 20 years of experience in financial management and leadership overseeing all aspects of MGN's financial operations. Mr. Habib has a strong background in private equity and project finance, having worked with various companies in the energy and infrastructure sectors. Mr. Habib holds a B.A. in Accountancy from Concordia University and is a Certified Public Accountant specialized in management.

Employee Benefits

Benefits for employees include paid vacation, medical insurance, and employer contributions to a 401(k) plan.

Recapture

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

MGN 24-51 49th Street, LLC, MGN 145 Hinsdale, LLC, MGN 434 Riverdale Ave, LLC & Williams-Glenmore Project

SEQRA Determination

Unlisted actions, which, if implemented, will not result in significant adverse environmental impacts. Staff recommends the Board adopt Negative Declarations for the Projects. The completed Environmental Assessment form for the Projects has been reviewed and signed by Agency staff.

Due Diligence

The Agency conducted a background investigation of the Companies, MGN, and their principals and found no derogatory information.

Compliance Check:	Compliant
Living Wage:	Compliant
Paid Sick Leave:	Compliant
Affordable Care Act:	Compliant
Bank Account:	Silicon Valley 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/W/DBE Participation:	25% goal (construction)
Attorney:	Allyson Miller, Esq. Perfect Power, LLC 1074 Grand Street Brooklyn, NY 11211
Accountant:	Jose Songco MicroGrid Networks, LLC 1074 Grand Street Brooklyn, NY 11211
Community Boards:	Queens, CB #1 (49 th Street Project) Brooklyn, CB #5 (Hinsdale, Riverdale, Williams-Glenmore Project)

MGN 24-51 49th Street, LLC, MGN 145 Hinsdale, LLC, MGN 434 Riverdale Ave, LLC & Williams-Glenmore Project

Appendix

MGN 24-51 49th Street, LLC

MGN 24-51 49th Street, LLC is a New York limited liability company (the “Company”). The Company is a subsidiary of MicroGrid Networks, LLC, a Delaware limited liability company (“MGN”). MGN is a developer of energy storage power projects. The Company seeks assistance in connection with the construction and equipping of an approximately 5-Megawatt (MW) battery energy storage system (consisting of 20MW hours of storage capacity) (the “Battery System”). The Battery System will be enclosed in multiple containers occupying 8,992 square feet located on a 14,305 square foot parcel of land at 24-51 49th Street in Astoria, New York (the “Facility”). The Facility will be operated by the Company on land leased from 49th Street Realty, LLC, a New York limited liability company, and will serve as a battery energy storage system capable of charging from and discharging into the New York power grid.

MGN 145 Hinsdale, LLC

MGN 145 Hinsdale, LLC is a New York limited liability company (the “Company”). The Company is a subsidiary of MicroGrid Networks, LLC, a Delaware limited liability company (“MGN”). MGN is a developer of energy storage power projects. The Company seeks assistance in connection with the construction and equipping of an approximately 5-Megawatt (MW) battery energy storage system (consisting of 20MW hours of storage capacity) (the “Battery System”). The Battery System will be enclosed in multiple containers occupying 8,554 square feet located on a 10,000 square foot parcel of land at 145 Hinsdale Street in Brooklyn, New York (the “Facility”). The Facility will be operated by the Company on land leased from Hinsdale Property, LLC, a New York limited liability company, and will serve as a battery energy storage system capable of charging from, and discharging into, the New York power grid. Address: 145 Hinsdale Street, Brooklyn, New York 11207.

MGN 434 Riverdale Ave, LLC

MGN 434 Riverdale Ave, LLC is a New York limited liability company (the “Company”). The Company is a subsidiary of MicroGrid Networks, LLC, a Delaware limited liability company (“MGN”). MGN is a developer of energy storage power projects. The Company seeks assistance in connection with the construction and equipping of an approximately 5-Megawatt (MW) battery energy storage system (consisting of 20MW hours of storage capacity) (the “Battery System”). The Battery System will be enclosed in multiple containers occupying 8,265 square feet located on a 9,000 square foot parcel of land at 434 Riverdale Street in Brooklyn, New York (the “Facility”). The Facility will be operated by the Company on land leased from an individual, and will serve as a battery energy storage system capable of charging from, and discharging into, the New York power grid.

Williams-Glenmore Project

MGN 178 Williams Ave, LLC, a New York limited liability company (“178 Williams”), MGN 172 Williams Ave, LLC a New York limited liability company (“172 Williams”), and MGN 284 Glenmore Ave, LLC a New York limited liability company (“284 Glenmore”, and together with 178 Williams and 172 Williams, collectively, the “Companies”). Each Company is an indirect subsidiary of MicroGrid Networks, LLC, a Delaware limited liability company (“Sponsor”). Sponsor is a developer of energy storage power projects. Each Company seeks assistance in connection with the construction and equipping of three battery energy storage systems with an estimated capacity of approximately 5 Megawatts (MW) each, metering a total of 60MW hours of storage capacity (the “Battery System”). The Battery System will be enclosed in multiple containers occupying 24,120 square feet located on a 30,490 square foot parcel of land (the “Land”) at 172 Williams Avenue (the “172 Williams Facility”), 178 Williams Avenue (the “178 Williams Facility”), and 284 Glenmore Avenue in Brooklyn, New York (the “284 Glenmore Facility”, and together with the 172 Williams Facility and the 178 Williams Facility, the “Facilities”). The Land will be leased by MGN Williams Avenue, LLC and subleased to 178 Williams, 172 Williams, 284 Glenmore. Each Facility will be operated by the Company and will serve as a battery energy storage system capable of charging from, and discharging into, the New York power grid.



May 20, 2024

Attn: Emily Marcus Falda, Executive Director of the Industrial Development Agency
NYC Industrial Development Agency
One Liberty Plaza, 165 Broadway, 14th Floor
New York, NY 10006

**Re: NYCIDA Inducement Letter
ESS at 24-51 49th Street, Queens, NY, 11103**

Dear Ms. Falda,

Microgrid Networks, LLC ("MGN") is pleased to submit an application to the NYCIDA for a proposed battery energy storage system ("ESS") at 24-51 49th Street in Queens, NY, and **MGN 24-51 49th Street, LLC** is the wholly owned subsidiary of MGN that will own and operate the project. The ESS project will provide approximately 5MW of storage capacity for 4 hours, injecting up to 20,000 kilowatt-hours of electricity directly into the power grid during peak hours.

Developing this project in an M-1 Manufacturing District at Long Island City will provide much-needed grid resiliency in the near term by flattening the demand curve with locally stored energy supply, and thereby improving the efficiency of the distribution network. The project will help the grid meet growing electricity demand while reducing the need for expensive feeder and substation upgrades, ultimately at the ratepayers' expense. The project is expected to operate for 20+ years.

MGN is an expanding group of NY-based veterans and professionals from mixed-use construction, hydropower infrastructure, and independent power production. We focus on deploying battery storage systems in dense urban areas, where the load demand growth, additional capacity, and resiliency are needed most. While scaling the company to develop future projects needed to improve NYC's grid resilience, we expect a negative cash flow on an aggregated basis, given the construction cost, cash flow from operation, and overall administrative burden. MGN's growth is a testament to our commitment to investing in and creating jobs for NYC. MGN is also committed to having a portion of all subcontracting work be performed by MWBE-certified contractors. On average, a project in the Construction Phase will employ 12 full-time equivalent professionals. Once this project is operational, it will permanently employ 3 New Yorkers.

For the project to be ready for sale tax exemption application, MGN has performed land acquisition, interconnection studies, detailed engineering, equipment selection, and more. We have spoken to hundreds of NYC landowners annually before we arrived at a couple of dozen completed Coordinated Electric System Interconnection Reviews (CESIRs) only to find that most result in unfeasibility high interconnection cost. When the proposed BESS project is finally shovel-ready with a reasonable estimate for construction and equipment costs, we must reduce capital costs with a sales tax exemption to be financially feasible.

Market uncertainties have negatively affected the proposed project as well. The labor, equipment, materials, and service price fluctuations have been unpredictable. In the most recent round of bids, MGN has experienced significant price increases on transformers and other equipment, that



exceeded the savings from the decreased cost of batteries. Furthermore, the supply chain crunch and long lead time for BESS equipment are delaying the development of new projects. Secondly, a critical funding source for the project is NYSERDA's Retail Energy Storage Incentive for NYC ("Bridge Incentive"), which has not released an incentive since 2021. The inconsistent bridge incentive schedule highlights the unpredictability of executing these energy infrastructure projects and the difficult project economy.

The operating life of a project will be subjected to revenue uncertainty. This 20-year project anticipates New York's Value of Distributed Energy Resources (VDER) tariff revenue. Although some of the VDER revenues are fixed, over 50% of the net present value of the income is derived from capacity markets and is subjected to energy price volatility. To increase near-term cash flow, we will submit the proposed project for Con Edison's Demand Load Management (DLM) program; however, if enrolled, the program would only provide limited revenue certainty for five years.

The difficulties discussed in this letter are some of the reasons why New York City (Zone J) is one of the least de-carbonized areas of the state. Governor Hochul has set a 6,000 MW goal for energy storage across the state by 2030; it is imperative that NYC, consuming approximately a third of the statewide energy usage, should build at least a third of storage capacity (2000 MW). However, only ~40 MW of ESS has been built in NYC as of April 2024. NYC must urgently ramp up our collective efforts to get back on track. Of the ~40MW, MGN developed, owns, and operates over 25% (10 MW at 1074 Grand St. Brooklyn and 57-77 Rust St, Maspeth) of the total operational front-of-the-meter energy storage, and our systems are the only ones connected to New York City's underground distribution system which is the hardest to connect to. (These completed and operational projects were approved for IDA financing in 2021.) The MGN team has a unique domain and New York City expertise, and it is well-positioned to deliver energy storage infrastructure effectively to the most congested distribution networks.

In summary, our project is only economically viable in the current environment with substantial reductions in our capital costs, namely sales tax. We look forward to working with NYCIDA to help get important and necessary ESS projects built and turned on so that they can help protect life, health, and property in our local communities and make our electricity grid more resilient. Together, with our fellow New York City-based companies and workers, we can reduce electricity costs for ratepayers, reduce harmful emissions from fossil-fuel generators, and help our State and New York City meet their clean energy goals.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "TD", written over a light blue horizontal line.

Timothy Dumbleton, COO
Microgrid Networks, LLC



May 20, 2024

Attn: Emily Marcus Falda, Executive Director of the Industrial Development Agency
NYC Industrial Development Agency
One Liberty Plaza, 165 Broadway, 14th Floor
New York, NY 10006

**Re: NYCIDA Inducement Letter
ESS at 145 Hinsdale, Brooklyn, NY 11207**

Dear Ms. Falda,

Microgrid Networks, LLC ("MGN") is pleased to submit an application to the NYCIDA for a proposed battery energy storage system ("BESS") at 145 Hinsdale, Brooklyn, NY and **MGN 145 Hinsdale, LLC** is the wholly owned subsidiary of MGN that will own and operate the project. The ESS project will provide approximately 5MW of storage capacity for 4 hours, injecting up to 20,000 kilowatt-hours of electricity directly into the power grid during peak hours.

Developing this project will support the Crown Heights network, which is one of ConEd's Priority Networks with higher reliability risks than Tier I networks. This project will provide much-needed grid resiliency in the near term by flattening the demand curve with locally stored energy supply, and thereby improving the efficiency of the distribution network. The project will help the grid meet growing electricity demand while reducing the need for expensive feeder and substation upgrades, ultimately at the ratepayers' expense. The project is expected to operate for 20+ years.

MGN is an expanding group of NY-based veterans and professionals from mixed-use construction, hydropower infrastructure, and independent power production. We focus on deploying battery storage systems in dense urban areas, where the load demand growth, additional capacity, and resiliency are needed most. While scaling the company to develop future projects needed to improve NYC's grid resilience, we expect a negative cash flow on an aggregated basis, given the construction cost, cash flow from operation, and overall administrative burden. MGN's growth is a testament to our commitment to investing in and creating jobs for NYC. MGN is also committed to having a portion of all subcontracting work be performed by MWBE-certified contractors. On average, a project in the Construction Phase will employ 12 full-time equivalent professionals. Once this project is operational, it will permanently employ 3 New Yorkers.

For the project to be ready for sale tax exemption application, MGN has performed land acquisition, interconnection studies, detailed engineering, equipment selection, and more. We have spoken to hundreds of NYC landowners annually before we arrived at a couple of dozen completed Coordinated Electric System Interconnection Reviews (CESIRs) only to find that most result in unfeasibility high interconnection cost. When the proposed BESS project is finally shovel-ready with a reasonable estimate for construction and equipment costs, we must reduce capital costs with a sales tax exemption to be financially feasible.

Market uncertainties have negatively affected the proposed project as well. The labor, equipment, materials, and service price fluctuations have been unpredictable. In the most recent round of bids,



MGN has experienced significant price increases on transformers and other equipment, that exceeded the savings from the decreased cost of batteries. Furthermore, the supply chain crunch and long lead time for BESS equipment are delaying the development of new projects. Secondly, a critical funding source for the project is NYSEERDA's Retail Energy Storage Incentive for NYC ("Bridge Incentive"), which has not released an incentive since 2021. The inconsistent bridge incentive schedule highlights the unpredictability of executing these energy infrastructure projects and the difficult project economy.

The operating life of a project will be subjected to revenue uncertainty. This 20-year project anticipates New York's Value of Distributed Energy Resources (VDER) tariff revenue. Although some of the VDER revenues are fixed, over 50% of the net present value of the income is derived from capacity markets and is subjected to energy price volatility. To increase near-term cash flow, we will submit the proposed project for Con Edison's Demand Load Management (DLM) program; however, if enrolled, the program would only provide limited revenue certainty for five years.

The difficulties discussed in this letter are some of the reasons why New York City (Zone J) is one of the least de-carbonized areas of the state. Governor Hochul has set a 6,000 MW goal for energy storage across the state by 2030; it is imperative that NYC, consuming approximately a third of the statewide energy usage, should build at least a third of storage capacity (2000 MW). However, only ~40 MW of ESS has been built in NYC as of April 2024. NYC must urgently ramp up our collective efforts to get back on track. Of the ~40MW, MGN developed, owns, and operates over 25% (10 MW at 1074 Grand St. Brooklyn and 57-77 Rust St, Maspeth) of the total operational front-of-the-meter energy storage, and our systems are the only ones connected to New York City's underground distribution system which is the hardest to connect to. (These completed and operational projects were approved for IDA financing in 2021.) The MGN team has a unique domain and New York City expertise, and it is well-positioned to deliver energy storage infrastructure effectively to the most congested distribution networks.

In summary, our project is only economically viable in the current environment with substantial reductions in our capital costs, namely sales tax. We look forward to working with NYCIDA to help get important and necessary ESS projects built and turned on so that they can help protect life, health, and property in our local communities and make our electricity grid more resilient. Together, with our fellow New York City-based companies and workers, we can reduce electricity costs for ratepayers, reduce harmful emissions from fossil-fuel generators, and help our State and New York City meet their clean energy goals.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "TD", is positioned above the typed name.

Timothy Dumbleton, COO
Microgrid Networks, LLC



May 20, 2024

Attn: Emily Marcus Falda, Executive Director of the Industrial Development Agency
NYC Industrial Development Agency
One Liberty Plaza, 165 Broadway, 14th Floor
New York, NY 10006

**Re: NYCIDA Inducement Letter
ESS at 434 Riverdale, Brooklyn, NY, 11207**

Dear Ms. Falda,

Microgrid Networks, LLC ("MGN") is pleased to submit an application to the NYCIDA for a proposed battery energy storage system ("BESS") at 434 Riverdale, Brooklyn, NY and **MGN 434 Riverdale, LLC** is the wholly owned subsidiary of MGN that will own and operate the project. The ESS project will provide approximately 5MW of storage capacity for 4 hours, injecting up to 20,000 kilowatt-hours of electricity directly into the power grid during peak hours.

Developing this project will support the Crown Heights network, which is one of ConEd's Priority Networks with higher reliability risks than Tier I networks. This project will provide much-needed grid resiliency in the near term by flattening the demand curve with locally stored energy supply, and thereby improving the efficiency of the distribution network. The project will help the grid meet growing electricity demand while reducing the need for expensive feeder and substation upgrades, ultimately at the ratepayers' expense. The project is expected to operate for 20+ years.

MGN is an expanding group of NY-based veterans and professionals from mixed-use construction, hydropower infrastructure, and independent power production. We focus on deploying battery storage systems in dense urban areas, where the load demand growth, additional capacity, and resiliency are needed most. While scaling the company to develop future projects needed to improve NYC's grid resilience, we expect a negative cash flow on an aggregated basis, given the construction cost, cash flow from operation, and overall administrative burden. MGN's growth is a testament to our commitment to investing in and creating jobs for NYC. MGN is also committed to having a portion of all subcontracting work be performed by MWBE-certified contractors. On average, a project in the Construction Phase will employ 12 full-time equivalent professionals. Once this project is operational, it will permanently employ 3 New Yorkers.

For the project to be ready for sale tax exemption application, MGN has performed land acquisition, interconnection studies, detailed engineering, equipment selection, and more. We have spoken to hundreds of NYC landowners annually before we arrived at a couple of dozen completed Coordinated Electric System Interconnection Reviews (CESIRs) only to find that most result in unfeasibility high interconnection cost. When the proposed BESS project is finally shovel-ready with a reasonable estimate for construction and equipment costs, we must reduce capital costs with a sales tax exemption to be financially feasible.

Market uncertainties have negatively affected the proposed project as well. The labor, equipment, materials, and service price fluctuations have been unpredictable. In the most recent round of bids,



MGN has experienced significant price increases on transformers and other equipment, that exceeded the savings from the decreased cost of batteries. Furthermore, the supply chain crunch and long lead time for BESS equipment are delaying the development of new projects. Secondly, a critical funding source for the project is NYSEERDA's Retail Energy Storage Incentive for NYC ("Bridge Incentive"), which has not released an incentive since 2021. The inconsistent bridge incentive schedule highlights the unpredictability of executing these energy infrastructure projects and the difficult project economy.

The operating life of a project will be subjected to revenue uncertainty. This 20-year project anticipates New York's Value of Distributed Energy Resources (VDER) tariff revenue. Although some of the VDER revenues are fixed, over 50% of the net present value of the income is derived from capacity markets and is subjected to energy price volatility. To increase near-term cash flow, we will submit the proposed project for Con Edison's Demand Load Management (DLM) program; however, if enrolled, the program would only provide limited revenue certainty for five years.

The difficulties discussed in this letter are some of the reasons why New York City (Zone J) is one of the least de-carbonized areas of the state. Governor Hochul has set a 6,000 MW goal for energy storage across the state by 2030; it is imperative that NYC, consuming approximately a third of the statewide energy usage, should build at least a third of storage capacity (2000 MW). However, only ~40 MW of ESS has been built in NYC as of April 2024. NYC must urgently ramp up our collective efforts to get back on track. Of the ~40MW, MGN developed, owns, and operates over 25% (10 MW at 1074 Grand St. Brooklyn and 57-77 Rust St, Maspeth) of the total operational front-of-the-meter energy storage, and our systems are the only ones connected to New York City's underground distribution system which is the hardest to connect to. (These completed and operational projects were approved for IDA financing in 2021.) The MGN team has a unique domain and New York City expertise, and it is well-positioned to deliver energy storage infrastructure effectively to the most congested distribution networks.

In summary, our project is only economically viable in the current environment with substantial reductions in our capital costs, namely sales tax. We look forward to working with NYCIDA to help get important and necessary ESS projects built and turned on so that they can help protect life, health, and property in our local communities and make our electricity grid more resilient. Together, with our fellow New York City-based companies and workers, we can reduce electricity costs for ratepayers, reduce harmful emissions from fossil-fuel generators, and help our State and New York City meet their clean energy goals.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "TD", written in a cursive style.

Timothy Dumbleton, COO
Microgrid Networks, LLC



May 20, 2024

Attn: Emily Marcus Falda, Executive Director of the Industrial Development Agency
NYC Industrial Development Agency
One Liberty Plaza, 165 Broadway, 14th Floor
New York, NY 10006

**Re: NYCIDA Inducement Letter
ESS at Williams and Glenmore Ave, Brooklyn, NY 11207**

Dear Ms. Falda,

Microgrid Networks, LLC ("MGN") is pleased to submit an application to the NYCIDA for a proposed **multiple 5MW** battery energy storage system ("BESS") by the intersection of Williams and Glenmore Avenues in Brooklyn, NY 11207. Three project companies, **MGN 172 Williams Ave, LLC, MGN 178 Williams Ave, LLC, and MGN 284 Glenmore Ave, LLC** are wholly owned subsidiary of MGN that will own and operate the projects. The ESS projects will provide approximately 15MW of storage capacity for 4 hours, injecting up to 60,000 kilowatt-hours of electricity directly into the power grid during peak hours.

Developing this project will support the Crown Heights network, which is one of ConEd's Priority Networks with higher reliability risks than Tier I networks. This project will provide much-needed grid resiliency in the near term by flattening the demand curve with locally stored energy supply, and thereby improving the efficiency of the distribution network. The project will help the grid meet growing electricity demand while reducing the need for expensive feeder and substation upgrades, ultimately at the ratepayers' expense. The project is expected to operate for 20+ years.

MGN is an expanding group of NY-based veterans and professionals from mixed-use construction, hydropower infrastructure, and independent power production. We focus on deploying battery storage systems in dense urban areas, where the load demand growth, additional capacity, and resiliency are needed most. While scaling the company to develop future projects needed to improve NYC's grid resilience, we expect a negative cash flow on an aggregated basis, given the construction cost, cash flow from operation, and overall administrative burden. MGN's growth is a testament to our commitment to investing in and creating jobs for NYC. MGN is also committed to having a portion of all subcontracting work be performed by MWBE-certified contractors. On average, a project in the Construction Phase will employ 35 full-time equivalent professionals. Once this project is operational, it will permanently employ 9 New Yorkers.

For the project to be ready for sale tax exemption application, MGN has performed land acquisition, interconnection studies, detailed engineering, equipment selection, and more. We have spoken to hundreds of NYC landowners annually before we arrived at a couple of dozen completed Coordinated Electric System Interconnection Reviews (CESIRs) only to find that most result in unfeasibility high interconnection cost. When the proposed BESS project is finally shovel-ready with a reasonable estimate for construction and equipment costs, we must reduce capital costs with a sales tax exemption to be financially feasible.



Market uncertainties have negatively affected the proposed project as well. The labor, equipment, materials, and service price fluctuations have been unpredictable. In the most recent round of bids, MGN has experienced significant price increases on transformers and other equipment, that exceeded the savings from the decreased cost of batteries. Furthermore, the supply chain crunch and long lead time for BESS equipment are delaying the development of new projects. Secondly, a critical funding source for the project is NYSEERDA's Retail Energy Storage Incentive for NYC ("Bridge Incentive"), which has not released an incentive since 2021. The inconsistent bridge incentive schedule highlights the unpredictability of executing these energy infrastructure projects and the difficult project economy.

The operating life of a project will be subjected to revenue uncertainty. This 20-year project anticipates New York's Value of Distributed Energy Resources (VDER) tariff revenue. Although some of the VDER revenues are fixed, over 50% of the net present value of the income is derived from capacity markets and is subjected to energy price volatility. To increase near-term cash flow, we will submit the proposed project for Con Edison's Demand Load Management (DLM) program; however, if enrolled, the program would only provide limited revenue certainty for five years.

The difficulties discussed in this letter are some of the reasons why New York City (Zone J) is one of the least de-carbonized areas of the state. Governor Hochul has set a 6,000 MW goal for energy storage across the state by 2030; it is imperative that NYC, consuming approximately a third of the statewide energy usage, should build at least a third of storage capacity (2000 MW). However, only ~40 MW of ESS has been built in NYC as of April 2024. NYC must urgently ramp up our collective efforts to get back on track. Of the ~40MW, MGN developed, owns, and operates over 25% (10 MW at 1074 Grand St. Brooklyn and 57-77 Rust St, Maspeth) of the total operational front-of-the-meter energy storage, and our systems are the only ones connected to New York City's underground distribution system which is the hardest to connect to. (These completed and operational projects were approved for IDA financing in 2021.) The MGN team has a unique domain and New York City expertise, and it is well-positioned to deliver energy storage infrastructure effectively to the most congested distribution networks.

In summary, our project is only economically viable in the current environment with substantial reductions in our capital costs, namely sales tax. We look forward to working with NYCIDA to help get important and necessary ESS projects built and turned on so that they can help protect life, health, and property in our local communities and make our electricity grid more resilient. Together, with our fellow New York City-based companies and workers, we can reduce electricity costs for ratepayers, reduce harmful emissions from fossil-fuel generators, and help our State and New York City meet their clean energy goals.

Thank you for your consideration.
Sincerely,

A handwritten signature in black ink, appearing to read "Timothy Dumbleton".

Timothy Dumbleton, COO
Microgrid Networks, LLC

Exhibit I

DRAFT

Resolution inducing the purchase of equipment and other personal property for MGN 24-51 49th Street, LLC, as a participant in an industrial incentive program (Straight-Lease) Transaction and authorizing and approving the execution and delivery of agreements in connection therewith

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

WHEREAS, MGN 24-51 49th Street, LLC, a New York limited liability company (the “Applicant”), has entered into negotiations with officials of the Agency for the construction and equipping of an approximately 5-Megawatt (MW) battery energy storage system (consisting of 20MW hours of storage capacity) (the “Battery System”). The Battery System will be enclosed in multiple containers occupying 8,992 square feet located on a 14,305 square foot parcel of land at 24-51 49th Street in Astoria, New York (the “Facility”). The Facility will be owned by the Applicant on land leased from 49th Street Realty, LLC, a New York limited liability company, and operated as a battery energy storage system capable of charging from and discharging into the New York power grid (the “Project”), and having an approximate total project cost of approximately \$13,807,000; and

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

WHEREAS, the Application sets forth certain information with respect to the Applicant and the Project, including the following: that the Applicant, is a wholly owned subsidiary of MicroGrid Networks, LLC, a Delaware limited liability company (“MGN”). MGN is a battery energy storage developer. The Applicant expects to employ approximately 1.5 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 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 an exemption from City and State sales and use tax, 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 purchased equipment or other personal property in connection with the Project (the "Eligible Items") shall be in the Agency for purposes of granting financial assistance, and (ii) the Applicant is hereby constituted the agent for the Agency solely for the purpose of effecting the Project, and the Agency shall have no personal liability for any such action taken by the Applicant for such purpose.

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

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

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

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

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

approval of such modifications shall be evidenced by a certificate of determination of an Agency officer.

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

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

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

The Agency has determined that the proposed Project, an Unlisted action, pursuant to SEQRA and the implementing regulations, would not have a significant effect on the environment and that a Draft Environmental Impact Statement will not be prepared. The reasons supporting this determination are as follows:

1. The proposed Project would not result in a substantial adverse change in existing traffic, air quality, or noise levels.
2. The proposed Project would not result in significant adverse impacts on cultural, archaeological, architectural, or aesthetic resources or the existing neighborhood.
3. The proposed Project would not result in significant adverse impacts to natural resources, critical habitats, or water quality.
4. The proposed Project would not result in a change in existing zoning or land use. The existing uses would continue to be as-of-right under zoning.
5. A Phase I Environmental Site Assessment and a subsurface soil investigation was completed via a Soil Characterization Report (“SCR”) for the site in September 2021 and December 2022, respectively. The Phase I identified a possible Vapor Encroachment Condition (“VEC”) associated with past operations on the site and, in continuance of site due diligence from the Phase I and SCR, soil vapor sampling and a soil vapor intrusion (“SVI”) Report was completed in May 2024. Many of the soil vapor samples were found to contain chlorinated solvents or petroleum compounds above respective New York State Department of Health

Matrix Sub-Slab Vapor “No Further Action” Concentration Criteria. Therefore, the Applicant should produce a Construction Health and Safety Plan (“CHASP”) that addresses worker safety and soil vapor mitigation during the development of the Project. The CHASP should adhere to all applicable environmental and safety regulations. The design of the Project should also include a vapor barrier for certain portions of the Project components. If the actions outlined above are followed, we do not anticipate any significant adverse impacts resulting from the proposed Project due to hazardous materials.

6. No other significant effects upon the environment that would require the preparation of an Environmental Impact Statement are foreseeable.

Section 11. In connection with the Project, 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 an exemption from City and State sales and use tax in an amount not to exceed \$951,889.

Section 13. This Resolution shall take effect immediately

ADOPTED: June 11, 2024

Accepted: _____, 2024

MGN 24-51 49th Street, LLC

By: _____

Name:

Title:

Resolution inducing the purchase of equipment and other personal property for MGN 145 Hinsdale, LLC, as a participant in an industrial incentive program (Straight-Lease) Transaction and authorizing and approving the execution and delivery of agreements in connection therewith

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

WHEREAS, MGN 145 Hinsdale, LLC, a New York limited liability company (the “Applicant”), has entered into negotiations with officials of the Agency for the construction and equipping of an approximately 5-Megawatt (MW) battery energy storage system (consisting of 20MW hours of storage capacity) (the “Battery System”). The Battery System will be enclosed in multiple containers occupying 8,554 square feet located on a 10,000 square foot parcel of land at 145 Hinsdale Street in Brooklyn, New York (the “Facility”). The Facility will be owned by the Applicant on land leased from Hilsdale Property, LLC, a New York limited liability company, and operated as a battery energy storage system capable of charging from and discharging into the New York power grid (the “Project”), and having an approximate total project cost of approximately \$14,305,000; and

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

WHEREAS, the Application sets forth certain information with respect to the Applicant and the Project, including the following: that the Applicant, is a wholly owned subsidiary of MicroGrid Networks, LLC, a Delaware limited liability company (“MGN”). MGN is a battery energy storage developer. The Applicant expects to employ approximately 1.5 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 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 an exemption from City and State sales and use tax, 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 purchased equipment or other personal property in connection with the Project (the "Eligible Items") shall be in the Agency for purposes of granting financial assistance, and (ii) the Applicant is hereby constituted the agent for the Agency solely for the purpose of effecting the Project, and the Agency shall have no personal liability for any such action taken by the Applicant for such purpose.

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

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

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

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

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

approval of such modifications shall be evidenced by a certificate of determination of an Agency officer.

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

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

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

The Agency has determined that the proposed Project, an Unlisted action, pursuant to SEQRA and the implementing regulations, would not have a significant effect on the environment and that a Draft Environmental Impact Statement will not be prepared. The reasons supporting this determination are as follows:

1. The proposed Project would not result in a substantial adverse change in existing traffic, air quality, or noise levels.
2. The proposed Project would not result in significant adverse impacts on cultural, archaeological, architectural, or aesthetic resources or the existing neighborhood.
3. The proposed Project would not result in significant adverse impacts to natural resources, critical habitats, or water quality.
4. The proposed Project would not result in a change in existing zoning or land use. The existing uses would be continuing to be as-of-right under zoning.
5. A Phase I Environmental Site Assessment was completed for the site in September 2022 and then updated in May 2024. A subsurface soil investigation was completed via a Soil Characterization Report (“SCR”) for the site in September 2022. The updated Phase I identified historic Recognized Environmental Conditions (“HRECs”), former uses that warranted additional investigation. Further investigation occurred via the SCR, which identified historic urban fill at the site, with soils that have levels of volatile organic

compounds (“VOCs”), semi-volatile organic compounds (“SVOCs”), polycyclic aromatic hydrocarbons (“PAHs”), Metals, and Pesticides above New York State Part 375 and Protection of Groundwater Soil Cleanup Objectives. Because of this, all soils disturbed for the Project would need to be disposed of properly as per applicable regulations. Therefore, the Applicant should produce a Construction Health and Safety Plan (“CHASP”) that addresses worker safety for managing soils during the development of the Project. The CHASP should adhere to all applicable environmental and safety regulations. If the actions outlined above are followed, we do not anticipate any significant adverse impacts resulting from the proposed Project due to hazardous materials.

6. No other significant effects upon the environment that would require the preparation of an Environmental Impact Statement are foreseeable.

Section 11. In connection with the Project, 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 an exemption from City and State sales and use tax in an amount not to exceed \$977,900.

Section 13. This Resolution shall take effect immediately

ADOPTED: June 11, 2024

Accepted: _____, 2024

MGN 145 Hinsdale, LLC

By: _____

Name:

Title:

Resolution inducing the purchase of equipment and other personal property for MGN 434 Riverdale Ave, LLC, as a participant in an industrial incentive program (Straight-Lease) Transaction and authorizing and approving the execution and delivery of agreements in connection therewith

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

WHEREAS, MGN 434 Riverdale Ave, LLC, a New York limited liability company (the “Applicant”), has entered into negotiations with officials of the Agency for the construction and equipping of an approximately 5-Megawatt (MW) battery energy storage system (consisting of 20MW hours of storage capacity) (the “Battery System”). The Battery System will be enclosed in multiple containers occupying 8,265 square feet located on a 9,000 square foot parcel of land at 434 Riverdale Street in Brooklyn, New York (the “Facility”). The Facility will be owned by the Applicant on land leased from an individual, and operated as a battery energy storage system capable of charging from and discharging into the New York power grid (the “Project”), and having an approximate total project cost of approximately \$13,256,000; and

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

WHEREAS, the Application sets forth certain information with respect to the Applicant and the Project, including the following: that the Applicant, is a wholly owned subsidiary of MicroGrid Networks, LLC, a Delaware limited liability company (“MGN”). MGN is a battery energy storage developer. The Applicant expects to employ approximately 1.5 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 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 an exemption from City and State sales and use tax, 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 purchased equipment or other personal property in connection with the Project (the "Eligible Items") shall be in the Agency for purposes of granting financial assistance, and (ii) the Applicant is hereby constituted the agent for the Agency solely for the purpose of effecting the Project, and the Agency shall have no personal liability for any such action taken by the Applicant for such purpose.

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

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

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

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

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

approval of such modifications shall be evidenced by a certificate of determination of an Agency officer.

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

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

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

The Agency has determined that the proposed Project, an Unlisted action, pursuant to SEQRA and the implementing regulations, would not have a significant effect on the environment and that a Draft Environmental Impact Statement will not be prepared. The reasons supporting this determination are as follows:

1. The proposed Project would not result in a substantial adverse change in existing traffic, air quality, or noise levels.
2. The proposed Project would not result in significant adverse impacts on cultural, archaeological, architectural, or aesthetic resources or the existing neighborhood.
3. The proposed Project would not result in significant adverse impacts to natural resources, critical habitats, or water quality.
4. The proposed Project would not result in a change in existing zoning or land use. The existing uses would be continuing to be as-of-right under zoning.
5. A Phase I Environmental Site Assessment and a subsurface soil investigation was completed via a Soil Characterization Report (“SCR”) for the site in August 2023. The Phase I identified Recognized Environmental Conditions (“RECs”), including stored hazardous materials on site (presence of aboveground storage tanks) and former uses that warranted additional investigation. The SCR then identified historic urban fill at the site, with soils that have levels of

polycyclic aromatic hydrocarbons (“PAHs” above New York State Part 375 and Protection of Groundwater Soil Cleanup Objectives, particularly located on the eastern half of the site. Because of this, all soils disturbed for the Project would need to be disposed of properly as per applicable regulations. Therefore, the Applicant should produce a Construction Health and Safety Plan (“CHASP”) that addresses worker safety for managing soils during the development of the Project. The CHASP would adhere to all applicable environmental and safety regulations. If the actions outlined above are followed, we do not anticipate any significant adverse impacts resulting from the proposed Projects due to hazardous materials.

6. No other significant effects upon the environment that would require the preparation of an Environmental Impact Statement are foreseeable.

Section 11. In connection with the Project, 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 an exemption from City and State sales and use tax in an amount not to exceed \$950,202.

Section 13. This Resolution shall take effect immediately

ADOPTED: June 11, 2024

Accepted: _____, 2024

MGN 434 Riverdale Ave, LLC

By: _____

Name:

Title:

Resolution inducing the purchase of equipment and other personal property for MGN 178 Williams Ave, LLC, MGN 172 Williams Ave, LLC and MGN 284 Glenmore Ave, LLC, as participants in an industrial incentive program (Straight-Lease) Transaction and authorizing and approving the execution and delivery of agreements in connection therewith

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

WHEREAS, MGN 178 Williams Ave, LLC a New York limited liability company (“178 Williams”), MGN 172 Williams Ave, LLC a New York limited liability company (“172 Williams”), and MGN 284 Glenmore Ave, LLC a New York limited liability company (“284 Glenmore”, and together with 178 Williams and 172 Williams, collectively, the “Applicant”), have entered into negotiations with officials of the Agency for the construction and equipping of three battery energy storage systems with an estimated capacity of approximately 5-Megawatt (MW) each, metering a total of 60MW hours of storage capacity (the “Battery System”). The Battery System will be enclosed in multiple containers occupying 24,120 square feet located on a 30,490 square foot parcel of land (the “Land”) at 172 Williams Avenue (the “172 Williams Facility”), 178 Williams Avenue (the “178 Williams Facility”), and 284 Glenmore Avenue in Brooklyn, New York (the “284 Glenmore Facility”, and together with the 172 Williams Facility and the 178 Williams Facility, the “Facilities”). The Facilities will be owned by the respective Applicant on land leased from MGN Williams Avenue, LLC and subleased to 178 Williams, 172 Williams, 284 Glenmore. Each Facility will be operated by the respective Applicant and will serve as a battery energy storage system capable of charging from, and discharging into, the New York power grid (collectively, the “Projects”), and having an approximate total project cost of approximately \$39,707,110; 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 Projects, including the following: that each Applicant, is a wholly owned subsidiary of MicroGrid Networks, LLC, a Delaware limited liability company (“MGN”). MGN is a battery energy storage developer. The Applicant expects to employ approximately 4.5 full time equivalent employees within the three years following the completion of the Projects; that each Applicant must obtain Agency financial assistance in the form of a straight-lease transaction to enable each Applicant to proceed with the Projects and thereby expand its operations in the City; that without the Agency’s financial assistance each Applicant would not be able to complete the Projects, and that, based upon the financial assistance provided through

the Agency, each Applicant desires to proceed with the Projects 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 each Applicant is necessary to induce each Applicant to expand its operations in the City; and

WHEREAS, in order to provide financial assistance to the Applicant for the Projects, the Agency intends to grant the Applicant financial assistance through a straight-lease transaction in the form of an exemption from City and State sales and use tax, 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 Projects 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 Projects. The Agency further determines that:

(a) the Projects 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 Projects 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 Projects 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 Projects 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 Projects, 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 Projects as herein authorized. The Applicant is authorized to proceed with the Projects 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 purchased equipment or other personal property in connection with the Projects (the “Eligible Items”) shall be in the Agency for purposes of granting financial assistance, and (ii) each Applicant is hereby constituted the agent for the Agency solely for the purpose of effecting the Projects, 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 one or more Equipment Lease Agreements from the Agency subleasing the Eligible Items to each Applicant (the “Equipment Lease”), one or more Project Agreements between the Agency and each Applicant, a Sales Tax Agent Authorization Letter from the Agency to each Applicant, and, if applicable, the acceptance of one or more Guaranty Agreements from each 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 Projects.

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 Projects 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 Projects.

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 Projects, each an Unlisted action, pursuant to SEQRA and the implementing regulations, would not have a significant effect on the environment and that a Draft Environmental Impact Statement will not be prepared. The reasons supporting this determination are as follows:

1. The proposed Projects would not result in a substantial adverse change in existing traffic, air quality, or noise levels.
2. The proposed Projects would not result in significant adverse impacts on cultural, archaeological, architectural, or aesthetic resources or the existing neighborhood.
3. The proposed Projects would not result in significant adverse impacts to natural resources, critical habitats, or water quality.
4. The proposed Projects would not result in a change in existing zoning or land use. The existing uses would be continuing to be as-of-right under zoning.

5. A Phase I Environmental Site Assessment was completed for the sites in March 2024. A subsurface soil investigation was then completed via a Soil Characterization Report (“SCR”) for the sites in May 2024. The Phase I identified historic Recognized Environmental Conditions (“HRECs”) and former uses of the properties that warranted additional investigation. Further investigation occurred via the SCR, which identified historic urban fill at the sites, with soils that have varying levels of volatile organic compounds (“VOCs”), semi-volatile organic compounds (“SVOCs”), polycyclic aromatic hydrocarbons (“PAHs”), Metals, and Pesticides above New York State Part 375 and Protection of Groundwater Soil Cleanup Objectives. Because of this, most soils disturbed for the Projects would need to be disposed of properly as per applicable regulations. Therefore, the Applicant should produce a Construction Health and Safety Plan (“CHASP”) for each site that addresses worker safety for managing soils during the development of the Projects. The CHASP would adhere to all applicable environmental and safety regulations. If the actions outlined above are followed, we do not anticipate any significant adverse impacts resulting from the proposed projects due to hazardous materials.

6. No other significant effects upon the environment that would require the preparation of an Environmental Impact Statement are foreseeable.

Section 11. In connection with the Projects, 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 Projects, the Agency intends to grant the Applicant an exemption from City and State sales and use tax in an amount not to exceed \$2,873,326.

Section 13. This Resolution shall take effect immediately

ADOPTED: June 11, 2024

Accepted: _____, 2024

MGN 178 Williams Ave, LLC

By: _____
Name:
Title:

MGN 172 Williams Ave, LLC

By: _____
Name:
Title:

MGN 284 Glenmore Ave, LLC

By: _____
Name:
Title:

Exhibit J

DRAFT



Project Summary

On April 26, 2007 Apthorp Cleaners Inc. (“Apthorp” or the “Company”) and 882 East LLC (the “Lessee”) entered into a straight lease transaction with the New York City Industrial Development Agency (the “Agency”) pursuant to which the Agency provided mortgage recording tax, sales tax and real property tax exemption benefits to support the acquisition, renovation, and equipping of an approximately 5,700 square foot building located at 882 East 149th Street in the Mott Haven neighborhood of the Bronx for the Company’s dry-cleaning processing plant. The Company is a wholesale dry cleaning and laundry company that has been in operation since 1982.

After 42 years in business, the Company’s owners, Joel Kravet and Debra Kravet, have decided to retire and to sell the business operations to Wayne Edelman and the Lessee seeks to sell the facility realty to a limited liability formed by Wayne Edelman, 882 E 149 LLC (together with Wayne Edelman, the “Purchaser”). Wayne Edelman is the owner of Meurice Garment Care of Manhasset Inc. (“Meurice Garment Care”), an active Agency project in good standing. Meurice Garment Care has experienced significant growth since its 2006 straight lease transaction with the Agency and seeks an additional facility to process their work.

In connection with the transaction, the Company and the Lessee are seeking post-closing approval to amend the project documents to allow for a 100% stock sale of the Company to Wayne Edelman and the sale of the facility realty to 882 E 149 LLC. The stock sale of the Company will take place in two stages with Joel Kravet selling his 45% interest at the time of the closing of the amendments and Debra Kravet selling her 55% interest several years later.

882 E 149 LLC will assume all obligations under the project documents and the Lessee will be released therefrom. In addition, Wayne Edelman will become an individual guarantor under the Guaranty Agreement and Joel Kravet and Debra Kravet will no longer be individual guarantors. Additionally, the Purchaser plans to maintain all of the Company’s current operations and no new benefits will be provided in connection with this Post-Closing Amendment request.

Project Location

882 East 149th Street
Bronx, New York 10455

Action Requested

Approve amendments to the project documents and assignments necessary to permit the sale of the facility realty and the stock sale of the operating company, including the release of the Lessee and the current individual guarantors.

Prior Board Actions

- Post-closing amendment (Refinancing) approved September 17, 2014.

Due Diligence

A review of Apthorp's and Meurice Garment Care's respective compliance requirements with their project documents revealed no outstanding issues.

Anticipated Transaction Date

June 2024

Exhibit K

DRAFT

RESOLUTION AUTHORIZING AND APPROVING THE
EXECUTION AND DELIVERY OF DOCUMENTS AND
AUTHORIZING CERTAIN MATTERS IN CONNECTION
WITH THE 2007 APTHORP CLEANERS INC. PROJECT

WHEREAS, the 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, on April 26, 2007, the Agency entered into an industrial incentive straight-lease transaction to provide 882 East LLC (the “Original Lessee”) and Apthorp Cleaners Inc. (the “Sublessee”) with financial assistance in connection with the acquisition, renovation and equipping of an approximately 5,700 square foot building on an approximately 5,700 square foot parcel of land, in Block 2600, Lot 206, generally known as and by the street address 882 East 149th Street, Bronx, New York 10455 (collectively, the “Facility”), all for use as a dry-cleaning processing plant (the “Project”); and

WHEREAS, in connection with the Project, (i) the Original Lessee leased the Facility to the Agency pursuant to a certain Company Lease Agreement, dated as of April 1, 2007, between the Original Lessee and the Agency (the “Original Company Lease”), (ii) the Agency subleased its interest in the Facility to the Original Lessee pursuant to a Lease Agreement, dated as of April 1, 2007, between the Agency and the Original Lessee (the “Original Lease Agreement”), (iii) the Original Lessee sub-subleased its interest in the Facility to the Sublessee pursuant to a certain Sublease Agreement, dated as of April 1, 2007, between the Original Lessee and the Sublessee (the “Original Sublease Agreement”), and (iv) the Original Lessee, the Sublessee and Joel A. Kravet and Debra L. Kravet (collectively, the “Original Individual Guarantors”) guaranteed the obligations of the Original Lessee and the Sublessee pursuant to a certain Guaranty Agreement, dated as of April 1, 2007, among the Original Lessee, the Sublessee, the Original Individual Guarantors and the Agency (the “Original Guaranty Agreement”); and

WHEREAS, after the closing of the industrial incentive transaction, the Original Lessee and the Sublessee advised the Agency that (i) the Original Lessee and 882 E 149 LLC (the “New Lessee”) have entered into a Contract of Sale, whereunder, among other things, the Original Lessee has agreed to sell the Facility to the New Lessee, (ii) the Individual Guarantors, as the owners of the Sublessee, have each entered into Stock Sale and Purchase Agreements with Wayne Edelman, whereby each Individual Guarantor has agreed to sell their shares in the Sublessee to Wayne Edelman; and

WHEREAS, the Original Lessee and the Sublessee have requested that the Agency consent to (i) an assignment by the Original Lessee of the Original Company Lease to the New Lessee pursuant to an Assignment and Assumption of Company Lease (the “Assignment and Assumption of Company Lease”), by which the Original Lessee would assign

all of its right, title and interest in and to the Original Company Lease to the New Lessee, and the New Lessee would assume all of the payments, obligations, covenants and agreements imposed from the Commencement Date upon the Original Lessee pursuant to the Original Company Lease; (ii) an assignment by the Original Lessee of the Original Lease Agreement to the New Lessee pursuant to an Assignment, Assumption and Amendment of Lease Agreement (the "Assignment and Assumption of Lease Agreement"), by which the Original Lessee would assign all of its right, title and interest in and to the Original Lease Agreement to the New Lessee, and the New Lessee would assume all of the payments, obligations, covenants and agreements imposed from the Commencement Date upon the Original Lessee pursuant to the Original Lease Agreement; (iii) an assignment by the Original Lessee of the Original Sublease Agreement to the New Lessee pursuant to an Assignment, Assumption and Amendment of Sublease Agreement (the "Assignment and Assumption of Sublease"), by which the Original Lessee would assign all of its right, title and interest in and to the Original Sublease Agreement to the New Lessee, and the New Lessee would assume all of the payments, obligations, covenants and agreements imposed from the Commencement Date upon the Original Lessee pursuant to the Original Sublease Agreement; (iv) the sale of the stock of the Sublessee to Wayne Edelman, which stock sale shall take place in two stages with Joel A. Kravet selling his 45% interest in the Sublessee at the time of the execution and delivery of the documents described herein and Debra L. Kravet selling her 55% interest in the Sublessee at a later date; (v) the amendment and restatement of the Original Guaranty Agreement pursuant to an Amended and Restated Guaranty Agreement (the "Amended and Restated Guaranty Agreement") to release the Original Lessee and the Original Individual Guarantors as guarantors and to add the New Lessee and Wayne Edelman as guarantors; and (vi) a waiver of the requirement set forth in the Original Lease Agreement for the delivery of an opinion of an independent accountant with respect to the net worth of the New Lessee in connection with the sale of all or substantially all of the Original Lessee's property, which waiver shall be set forth in the Assignment and Assumption of Lease Agreement (the Assignment and Assumption of Company Lease, the Assignment and Assumption of Lease Agreement, the Assignment and Assumption of Sublease and the Amended and Restated Guaranty Agreement are collectively, the "Assignment Documents"); and

WHEREAS, the Agency deems it advisable to authorize the execution and delivery of the Assignment Documents, the recording of the Assignment Documents, as applicable, and the execution of closing documents (collectively, the "Agency Documents").

NOW, THEREFORE, BE IT RESOLVED BY THE NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS

Section 1. The Agency hereby authorizes the execution and delivery of the Agency Documents, each being substantially in the form approved by the Agency for prior transactions, with such changes as the Chairman, the Vice Chairperson, the Executive Director, the Deputy Executive Director or General Counsel of the Agency shall deem advisable. The Chairman, the Vice Chairperson, the Executive Director, the Deputy Executive Director and the 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 Agency Document by one of said officers shall be conclusive evidence of due authorization and approval. The Agency further recognizes that due to the unusual complexities of the transaction it may become necessary that certain of the terms approved hereby may require modifications or the execution

of additional documents 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 or execution of additional documents shall be evidenced by a certificate of determination of an Agency officer.

Section 2. 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 power 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 any of 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 any of the Agency Documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member, 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 3. The Chairman, the Vice Chairperson, the Executive Director, the Deputy Executive Director and the General Counsel of the Agency, and any member 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, agreements, 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 and any of the instruments, agreements or other documents authorized hereby.

Section 4. This Resolution shall take effect immediately.

ADOPTED: June 11, 2024

Exhibit L

DRAFT

Project Summary

Tri-State Surgical Supply & Equipment Ltd. (“Tri-State”) and H & H Laboratories, Inc. (“H&H”) are related through common ownership and function under the same management structure. Tri-State is a wholesale distributor of medical supplies. H&H manufactures shampoo and other personal products. Tri-State and H&H (collectively, the “Company”) closed on a straight lease transaction with the New York City Industrial Development Agency (the “Agency”) on September 20, 2001, in connection with the acquisition, renovation, equipping and operation of an approximately 15,000 square foot building at 25-35 4th Street (“Site 1”) and an approximately 10,000 square foot building located at 66 4th Street (“Site 2”) in the Carroll Garden neighborhood of Brooklyn (the “Project”). In addition to these two properties, the Company has been leasing 16,500 square foot space at 61 4th Street (“Site 3”), across the street from 66 4th Street, since June 2016. This leased space is outside the scope of the Project.

The Company requests the removal of Site 1 from the Project. The Company would like to improve the efficiency of its operations by primarily eliminating excess storage space through the consolidation of buildings. The operations currently conducted at Site 1 will be moved to Site 2 and Site 3, to facilitate more efficient logistical business operations. All employees at Site 1 will be transferred to Site 2 or Site 3.

The Company seeks approval of a change in ownership of Site 2, which is currently co-owned by Lessees, GH Management LLC and YH Management LLC, both of which are controlled by the Company and the Company’s owner, George Hoffman. The Company has requested to retain YH Management LLC as the sole owner and Lessee under the Agency Lease Agreement, removing GH Management LLC.

Project Locations:

25-35 4th Street
Brooklyn, New York 11232

66 4th Street
Brooklyn, New York 11232

Action Requested

Approve amendments to the Project documents necessary for the removal of Site 1 from the Project.

Prior Board Actions

- Amending Inducement and Authorizing Resolution approved on August 21, 2001
- Inducement Resolution approved on May 10, 2001

Due Diligence

A review of the Project’s compliance requirements revealed no outstanding issues.

Anticipated Transaction Date

June 2024

Exhibit M

DRAFT

**RESOLUTION AUTHORIZING THE EXECUTION AND
DELIVERY OF AGREEMENTS IN CONNECTION WITH THE
TRI-STATE SURGICAL SUPPLY & EQUIPMENT LTD. AND
H & H LABORATORIES, INC. PROJECT**

WHEREAS, the New York City Industrial Development Agency, New York, New York (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, on or about September 20, 2001, the Agency entered into an industrial incentive straight-lease transaction with GH Management, LLC and YH Management, LLC (collectively, the “Initial Lessee”), for the benefit of Tri-State Surgical Supply & Equipment Ltd. and H & H Laboratories, Inc. (collectively, the “Company”) in connection with the acquisition, improvement and equipping of a commercial distribution facility “a project” within the meaning of the Act within the territorial boundaries of The City of New York consisting of the acquisition of that certain lot, piece or parcel of land generally known as and by the street addresses 66 Fourth Street and 25-35 Fourth Street (a/k/a 33 Fourth Street), Brooklyn, New York and the acquisition, improvement and equipping of an approximately 15,581 square foot building and an approximately 10,000 square foot building thereon (collectively, the “Facility”), all for use by the Initial Lessee and the Company in the manufacturing and distribution of medical supplies and related products (collectively, the “Project”); and

WHEREAS, the Initial Lessee, the Company and the Agency entered into various agreements in connection with such Project (as amended, collectively, the “Project Documents”); and

WHEREAS, the Initial Lessee has requested that the Agency consent to (i) the release of the property located at 25-35 Fourth Street (a/k/a 33 Fourth Street), Brooklyn, New York, from the Project Documents, and (ii) the release of GH Management, LLC as a co-lessee under the Project Documents (collectively, the “Releases”); and

WHEREAS, the Initial Lessee has requested that the Agency amend the Project Documents to reflect such Releases and continue the existing payment in lieu of real estate taxes on that portion of the Facility which will continue to be occupied and operated by the remaining lessee and the Company after the Releases (collectively, the “Amendments”);

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

Section 1. The Agency hereby consents to the Releases.

Section 2. The Agency and the Initial Lessee may enter into the Amendments and any related documents to reflect such consent to the Releases (collectively, the “Amendment/Consent Documents”). The Chairperson, Vice Chairperson, Executive Director, Deputy Executive Director, or General Counsel of the Agency are hereby authorized and directed to execute, acknowledge and deliver any such Amendment/Consent Documents on behalf of the Agency in such form and substance as may be acceptable to the Chairperson, Vice Chairperson, Executive Director, Deputy Executive Director or

General Counsel of the Agency. The execution and delivery of such Amendment/Consent Documents shall be conclusive evidence of due authorization and approval of such Agency Documents in their final form.

Section 3. All covenants, stipulations, obligations and agreements of the Agency contained in this Resolution, the Amendment/Consent Documents, any instruments or any documents related thereto and authorized hereby (collectively, 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 officers thereof by the provisions of this Resolution or any of the Agency Documents shall be exercised or performed by the Agency or such officers, or by 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 any Agency Document shall be deemed to be a covenant, stipulation, obligation or agreement of any member, director, officer, agent or employee of the Agency in the individual capacity thereof and neither the members nor the directors of the Agency nor any officer executing any Agency Document or entering into or accepting any such instruments relating to the Facility 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 4. The Chairperson, the Vice Chairperson, the Secretary, the Assistant Secretary, the Executive Director and the Deputy Executive Director and the General Counsel of the Agency, and any member 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 or agreements and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution and the Agency Documents.

Section 5. This Resolution shall take effect immediately.

ADOPTED: June 11, 2024

Exhibit N

DRAFT

Project Summary

It is proposed that the Agency enter into a services agreement with New York City Economic Development Corporation (“NYCEDC”) to retain a consultant to research and support the development of a Kips Bay Science District Education and Workforce Vision, a public-facing report to be released in early 2025, that articulates the vision for creating more coordinated career pathways between education, workforce, and industry players in the Kips Bay Science District.

Project Location

Citywide with a focus on the Kips Bay Science District

Background

New York City has emerged as a national leader in the life sciences, healthcare and public health sectors and the Kips Bay Science District (“KBSD”) is at the center of this growth. Today, it is home to three major medical institutions (H+H Bellevue, NYU, and Veterans Affairs Healthcare) and six higher education institutions (including CUNY Hunter College, NYU Grossman School of Medicine, and Yeshiva University). KBSD features over one million square feet of life sciences office and lab space across the Alexandria Center for Life Science and Deerfield Cure (345 Park Ave S). It will soon be home to millions of square feet of new education, lab, and office space focused on the life sciences, healthcare, and public health sectors – including Alexandria’s third tower, Innovation East (455 First Ave), and the Science Park and Research Campus (“SPARC”) Kips Bay. SPARC Kips Bay represents a new model for a shared vision that will bring together education, workforce, and industry all in one physical location to further industry collaboration and provide career pathways for students at City University of New York (“CUNY”) and NYC Public Schools (“NYCPS”), among others.

The City of New York, the State of New York, and private stakeholders have invested into ensuring that Kips Bay continues to be at the vanguard of creating a cohesive, coordinated ecosystem for life sciences, healthcare, and public health. In SPARC Kips Bay alone, this investment will generate \$42 billion in economic activity for New York City over the next 30 years.

NYCEDC has assembled the Kips Bay Science District Education and Workforce Taskforce – a group of over 30 senior life sciences, healthcare, and public health professionals, as well as education and workforce experts, who are directly invested in the success of the Kips Bay Science District. The taskforce is focused on developing a clear vision for the career pathways, programs, and partnerships needed to ensure Kips Bay provides equitable access for New Yorkers to New York City’s life sciences, healthcare, and public health sectors.

Services to be Provided

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

- Produce a public facing report, the Kips Bay Science District Education and Workforce Vision that:
 - Provides a cohesive quantitative overview of the life sciences, healthcare, and public health sectors in the Greater NYC metropolitan area today and in the future
 - Articulates the anticipated development of the Kips Bay Science District and its contribution to the broader growth of priority industries in the Greater NYC metropolitan area
 - Identifies key challenges and opportunities for Kips Bay based on the assessment
 - Recommends next steps and strategies for Kips Bay
- Manage ongoing Taskforce engagement to gain input into and validation of the creation of the report

Kips Bay Science District Education & Workforce Vision

HR&A Advisors, Inc. was selected in a mini-RFP issued to NYCEDC's on-call management and economic development consultants. HR&A Advisors, Inc. has successfully managed similar projects and developed reports on behalf of:

- NYCEDC, including The 21st Century Jobs Report, which examined the scale and causes of underrepresentation in the tech ecosystem and proposed strategies to create a more inclusive workforce
- State of New York, including supporting strategic planning around priority growth sectors for the Office of Strategic Workforce Development
- CUNY, including developing a strategic plan to enhance its role within New York City's tech ecosystem

Timeline

The proposed services contract will require NYCEDC to provide services during fiscal year 2024 and 2025.

Contract Value

\$350,000

Anticipated Contract Date

June 2024

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.