

MINUTES OF THE  
MEETING OF THE BOARD OF DIRECTORS  
OF  
NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY  
HELD IN-PERSON AT THE ONE LIBERTY PLAZA OFFICES OF  
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION  
September 24, 2024

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

Andrew Kimball (Chairperson)

Ellen Baer

Francesco Brindisi, alternate for Brad Lander,  
Comptroller of The City of New York

Aaron Charlop-Powers, alternate for Maria Torres-Springer,  
Deputy Mayor for Housing, Economic Development and Workforce

Felix A. Ciampa

Richard W. Eaddy

Adam Friedman

Venetia Lannon

Randolph Peers

Carolyn Grossman Meagher, alternate for Dan Garodnick,  
Chair of the City Planning Commission of The City of New York

Shanel Thomas

Betty Woo, alternate for Hon. Sylvia Hinds-Radix,  
Corporation Counsel of The City of New York

The following directors were not present:

HeeWon Brindle-Khym

Janet Mejia-Peguero

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 10:03 a.m., at which point a quorum was present.

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

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

Carol Ann Butler, an Assistant Vice President for NYCEDC, presented the Agency's Financial Statements for the one-month period ending July 31, 2024 (Unaudited). Ms. Butler reported that for the one-month period the Agency recognized revenues from project finance fees from one transaction totaling \$139,000. In addition, revenues derived from compliance, application, recapture, post-closing and termination fees amounted to \$147,000. Ms. Butler also reported that \$367,000 was recognized in operating expenses, largely consisting of the monthly management fee, were recorded for the Agency for the one-month period that ended on July 31, 2024 (Unaudited).

At this time Ms. Baer and Mr. Friedman joined the quorum.

3. Audited Financial Statements (FY June 2024) and Annual Investment Report

Amy Chan, Controller for NYCEDC and Assistant Treasurer for the Agency, and Leslie Escobar, Deputy Controller for NYCEDC, presented for review and approval the Agency's Audited Financial Statements and Annual Investments Report for the Fiscal Year ended June 30, 2024.

Mr. Ciampa stated that the Audit Committee met with Agency staff and Ernst & Young ("E&Y") staff yesterday and discussed the audited financial statements and the annual investment report. Mr. Ciampa stated that during that meeting E&Y staff presented their audit results and that the Agency will receive a clean opinion on its 2024 financial report and schedule of investments. Mr. Ciampa stated that there were no audit adjustments or deficiencies in internal control identified during the audit. As a result, on behalf of the Audit Committee Mr. Ciampa recommended the Board approve the Audited Financial Statements and schedule of investments as presented in the board book.

There being no comments or questions, a motion to approve the Agency's Audited Financial Statements and Annual Investment Report for the Fiscal Year ended June 30, 2024 attached hereto as Exhibit A and Exhibit B, respectively, as submitted, was made, seconded and unanimously approved.

4. Acknowledgment of Performance Measurement Report

Emily Marcus Falda, Executive Director of the Agency, presented the Agency's performance measurements report.

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

5. Results of Board Performance Self-Evaluation Survey

Ms. Marcus Falda presented the results of the Board's annual Self-Evaluation Survey (the "Survey").

Ms. Woo thanked Ms. Marcus Falda and Agency staff for their responsiveness to her questions and for their work on the Survey.

6. Amendment to Audit Committee Charter

Eric Katz, a Senior Vice President for NYCEDC, presented an amendment to the Agency's Audit Committee charter. Mr. Katz described the amendment and its benefits to the Agency.

On behalf of the Audit Committee, Mr. Ciampa recommended that the Board approve the amendment to the Audit Committee charter.

There being no comments or questions, a motion to approve the amendment to the Agency's Audit Committee charter attached hereto as Exhibit D, was made, seconded and unanimously approved.

7. Bo Bo Poultry Market Inc.

Weston Rich, a Senior Associate for NYCEDC, presented for review and adoption an inducement and authorizing resolution for the benefit of Bo Bo Poultry Market Inc. and recommended that the Board adopt a negative SEQRA declaration for the projects asserting that the project is a Type 2 action which will not have a significant adverse effect on the environment. Mr. Rich provided a description of each project and its benefits, as detailed in Exhibit E.

Mr. Brindisi stated that he is happy for the applicant given their family-owned business is booming and for putting their business in order. Mr. Brindisi stated that the applicant has \$1.2 million to invest and the Agency is providing just as much which is a generous incentive

which they deserve. Mr. Brindisi stated that the applicant's financials as presented to the board are at least questionable and after a cursory review it seems that their projected income was inflated by not including water and sewer charges and property charges. Mr. Brindisi stated that the new projections show their projected net income is 45% less than what is stated in the board book. Mr. Brindisi stated that he is not going to vote in opposition to the project but he cannot vote in favor due to not having sufficient information to ensure that their financials are in order. Mr. Marcus Falda stated that Agency staff appreciate Mr. Brindisi's review and that they worked as diligently as possible with the applicant to provide responses to the questions that Mr. Brindisi's office provided. Ms. Marcus Falda stated that Agency staff were very responsive and hope that their answers helped. Ms. Marcus Falda stated that Agency staff received updated projections that were meant to address Mr. Brindisi's concerns and that the information was updated this morning in the board book and that she recognizes that there was a mistake in the applicant's projections which is relatively minor. Ms. Marcus Falda stated that the revised projections show reasonable assumptions being made. In response to a question from Mr. Peers, Mr. Rich stated that the applicant's loading docks are currently positioned off the main road and so mobile freezer units will be attached to the building through some of the unused loading docks but they will still be mobile and movable. In response to a question from Mr. Peers, Mr. Rich stated that this plan will expand the applicant's capacity and that cold storage is located in the back half of the building so the applicant would be able to expand southward. Mr. Peers stated that given the applicant's plan to expand together with adding solar paneling and roof upgrades is good for the environment and the City so this is a worthy project. Mr. Peers stated that given the applicant is a small business he is happy to see Agency staff reaching out on this scale in Brooklyn. Mr. Peers offered kudos to Agency staff for their work on this project. Mr. Rich stated that the applicant had been saving up for quite a while to make some of these significant repairs to the building and have been located at this facility for about 30 years during which time they have not undergone a major renovation at this scale so the company is really excited for what it could do for their sales and business going forward. Ms. Lannon stated that she agreed with Mr. Peers and supported the project. In response to Ms. Lannon, Mr. Rich stated that he doesn't think the mobile freezers are fueled by diesel, but he will check with the applicant and follow up with the Board. Mr. Rich stated that Agency staff acquired the applicant's quotes for the mobile freezer units so he will review the specifications and get back to her right after the board meeting. Ms. Lannon stated that this has been a perennial problem at Hunts Point where freezer trucks run on diesel then that's not environmentally preferable obviously but it seems like the applicant has been thoughtful about the rest of their approach to this project so she is more curious than anything else. Mr. Rich agreed with Ms. Lannon and stated that energy efficiency is an important factor for the applicant based on some of the renovations to the roof and the solar panel improvements. Ms. Grossman Meagher commended Agency staff for bringing a project like this to the Board given that smaller food manufacturers are having difficulty staying in the City and that investing in the applicant's property is exactly the kind of project the Board should be looking at given the "knock-on" effects to the retail market in ethnic communities where the

applicant is helping create a supply chain as well as a regional component resulting in positive effects to the communities in upstate New York that are raising the chickens and transporting them down to the City and so this is a quality project with benefits that go beyond this individual business. Mr. Friedman agreed with Mr. Peers, Ms. Lannan and Ms. Grossman Meagher and that the Pratt Institute does a lot of supply chain work which is a challenge that many industries face. Mr. Friedman stated that when the applicant has facilities in upstate New York, typically the downstate partner is at risk and so this project will help keep the applicant in the City. Mr. Friedman stated that the neighborhood where the project site is located really needs the investment. Mr. Friedman thanked Agency staff for their work.

There being no further comments or questions, a motion to approve the adoption of the inducement and authorizing resolution and SEQRA declaration attached hereto as Exhibit F for the benefit of Bo Bo Poultry Market Inc. was made, seconded and approved with Mr. Brindisi abstaining from the vote.

8. East Bay Energy Storage 1 LLC

Leyla Arcasoy, an Associate for NYCEDC, presented for review and adoption an inducement and authorizing resolution for the benefit of East Bay Energy Storage 1 LLC and recommended that the Board adopt a negative SEQRA declaration for the project asserting that it is an unlisted action and will not have a significant adverse effect on the environment. Ms. Arcasoy described the project and its benefits, as detailed in Exhibit G.

There being no comments or questions, a motion to approve the adoption of the inducement and authorizing resolution and SEQRA declaration attached hereto as Exhibit H for the benefit of East Bay Energy Storage 1 LLC, was made, seconded and unanimously approved.

9. Terzo in Jamaica, LLC

Joseph Taecker-Wyss, an Associate for NYCEDC, presented for review and adoption an inducement and authorizing resolution for the benefit of Terzo in Jamaica, LLC, recommended that the Board adopt a negative SEQRA declaration for the project asserting that it will not have a significant adverse effect on the environment and recommended the adoption of a finding that the project, which is a retail project located in a “highly distressed area” as defined in Section 854(18) of the IDA Act, will result in increasing the overall number of permanent, private sector jobs in New York State (the “Retail Finding”). Mr. Taecker-Wyss described the project and its benefits, as detailed in Exhibit I.

Ms. Grossman Meagher stated that this project is in the center of the ongoing Jamaica Plan Neighborhood Rezoning Study that the City’s Department of City Planning (“DCP”) is currently engaged in. Ms. Grossman Meagher stated that DCP staff have been meeting with

the community for several years and there is a strong desire to see additional grocery stores and anchor retail activation in this area which is a primary goal of the initiative. Ms. Grossman Meagher stated that this is directly responsive to that and in addition the rezoning is looking at the potential increase of up to 14,000 new homes in this area which creates a significant new population that will be needing additional grocery stores which factors into how the per capita needs evaluation here that isn't being taken into account yet which is an even greater future need that will be coming in a few years. Ms. Grossman Meagher thanked Agency staff for their work and for the project's alignment to the Jamaica Plan Neighborhood Rezoning Study. Mr. Peers stated that he likes seeing more FRESH projects brought to the Board. In response to a question from Mr. Peers, Mr. Taecker-Wyss stated that the project site is basement level is currently being used as open storage and that the overall developer is going to make this usable square footage and then the supermarket will do the fit out. In response to a question from Mr. Peers, Mr. Taecker-Wyss stated that there is only one construction job associated with the fit out of the project and does not include the overall development of the building. In response to a question from Ms. Thomas, Mr. Taecker-Wyss stated that with respect to the costs associated with this project there's a very small portion of soft costs and then the M/WBE will also be applied to the fit out portion of the F&E costs and those are small and because the same companies are expected to do the fit out as they're purchasing the equipment the supermarket it's a relatively limited number of options to select from.

There being no further comments or questions, a motion to approve the adoption of the inducement and authorizing resolution, SEQRA declaration and Retail Finding attached hereto as Exhibit J for the benefit of Terzo in Jamaica, LLC, was made, seconded and unanimously approved.

10. GB Arthur Kill Storage LLC

Mr. Rich presented for review and adoption an amended authorizing resolution for the benefit of GB Arthur Kill Storage LLC and recommended that the Board adopt a negative SEQRA declaration for the projects asserting that each project is an unlisted action and will not have a significant adverse effect on the environment. Mr. Rich provided a description of each project and its benefits, as detailed in Exhibit K.

There being no further comments or questions, a motion to approve the adoption of the amended authorizing resolution and the SEQRA declaration attached hereto as Exhibit L for the benefit of GB Arthur Kill Storage LLC was made, seconded and unanimously approved.

11. Deerfield Management Company, L.P.

Sonia Ruocco, a Vice President for NYCEDC, presented for review and approval a post-closing resolution to approve amendments to the project documents necessary to allow for an 18-month extension of the sales tax exemption expiration date from September 5, 2024 to March 5, 2026. Ms. Ruocco described the project and its benefits, as reflected in Exhibit M.

There being no comments or questions, a motion to approve the post-closing resolution attached hereto as Exhibit N for the benefit of Deerfield Management Company, L.P., was made, seconded and unanimously approved.

12. Services Contract Amendment Proposal LifeSci NYC Internship Program

Mikko Baylosis, an Associate for NYCEDC, presented for review and approval a proposal for an amendment to an existing services contract with NYCEDC that will extend the term of the contract through December 31, 2027 and to increase the contract amount by \$500,000 to provide additional intern wage subsidies and wraparound services to interns and prospective interns. Mr. Baylosis described the proposal and its benefits, as reflected in Exhibit O.

Ms. Thomas stated that this is a great program and that she is concerned that Agency staff are not including people from underrepresented groups because based on the numbers they're still the smallest in that category so moving forward is there like a concentrated effort to increase or prioritize those groups? Mr. Baylosis thanked Ms. Thomas for the great question and that this is something that Agency staff started piloting back in 2022. Mr. Baylosis stated that this program used to be more transactional where the operator focused on placing students into positions whereas now the program has grown based on the demand to provide the wraparound services. Mr. Baylosis stated that Agency staff are asking the operator to do more campus outreach as well as more career panels so as to expand the reach of the program with marketing and advertising directed at different groups across the City. Mr. Baylosis stated that this process involves physically going to different campuses and talking about the program. Mr. Baylosis stated that Agency staff work with academic partners to broaden the reach of students and, for example, Agency staff work with multiple groups at City College who are targeting students in their own programs who come from different backgrounds with respect to economic, racial and academic focuses and majors and so that will be expanded on this year. Mr. Baylosis stated that Agency staff piloted a service line last year called Campus Ambassadors which will be expanded this year which involves employing past graduates of the program to go out and advertise the program to their fellow student peers and offer services such as résumé review and cover letter drafting to students in different groups. Mr. Baylosis stated that Agency staff have found that there is more participation from people who see peers that are like them in this industry and to give them advice such as "hey, this is an industry that you can be part of" and so Agency staff are putting a lot of the money from this tranche to expand what

that program looks like by doing a lot more organic outreach as well as just advertising to a lot of the outer boroughs. Ms. Thomas stated that the approach could be taken a step further by going into the communities because in some instances for some of those populations by the time they get to college the opportunity to advertise to them has passed because they didn't have access to the information. Ms. Thomas stated that there are local organizations, and again being a Queens representative she is aware of these organizations, such as the life science projects in Long Island City close to Queensbridge housing for instance and some of the Workforce Development programs that work with the kids in those communities. Mr. Baylosis thanked Ms. Thomas for her comment and stated that she brought up some great ideas. In response to a question from Mr. Peers, Mr. Baylosis stated that the original contract amount was \$3.75 million and that the policy has been that Agency staff only work with companies who are providing at least minimum wage to the students and, just to take a step back, Agency staff don't subsidize all of the interns across the board and rather support for-profits that are under a certain size so under 10 (employees) and pre-series A as well as nonprofits it's a little bit larger.

Mr. Baylosis stated that Agency staff do not subsidize the Pfizer-sized companies and other large companies but they do subsidize smaller companies that might not have room in their budget to hire an intern. Mr. Baylosis stated that for all of those positions they're paid but Agency staff don't necessarily pay for all of them and so the larger companies pay on their own and Agency staff provide a service of sourcing students for them. Mr. Baylosis stated that for smaller companies Agency staff provide the service of finding the students and then giving them an opportunity to opt into the subsidy. Mr. Peers thanked Mr. Baylosis for his helpful comment and asked if the total number of interns is 200 and, if so, whether that figure includes subsidized and unsubsidized interns. Mr. Baylosis confirmed that out of the total 217 interns the subsidized amount for this past year was approximately 140 to 150 interns. Mr. Baylosis stated that Agency staff are challenging the market and the industry to come to the table and put skin in the game but there is a lot of inducement that happens because of the wage subsidies. Mr. Baylosis stated that Agency staff have found that in past years they have let the subsidy stretch but lost some parity across the board for diversity. Mr. Baylosis stated that for example, two years ago when Agency staff cut the intern subsidy budget in order to extend it the CUNY participation was at approximately 30% and then Agency staff reassessed the impact of the budget cut and found a new middle ground which resulted in that figure growing to approximately 50% to 60% participation. Mr. Peers asked, setting aside the subsidies, what would it take just to increase the number of slots? Mr. Baylosis stated that to increase the number of slots there are still positions that Agency staff have found that are not getting placed and most companies say they don't have room in the budget for an intern position. Mr. Baylosis stated that there are also more companies in the City, and I think we're tackling that problem through the different projects across [interruption]. Mr. Peers asked if outreach is also to those companies. Mr. Baylosis confirmed that outreach includes those companies. Mr. Peers stated that it seems like this is where the outreach is most critical. Mr. Baylosis stated



that Agency staff is hitting right about the limit of the number of companies that have available positions that we can provide and that, as Mr. Peers can observe, the number of applications has grown each year but the number of positions has lagged behind and so through other projects Agency staff is trying to buff up the number of companies but, as to what Mr. Peers has observed, Agency staff are reaching the limit of the number of companies. Mr. Peers stated that if he can be helpful in any way let him know when Mr. Baylosis is in Brooklyn. Mr. Baylosis thanked Mr. Peers for his comments and questions.

There being no further comments or questions, a motion to approve the services contract amendment proposal for the LifeSci NYC Internship Program attached hereto as Exhibit O was made, seconded and unanimously approved.

13. 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 10:57 a.m.

  
Assistant Secretary

Dated: 11/19/24  
New York, New York

Exhibit A

FINANCIAL STATEMENTS AND REQUIRED  
SUPPLEMENTARY INFORMATION

New York City Industrial Development Agency  
(A Component Unit of The City of New York)  
Years Ended June 30, 2024 and 2023  
With Reports of Independent Auditors

**PRELIMINARY AND TENTATIVE FOR DISCUSSION ONLY**

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

Financial Statements and Required Supplementary Information

Years Ended June 30, 2024 and 2023

**Contents**

**I. Financial Section**

Report of Independent Auditors.....1  
Management’s Discussion and Analysis .....4

Financial Statements

Statements of Net Position.....9  
Statements of Revenues, Expenses, and Changes in Net Position .....10  
Statements of Cash Flows.....11  
Statements of Fiduciary Net Position .....13  
Statements of Changes in Fiduciary Net Position.....14  
Notes to Financial Statements.....15

**I. *Government Auditing Standards* Section**

Report of Independent Auditors on Internal Control Over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards* .....24

**PRELIMINARY AND TENTATIVE FOR DISCUSSION ONLY**

# I. Financial Section

**PRELIMINARY AND TENTATIVE FOR DISCUSSION ONLY**

## Report of Independent Auditors

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

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the business-type activities and fiduciary activities of the New York City Industrial Development Agency (the Agency), a component unit of The City of New York, as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents (collectively referred to as the "basic financial statements").

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and fiduciary activities of the Agency as of June 30, 2024 and 2023, and the respective changes in its financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

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

**PRELIMINARY AND TENTATIVE FOR DISCUSSION ONLY**

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

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



### ***Required Supplementary Information***

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

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated \_\_\_\_\_, 2024 on our consideration of the Agency’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency’s internal control over financial reporting and compliance.

\_\_\_\_\_, 2024

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

Management's Discussion and Analysis

June 30, 2024 and 2023

This section of The New York City Industrial Development Agency's (IDA or the Agency) annual financial report presents our discussion and analysis of financial performance during the fiscal year that ended on June 30, 2024. Please read it in conjunction with the financial statements and accompanying notes which follow this section.

**2024 Financial Highlights**

- Current assets decreased \$0.8 million (or 4%)
- Non-current assets increased \$2.3 million (or 41%)
- Current liabilities decreased \$0.2 million (or 3%)
- Operating revenues increased \$3.9 million (or 150%)
- Operating income increased \$3.8 million (or 194%)
- Change in net position was \$1.7 million in fiscal year 2024, as compared to (\$3.5) million in fiscal year 2023

**Overview of the Financial Statements**

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

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

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

Management's Discussion and Analysis (continued)

**Financial Analysis of the Business-Type Activities of the Agency**

**Net Position** – The following table summarizes IDA's financial position at June 30, 2024, 2023, and 2022 and the percentage change between June 30, 2024, 2023, and 2022 (dollars in thousands):

	2024	2023	2022	% Change	
				2024–2023	2023–2022
Current assets	\$ 21,018	\$ 21,822	\$ 21,556	(4)%	1%
Non-current assets	7,981	5,680	8,620	41	(34)
Total assets	<u>28,999</u>	<u>27,502</u>	<u>30,176</u>	<u>5</u>	<u>(9)</u>
Current liabilities	<u>5,755</u>	<u>5,945</u>	<u>5,141</u>	<u>(3)</u>	<u>16</u>
Total liabilities	<u>5,755</u>	<u>5,945</u>	<u>5,141</u>	<u>(3)</u>	<u>16</u>
Total net position	<u>\$ 23,244</u>	<u>\$ 21,557</u>	<u>\$ 25,035</u>	<u>8</u>	<u>(14)</u>

**Fiscal Year 2024 Activities**

Total assets increased by \$1.5 million or 5% mainly due to operating income generated of \$1.9 million during fiscal year 2024. Of the Agency's total assets, non-current assets increased by \$2.3 million or 41% due to \$2.3 million of previously short-term investments being reinvested into long-term securities upon maturity.

Total current liabilities decreased by \$0.2 million or 3% primarily due to (1) the timing of expenses incurred and payments made to the New York City Economic Development Corporation for reimbursement of costs paid on the Agency's behalf and (2) the increase of deposits received in fiscal year 2024 for future closings.

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

Management's Discussion and Analysis (continued)

**Fiscal Year 2023 Activities**

Total assets decreased by \$2.7 million or 9% mainly due to a loss from operations and payment of approximately \$1.3 million of special project costs during fiscal year 2023. Of the Agency's total assets, non-current assets decreased by \$2.9 million or 34% due to \$2.9 million of previously long-term investments becoming current.

Total current liabilities increased by \$0.8 million or 16% primarily due to the increase of \$0.8 million in special project costs incurred and owed to NYC Economic Development Corporation.

**Operating Activities**

The Agency assists industrial and commercial participants through a "straight lease" transactional structure which provides tax benefits to participants to incentivize the acquisition and capital improvement of their facilities. Apart from the issuance of bonds to refund governmental bonds (including bonds for Yankee Stadium, LLC and Queens Baseball Stadium), the Agency has chosen not to issue new bonds. In addition to the issuance of tax-exempt and taxable bonds for certain transactions, the Agency may provide one or more of the following tax benefits: partial exemption from mortgage recording tax; payments in lieu of real property taxes (PILOT) that are less than full taxes; and exemption from City and State sales and use taxes as applied to construction materials and machinery and equipment. During the years ended June 30, 2024 and 2023, IDA did not issue any tax-exempt bonds.

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

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

Management's Discussion and Analysis (continued)

**Operating Activities (continued)**

The following table summarizes IDA's changes in net position for fiscal years 2024, 2023 and 2022 and the percentage change between June 30, 2024, 2023 and 2022 (dollars in thousands):

	2024	2023	2022	% Change	
				2024-2023	2023-2022
Operating revenues:					
Fee income	\$ 6,356	\$ 2,482	\$ 2,860	156%	(13)%
Other income	77	89	510	(14)	(83)
Total operating revenues	6,433	2,571	3,370	150	(24)
Operating expenses:					
Management fees	4,400	4,400	4,400	-	-
Other expenses	172	159	176	8	(10)
Total operating expenses	4,572	4,559	4,576	-	-
Operating income (loss)	1,861	(1,988)	(1,206)	194	65
Non-operating (expenses) revenues:					
Investment income (loss)	1,250	562	(126)	122	546
Special project costs	(1,424)	(2,052)	(1,389)	(31)	48
Total non-operating expenses, net	(174)	(1,490)	(1,515)	(88)	(2)
Change in net position	1,687	(3,478)	(2,721)	149	(28)
Beginning net position	21,557	25,035	27,756	(14)	(10)
Ending net position	\$ 23,244	\$ 21,557	\$ 25,035	8	(14)

**Fiscal Year 2024 Activities**

The Agency's net position increased by \$1.7 million or 8% largely due to operating income of \$1.9 million offset by net non-operating expenses of \$0.2 million.

The Agency's fiscal year 2024 operating income increased by \$3.8 million or 194% as compared to fiscal year 2023 and amounted to \$1.9 million. This increase in operating income was largely due to an increase in total finance fees generated of \$3.9 million, largely related to the closing of two transactions from the Sunnyside Studios Owner, LLC and 174 Power Global/East River ESS LLC projects.

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

Management's Discussion and Analysis (continued)

**Fiscal Year 2024 Activities (continued)**

Special project costs decreased by \$0.6 million or 31% primarily due to \$0.6 million of expenses incurred for the Kingsbridge Armory Visioning project during fiscal year 2023.

**Fiscal Year 2023 Activities**

The Agency's net position decreased by \$3.5 million or 14% largely due to the operating loss of \$2.0 million and special project costs recognized of \$2.1 million.

The Agency's fiscal year 2023 operating loss increased by \$0.8 million or 65% as compared to fiscal year 2022 and amounted to \$2.0 million. This loss was incurred due to the following: (1) a decrease in finance fees and post-closing fees of \$0.4 million, and (2) a decrease of recapture income of \$0.4 million.

Special project costs increased by \$0.7 million or 48% primarily due to \$0.6 million of expenses incurred for the Kingsbridge Armory Visioning project during fiscal year 2023.

**Contacting the Agency's Financial Management**

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

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

Statements of Net Position  
(In Thousands)

	June 30	
	2024	2023
<b>Assets</b>		
Current assets:		
Cash and cash equivalents <i>(Note 3)</i>	\$ 3,188	\$ 1,282
Investments <i>(Note 3)</i>	14,516	17,248
Restricted cash	3,051	3,079
Fees receivable, net of allowance for doubtful accounts of \$11 and \$63, respectively	157	213
Other assets	106	–
Total current assets	21,018	21,822
Non-current assets:		
Investments <i>(Note 3)</i>	7,981	5,680
Total non-current assets	7,981	5,680
Total assets	28,999	27,502
<b>Liabilities</b>		
Current liabilities:		
Accounts payable and accrued expenses	69	72
Due to New York City Economic Development Corporation	402	1,522
Unearned revenues	2,162	1,167
Other liabilities	3,122	3,184
Total current liabilities	5,755	5,945
Total liabilities	5,755	5,945
Net position – unrestricted	\$ 23,244	\$ 21,557

*See accompanying notes.*

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

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

	<b>Year Ended June 30</b>	
	<b>2024</b>	<b>2023</b>
Operating revenues:		
Fee income <i>(Note 2)</i>	\$ 6,356	\$ 2,482
Recapture and other related benefits <i>(Note 2)</i>	16	64
Other income <i>(Note 2)</i>	61	25
Total operating revenues	6,433	2,571
Operating expenses:		
Management fees <i>(Note 4)</i>	4,400	4,400
Other expenses	172	159
Total operating expenses	4,572	4,559
Operating income (loss)	1,861	(1,988)
Non-operating revenues (expenses):		
Investment income	1,250	562
Special project costs <i>(Note 5)</i>	(1,424)	(2,052)
Total non-operating expenses, net	(174)	(1,490)
Change in net position	1,687	(3,478)
Net position, unrestricted, beginning of year	21,557	25,035
Net position, unrestricted, end of year	\$ 23,244	\$ 21,557

*See accompanying notes.*



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

Statements of Cash Flows  
(In Thousands)

	<b>Year Ended June 30</b>	
	<b>2024</b>	<b>2023</b>
<b>Cash flows from operating activities</b>		
Financing and other fees	\$ 7,426	\$ 2,824
Management fees paid	(4,767)	(4,033)
Other expenses paid	(165)	(171)
Recapture benefits and other penalties received	8,598	90
Payment to NYC and other agencies of recaptured benefits	(8,588)	(284)
Payment to EDC for contingency fees	(1)	(20)
Other	(6)	14
Net cash provided by (used in) operating activities	2,497	(1,580)
<b>Cash flows from investing activities</b>		
Sale of investments	17,199	12,944
Purchase of investments	(16,417)	(14,167)
Investment income	793	33
Net cash provided by (used in) investing activities	1,575	(1,190)
<b>Cash flows from non-capital financing activities</b>		
Special project costs paid	(2,194)	(1,613)
Net cash used in non-capital financing activities	(2,194)	(1,613)
Net increase (decrease) in cash and cash equivalents	1,878	(4,383)
Cash and cash equivalents at beginning of year	4,361	8,744
Cash and cash equivalents at end of year	\$ 6,239	\$ 4,361

PRELIMINARY AND TENTATIVE FOR DISCUSSION ONLY

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

Statements of Cash Flows (continued)  
(In Thousands)

	<b>Year Ended June 30</b>	
	<b>2024</b>	<b>2023</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities</b>		
Operating income (loss)	\$ 1,861	\$ (1,988)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Provision for bad debt	-	2
Changes in operating assets and liabilities:		
Fees receivable	56	43
Accounts payable and accrued expenses	(3)	(27)
Due to NYC Economic Development Corp.	(350)	362
Other liabilities	(62)	(290)
Unearned revenues	995	318
Net cash provided by (used in) operating activities	\$ 2,497	\$ (1,580)
 <b>Supplemental disclosures of non-cash activities</b>		
Unrealized gain on investments	\$ 505	\$ 18

*See accompanying notes.*

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

Statements of Fiduciary Net Position  
(In Thousands)

	<b>Custodial Funds</b>	
	<b>June 30</b>	
	<b>2024</b>	<b>2023</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 847	\$ 496
Total assets	847	496
<b>Liabilities</b>		
PILOT payable	847	496
Total liabilities	847	496
Net position – restricted	\$ –	\$ –

*See accompanying notes.*

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

Statements of Changes in Fiduciary Net Position  
(In Thousands)

	<b>Custodial Funds</b>	
	<b>Year Ended June 30</b>	
	<b>2024</b>	<b>2023</b>
<b>Additions</b>		
PILOT collections	\$ 26,602	\$ 35,709
Total additions	26,602	35,709
<b>Deductions</b>		
PILOT payments disbursed	25,755	35,213
PILOT payments pending disbursement	847	496
Total deductions	26,602	35,709
Net increase in fiduciary net position	–	–
Net position – beginning of year	–	–
Net position – end of year	\$ –	\$ –

*See accompanying notes.*

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

Notes to Financial Statements

June 30, 2024 and 2023

**1. Background and Organization**

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

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

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

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

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

Notes to Financial Statements (continued)

**1. Background and Organization (continued)**

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

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

The total governmental and PAB debt obligations outstanding totaled \$2.18 billion and \$2.25 billion for the years ended June 30, 2024 and 2023, respectively. For more detailed information, please refer to the following website: <https://www.edc.nyc/nycida/financial-public-documents>.

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

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

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

Notes to Financial Statements (continued)

**1. Background and Organization (continued)**

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

The governmental Tax-Exempt PILOT Bonds are special limited obligations of the Agency payable solely from PILOT revenues derived from PILOTs made by Yankee Stadium, LLC and Queens Ballpark Company, LLC. However, since the Tax-Exempt PILOT Bonds were issued to finance the construction of the Stadia and because the Agency is the legal owner of the Stadia, the Tax-Exempt PILOT Bonds had been recorded in the Agency's books and were reflected in its financial statements. In accordance with GASB Statement No. 91, *Conduit Debt Obligations*, the Tax-Exempt PILOT Bonds are given no accounting recognition in the accompanying financial statements. In addition, no commitments beyond the payments from the PILOT revenues were extended by the Agency for any of these bonds. At June 30, 2024 and 2023, the PILOT Bonds have an aggregate outstanding principal amount payable of \$1.54 billion and \$1.58 billion, respectively.

**2. Summary of Significant Accounting Policies**

**Basis of Accounting**

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

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

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

Notes to Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

**Revenue and Expense Classification**

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

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

Recaptured benefits are recorded net of amounts due to The City and The State. The related recapture benefits that are due to The City are recorded as other liabilities until such time as they are disbursed to The City. For the year ended June 30, 2024, IDA remitted \$8.2 million and \$0.4 million to The City and The State, respectively, relating to recapture benefits. For the year ended June 30, 2023, IDA remitted \$0.3 million and zero to The City and The State, respectively, relating to recapture benefits. IDA's operating expenses include management fees and other administrative expenses. All other revenues and expenses not described above are considered non-operating.

**Cash Equivalents**

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

**Investments**

Investments held by the Agency are recorded at fair value.

**Fiduciary Fund Statements**

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



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

Notes to Financial Statements (continued)

**2. Summary of Significant Accounting Policies (continued)**

**Recently Adopted Accounting Pronouncements**

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62*. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability. The requirements of this statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023. The adoption of this statement did not have a significant impact on the Agency’s financial statements.

**Upcoming Accounting Pronouncements**

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. The primary objective of this statement is to improve financial reporting by providing users of financial statements with essential information that currently is not often provided. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. As a result, users will have better information with which to understand and anticipate certain risks to a government’s financial condition. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The Agency is evaluating the impact this statement will have on its financial statements.

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The primary objective of this statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. This Statement also addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. The Agency is evaluating the impact this statement will have on its financial statements.

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

Notes to Financial Statements (continued)

**3. Deposits and Investments**

**Deposits**

At year-end, IDA's unrestricted balance held in bank was approximately \$3.2 million. Of this amount, \$250,000 was covered by the Federal Depository Insurance Corporation (FDIC) and the remaining balance was collateralized with securities held by the pledging financial institution.

**Investments**

As of June 30, 2024 and 2023, the Agency had the following unrestricted investments (in thousands). Investments maturities are shown for June 30, 2024 only.

	Fair Value		2024	
			Investment Maturities (In Years)	
	2024	2023	Less than 1	1 to 2
Money Market	\$ 33	\$ 528	\$ 33	\$ –
Federal Home Loan Bank Notes	11,006	16,312	6,949	4,057
Federal Farm Credit Bank Notes	2,270	4,217	–	2,270
Federal Home Loan Mortgage Co.	7,653	2,297	5,999	1,654
U.S. Treasuries	1,568	–	1,568	–
Certificates of Deposit (over 90 days)	–	102	–	–
Total	<u>22,530</u>	<u>23,456</u>	<u>\$ 14,549</u>	<u>\$ 7,981</u>
Less: investments classified as cash equivalents	<u>(33)</u>	<u>(528)</u>		
Total unrestricted investments	<u>\$ 22,497</u>	<u>\$ 22,928</u>		

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

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

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

Notes to Financial Statements (continued)

**3. Deposits and Investments (continued)**

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

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

*Credit Risk:* It is the Agency's policy to limit its investments in debt securities to obligations of the United States and its agencies, and obligations of The State. As of June 30, 2024, the Agency's investments in Federal Home Loan Mortgage Co., Federal Home Loan Bank, Federal Farm Credit Bank, and U.S. Treasuries were rated AA+ by Standard & Poor's, Aaa by Moody's Investor Services, Inc. (Moody's) and AA+ by Fitch Ratings (Fitch). Money market funds were rated Aaa by Moody's and AAA by Fitch.

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

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

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

Notes to Financial Statements (continued)

**3. Deposits and Investments (continued)**

*Concentration of Credit Risk:* The Agency places no limit on the amount the Agency may invest in any United States government backed securities. The following table shows investments that represent 5% or more of total investments as of June 30, 2024 and 2023, including money market funds (dollars in thousands):

Issuer	Dollar Amount and Percentage of Total Investments			
	June 30, 2024		June 30, 2023	
Federal Home Loan Bank	\$ 11,006	49%	\$ 16,312	70%
Federal Farm Credit Bank	2,270	10	4,217	18
Federal Home Loan Mortgage Co.	7,653	34	2,297	10
U.S. Treasuries	1,568	7	–	–

**4. Management Fees and Other Charges**

To support the activities of the IDA, the Agency annually enters into a contract with the NYCEDC. Under the terms set forth in the contract between NYCEDC and IDA, NYCEDC is to provide IDA with all the professional, administrative, and technical assistance it needs to accomplish its objectives. The fixed annual fee for these services is based on an agreement between NYCEDC and the Agency. Such annual fee amounted to \$4.4 million for each of the years ended June 30, 2024 and 2023.

**5. Commitments**

Pursuant to various approved agreements between IDA and NYCEDC, IDA was committed to pay for projects being performed by NYCEDC related to The City’s commerce and industrial development (the special project commitments). The total special project commitments under these agreements amounted to approximately \$5.7 million, with an outstanding commitment obligation at June 30, 2024 of approximately \$2.6 million.

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

Notes to Financial Statements (continued)

**5. Commitments (continued)**

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

Project	Approval Date	Total Commitments	Life-to-date Expenditures	Current Total De-Obligate	Outstanding Commitment
Childcare Innovation Initiative	1/19/21	\$ 100	\$ (75)	\$ (25)	\$ –
Inwood Map Split Services	4/27/21	58	(53)	(5)	–
Citywide Umbrella Mitigation Bank & Bush Terminal Pier 7	11/16/21	200	(173)	–	27
Full stack Cybersecurity Bootcamp Scholarships	4/26/22	400	(371)	(29)	–
New York Protech Piloting Program	6/14/22	500	(201)	–	299
Venture Access NYC Pledge & Survey	7/26/22	275	(168)	–	107
Hunts Point Terminal Produce Market Freight Rail Study	9/20/22	111	(54)	–	57
Kingsbridge Armory Visioning	9/20/22	770	(770)	–	–
LifeSci NYC Internship Program	11/22/22	500	(500)	–	–
Construct NYC Program	2/14/23	338	(200)	–	138
Circular Construction Design Guidelines	3/7/23	200	(199)	(1)	–
Vernon C. Bain Center Site Assessments	6/6/23	295	–	–	295
Sustainability-Based Biotech Industry Study	1/23/24	186	(186)	–	–
Commercial Real Estate Development Disparity Study	1/23/24	598	–	–	598
Long Island City Neighborhood Plan	1/23/24	197	(86)	–	111
Construct NYC Program	3/12/24	640	–	–	640
Offshore Wind & Maritime Career Awareness Fair	3/12/24	20	(3)	–	17
Kips Bay Science District Education & Workforce Vision	6/11/24	350	(49)	–	301
		<u>\$ 5,738</u>	<u>\$ (3,088)</u>	<u>\$ (60)</u>	<u>\$ 2,590</u>

For the years ended June 30, 2024 and 2023, \$1.4 million and \$2.1 million, respectively, have been incurred by the Agency related to the above projects and are included in special project costs on the accompanying statements of revenues, expenses, and changes in net position.

**6. Contingencies**

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

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

Notes to Financial Statements (continued)

**6. Contingencies (continued)**

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

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

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

**7. Risk Management**

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

# I. *Government Auditing Standards* Section

**PRELIMINARY AND TENTATIVE FOR DISCUSSION ONLY**

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the business-type activities and the fiduciary activities of the New York City Industrial Development Agency (the Agency), a component unit of The City of New York, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated \_\_\_\_\_, 2024.

## **Report on Internal Control Over Financial Reporting**

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

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

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



## **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

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

\_\_\_\_\_, 2024

Annual Report for New York City Industrial Development Agency

Fiscal Year Ending: 06/30/2024

Run Date: 09/13/2024  
 Status: UNSUBMITTED  
 Certified Date: N/A

**Summary Financial Information**

**SUMMARY STATEMENT OF NET ASSETS**

			Amount
<b>Assets</b>			
<b>Current Assets</b>			
	Cash and cash equivalents		\$6,238,967.00
	Investments		\$14,515,825.00
	Receivables, net		\$156,775.00
	Other assets		\$106,854.00
	Total current assets		\$21,018,421.00
<b>Noncurrent Assets</b>			
	Restricted cash and investments		\$7,980,712.00
	Long-term receivables, net		\$0.00
	Other assets		\$0.00
<b>Capital Assets</b>			
		Land and other nondepreciable property	\$0.00
		Buildings and equipment	\$0.00
		Infrastructure	\$0.00
		Accumulated depreciation	\$0.00
		Net Capital Assets	\$0.00
	Total noncurrent assets		\$7,980,712.00
<b>Total assets</b>			<b>\$28,999,133.00</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
	Accounts payable		\$0.00
	Pension contribution payable		\$0.00
	Other post-employment benefits		\$0.00
	Accrued liabilities		\$470,875.00
	Deferred revenues		\$2,162,120.00
	Bonds and notes payable		\$0.00
	Other long-term obligations due within one year		\$3,122,555.00
	Total current liabilities		\$5,755,550.00
<b>Noncurrent Liabilities</b>			

Annual Report for New York City Industrial Development Agency

Fiscal Year Ending: 06/30/2024

Run Date: 09/13/2024  
 Status: UNSUBMITTED  
 Certified Date: N/A

	Pension contribution payable		\$0.00
	Other post-employment benefits		\$0.00
	Bonds and notes payable		\$0.00
	Long term leases		\$0.00
	Other long-term obligations		\$0.00
	Total noncurrent liabilities		\$0.00
<b>Total liabilities</b>			\$5,755,550.00
<b>Net Asset (Deficit)</b>			
<b>Net Assets</b>			
	Invested in capital assets, net of related debt		\$0.00
	Restricted		\$0.00
	Unrestricted		\$23,243,583.00
	Total net assets		\$23,243,583.00

**SUMMARY STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS**

			Amount
<b>Operating Revenues</b>			
	Charges for services		\$6,355,613.00
	Rental and financing income		\$0.00
	Other operating revenues		\$77,406.00
	Total operating revenue		\$6,433,019.00
<b>Operating Expenses</b>			
	Salaries and wages		\$0.00
	Other employee benefits		\$0.00
	Professional services contracts		\$4,400,000.00
	Supplies and materials		\$0.00
	Depreciation and amortization		\$0.00
	Other operating expenses		\$172,035.00
	Total operating expenses		\$4,572,035.00
<b>Operating income (loss)</b>			\$1,860,984.00
<b>Nonoperating Revenues</b>			
	Investment earnings		\$1,250,236.00
	State subsidies/grants		\$0.00
	Federal subsidies/grants		\$0.00

Annual Report for New York City Industrial Development Agency

Fiscal Year Ending: 06/30/2024

Run Date: 09/13/2024  
 Status: UNSUBMITTED  
 Certified Date: N/A

	Municipal subsidies/grants		\$0.00
	Public authority subsidies		\$0.00
	Other nonoperating revenues		\$0.00
	Total nonoperating revenue		\$1,250,236.00
<b>Nonoperating Expenses</b>			
	Interest and other financing charges		\$0.00
	Subsidies to other public authorities		\$0.00
	Grants and donations		\$0.00
	Other nonoperating expenses		\$1,424,705.00
	Total nonoperating expenses		\$1,424,705.00
	Income (loss) before contributions		\$1,686,515.00
<b>Capital contributions</b>			\$0.00
<b>Change in net assets</b>			\$1,686,515.00
<b>Net assets (deficit) beginning of year</b>			\$21,557,068.00
<b>Other net assets changes</b>			\$0.00
<b>Net assets (deficit) at end of year</b>			\$23,243,583.00

Exhibit B

**NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY  
INVESTMENT REPORT**

**Board of Directors Meeting, September 24, 2024**

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

**NOW, THEREFORE, BE IT RESOLVED THAT**, the Board of Directors of New York City Industrial Development Agency hereby approves the Investment Report for the fiscal year ended June 30, 2024 annexed hereto (including all attachments, schedules and exhibits thereto).

**NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY  
INVESTMENT REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

**Comprehensive Investment Guidelines Policy**

Attached hereto as Schedule I is the Comprehensive Investment Guidelines Policy of the New York City Industrial Development Agency (the “Agency”), as approved by the Agency’s Board of Directors on June 11, 2024 (the “Investment Policy”). The Investment Policy approved by the Agency’s Board of Directors on June 11, 2024 did not contain any substantive amendments as compared to the Investment Policy approved by the Agency’s Board of Directors on June 6, 2023.

**Investment Objectives**

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

**Annual Independent Audit**

The results of the annual independent audit (including the independent accountant’s audit report) for the fiscal year ended June 30, 2024 are attached hereto as Schedule II.

**Investment Income Record**

Investment income from interest earned on bank accounts, certificates of deposits and securities was \$745,546 for the fiscal year ended June 30, 2024.

**Fees, Commissions and Other Charges**

The Agency did not pay any fees, commissions or other charges to an investment banker, broker, agent, dealer or advisor during the fiscal year ended June 30, 2024.

**SCHEDULE I**

**INVESTMENT POLICY**

Attached.



**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:

<b>SECURITIES</b>	<b>MAXIMUM</b>
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.

**SCHEDULE II**

**RESULTS OF ANNUAL INDEPENDENT AUDIT**

Attached.



SCHEDULE OF INVESTMENTS

New York City Industrial Development Agency  
(A Component Unit of The City of New York)  
Years Ended June 30, 2024 and 2023  
With Reports of Independent Auditors

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

Schedule of Investments

Years Ended June 30, 2024 and 2023

**Contents**

Report of Independent Auditors.....1

Schedule of Investments .....4

Notes to Schedule of Investments.....5

Report of Independent Auditors on Internal Control Over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of the Schedule of Investments  
Performed in Accordance with *Government Auditing Standards* .....9

## Report of Independent Auditors

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

### **Report on the Audit of the Schedule of Investments**

#### ***Opinion***

We have audited the Schedule of Investments of the New York City Industrial Development Agency (the Agency), a component unit of The City of New York, as of June 30, 2024 and 2023, and the related notes (collectively referred to as the “schedule”).

In our opinion, the accompanying schedule presents fairly, in all material respects, the investments of the Agency at June 30, 2024 and 2023 in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

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

#### ***Responsibilities of Management for the Schedule***

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

### *Auditor's Responsibilities for the Audit of the Schedule*

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the schedule, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the schedule.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the schedule.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

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

## **Report on Financial Statements as of June 30, 2024 and 2023**

We have audited, in accordance with GAAS and *Government Auditing Standards*, the financial statements of the Agency as of and for the years ended June 30, 2024 and 2023, and our report thereon, dated \_\_\_\_\_, 2024, expressed an unmodified opinion on those financial statements.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we also have issued our report dated \_\_\_\_\_, 2024, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters with respect to the schedule. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance with respect to the schedule.

\_\_\_\_\_, 2024

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

Schedule of Investments  
*(In Thousands of Dollars)*

	<b>June 30</b>	
	<b>2024</b>	<b>2023</b>
<b>Investments</b>		
Unrestricted	<b>\$ 22,530</b>	\$ 23,456
Total investments	<b>\$ 22,530</b>	\$ 23,456

*The accompanying notes are an integral part of this schedule.*

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

Notes to Schedule of Investments

June 30, 2024

**1. Background and Organization**

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

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

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

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

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

Notes to Schedule of Investments (continued)

**1. Background and Organization (continued)**

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

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

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

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



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

Notes to Schedule of Investments (continued)

**2. Summary of Significant Accounting Policies**

**Investments**

Investments held by IDA are measured at fair value.

**3. Investments**

As of June 30, 2024 and 2023, the Agency had the following unrestricted investments. Investment maturities are shown for June 30, 2024, only (dollars in thousands).

	Fair Value		2024 Investment Maturities (In Years)	
	2024	2023	Less Than 1	1 to 2
Money Market Funds	\$ 33	\$ 528	\$ 33	\$ –
Federal Home Loan Bank Notes	11,006	16,312	6,949	4,057
Federal Farm Credit Bank Notes	2,270	4,217	–	2,270
Federal Home Loan Mortgage Co.	7,653	2,297	5,999	1,654
U.S. Treasuries	1,568	–	1,568	–
Certificates of Deposit (over 90 days)	–	102	–	–
<b>Total</b>	<b>\$ 22,530</b>	<b>\$ 23,456</b>	<b>\$ 14,549</b>	<b>\$ 7,981</b>

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

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

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

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

Notes to Schedule of Investments (continued)

**3. Investments (continued)**

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

*Credit Risk:* It is the Agency’s policy to limit its investments in debt securities to obligations of the United States and its agencies, and obligations of The State. As of June 30, 2024, the Agency’s investments in Federal Home Loan Mortgage Co., Federal Home Loan Bank, Federal Farm Credit Bank, and U.S. Treasuries were rated AA+ by Standard & Poor’s, Aaa by Moody’s Investor Services, Inc. (Moody’s) and AA+ by Fitch Ratings (Fitch). Money market funds were rated Aaa by Moody’s and AAA by Fitch.

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

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

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

<b>Issuer</b>	<b>Dollar Amount and Percentage of Total Investments</b>			
	<b>June 30, 2024</b>		<b>June 30, 2023</b>	
Federal Home Loan Bank	\$ 11,006	49%	\$ 16,312	70 %
Federal Farm Credit Bank	2,270	10	4,217	18
Federal Home Loan Mortgage Co	7,653	34	2,297	10
U.S. Treasuries	1,568	7	–	–

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the Schedule of Investments of the New York City Industrial Development Agency (the Agency), a component unit of The City of New York, as of June 30, 2024, and the related notes (collectively referred to as the “schedule”), and have issued our report thereon dated \_\_\_\_\_, 2024.

**Report on Internal Control Over Financial Reporting**

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

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

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

## **Report on Compliance and Other Matters**

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

### **Purpose of this Report**

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

\_\_\_\_\_, 2024

Exhibit C

**NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY**  
**Performance Measurements Report**  
**Board of Directors Meeting**  
**September 24, 2024**

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

**WHEREAS**, on June 11, 2024, the Board adopted the performance measurements listed in the Performance Measurements Report for the fiscal year ending June 30, 2024 (attached as Attachment A) (the “Performance Measurements Report”).

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

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

## ATTACHMENT A

### Performance Measurements Report for Fiscal Year 2024

**Name of Public Authority:**

New York City Industrial Development Agency (NYCIDA)

**Public Authority's Mission Statement:**

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

**List of Performance Measurements:**

<b>Performance Measurements</b>	<b>FY2024 7/1/23 – 6/30/24</b>	<b>FY2023 7/1/22 – 6/30/23</b>
Number of Contracts Closed	8	8
Amount of Private Investment Leveraged	\$557,608,447	\$95,025,772
Total net City tax revenues generated in connection with closed contracts <sup>1</sup>	\$151,567,464	\$29,963,431
Projected three-year job growth in connection with closed contracts	168.5	151.5
Current total jobs reported by projects that commenced operations in FY 2021 <sup>2</sup> as compared to total jobs reported at the time of application for such projects	805/377 (+428)	18,355 / 336 (+18,019)
Current total jobs reported by projects that commenced operations in FY 2021 <sup>3</sup> as compared to the three-year total job growth projections stated in applications for such projects	805/793.5 (+11.5)	18,355 / 10,111 (+8,244)
Square footage of buildings/improvements receiving benefits	858,622	121,548
Number of projects that received a field visit	66	62
% of projects that received a field visit	24%	22%
% of projects in good standing <sup>4</sup>	97%	98%

<sup>1</sup> Represents projected net city tax revenues through contract maturity.

<sup>2</sup> Also includes projects that closed in FY2021 but commenced all operations prior to the closing date.

<sup>3</sup> Also includes projects that closed in FY2021 but commenced all operations prior to the closing date.

<sup>4</sup> Defined as those projects that did not receive a Notice of Event of Default by the end of the Fiscal Year.



Exhibit D

### Summary of Recommendation

The charter (“Charter”) for the Audit Committee (“Committee”) of the Board of Directors of the Agency currently requires the Committee to meet three times per annum with the Independent Auditor and the Agency’s Management to discuss issues arising within the purview of the Committee’s responsibilities, as enumerated therein. However, the Committee has historically conducted all such required discussions over the course of the first two meetings each year, with no substantive matters being addressed in the third meeting.

Therefore, in order to (i) have the Charter more accurately reflect the procedures followed by the Committee in executing its responsibilities, and (ii) make the most efficient use of the time and effort of the members of the Committee, the Committee recommends that the Board approve an amendment to the charter reducing the number of required annual meetings from three to two and permitting the Committee to convene additional meetings as it deems necessary or advisable.

### Action Requested

- Resolution approving an amendment to the following provisions of Section 6 of the Charter (with the remainder being unchanged):
  - In addition to other meetings required or permitted by this Section 6, the Committee shall meet ~~three~~two (2) times per annum with the Independent Auditor and Management, including the Chief Financial Officer, to discuss issues arising within the purview of the Committee’s responsibilities. The ~~three~~two (2) meetings shall occur as follows and, in addition to any other relevant topics, must include the following substantive discussions:
    - The first meeting shall occur before commencement of the annual audit. At such meeting the Independent Auditor shall report, in connection with the audit that is to occur, as follows: (i) an overview of the audit process; (ii) the deliverables; (iii) the timetable; and (iv) all significant auditing policies and practices to be used by the Independent Auditor in the course of the audit;
    - ~~The second meeting shall occur at the end of the annual audit. The purpose of the meeting will be to:~~The purposes of the meeting will be to (1) review the draft of the Independent Auditor’s report on the financial statements (the “Auditor’s Report”), and (2) review the draft of the Independent Auditor’s report on internal control to Management (the “Management Letter”). With respect to the Auditor’s Report, the Committee shall (i) review the draft financial statements; and (ii) discuss (a) issues raised by the Independent Auditor (including adjustments required by the Independent Auditor), (b) the ~~report of the Independent Auditor~~Auditor’s Report, (c) all alternative treatments of financial information (within GAAP) that the Independent Auditor has discussed with Management and the treatment preferred by the Independent Auditor, (d) ramifications of such alternative treatments, and (e) other material written communications between the Independent Auditor and Management, including the ~~report of the Independent Auditor.~~
    - ~~The third meeting shall occur prior to finalization of the Independent Auditor’s report on internal control~~Report. With respect to Management (the “Management Letter”). ~~The purpose of, the meeting is to~~Committee shall review the draft Management Letter (including, where applicable, internal control matters, material corrections, and any unadjusted differences), and Management’s response to the draft.
  - The Committee may, but shall not be required to, convene additional meetings as it deems necessary or advisable.
- Resolution approving the Charter of the Audit Committee of the Board of Directors of the Agency, attached as Exhibit A.



PROPOSAL  
AMENDMENT TO  
AUDIT COMMITTEE CHARTER  
MEETING OF SEPTEMBER 24, 2024

**Exhibit A**

**Audit Committee Charter**

*Attached.*

**CHARTER**  
**for the**  
**AUDIT COMMITTEE**  
**of the**  
**BOARD OF DIRECTORS**  
**of**  
**New York City Industrial Development Agency**

**Adopted as of September 24, 2024**

**THIS CHARTER** is the Charter for the Audit Committee of the Board of Directors of the New York City Industrial Development Agency (respectively, the “Committee” and the “Agency”). For purposes of this Charter, an “Independent Auditor” shall mean a certified public accounting firm, nationally recognized, that is independent and superior in its response to the procurement process pursuant to which it was retained by the Board of Directors of the Agency (the “Board of Directors” or the “Board”).

1. The Purpose of the Committee. The purpose of the Committee is to:
  - Oversee and assess the effectiveness of the Agency’s reporting process to insure that the reporting process is credible, controlled and reliable, and its reporting is transparent, comparable, consistent and of high quality.
  - Oversee the accounting and reporting of the Agency to insure that the financial statements of the Agency fairly and accurately present the financial position of the Agency.
  - Oversee the internal audit activities of the Agency.
  
2. The Objectives of the Committee. The Committee’s objectives, in support of its purpose, shall be the following:
  - To assure for the Agency a system of internal financial control that will accomplish the following:
    - safeguard the assets of the Agency against loss from unauthorized use or disposition;
    - cause transactions to be executed in accordance with authorization by the Board of Directors and the Agency’s management (“Management”);
    - properly record and account for all financial transactions;
    - insure that all actions of an accounting nature are in accordance with the promulgations of the Government Accounting Standards Board; and
    - prepare financial statements that fairly present the financial position of the Agency in accordance with Generally Accepted Accounting Principles (“GAAP”).

- To assure for the Agency an external audit process that satisfies the following conditions:
  - independence;
  - impartiality; and
  - execution in accordance with Generally Accepted Auditing Standards.
- To assure the Agency’s compliance with all financial reporting obligations to third parties, whether required by statute, or contract.
- To maintain free and open communication and productive working relationships with or among:
  - the members of the Committee;
  - the members of the Board of Directors;
  - Management;
  - the Independent Auditor;
  - contract parties;
  - the internal audit group of the Agency, if any (the “IA Group”); and
  - other governmental entities.

3. Authority and Powers of the Committee. For purposes of this Charter, the term “Professional Contract(s)” shall mean contracts in which the Agency engages professional services, related to the purpose and objectives of the Committee as described in this Charter, in the following areas: independent audit services, legal services and other consultant services. The Committee shall have the following authority and may exercise the following powers:

- To perform all activities within the scope of this Charter.
- To report directly to the Board of Directors.
- To recommend to the Board for its approval, that the Agency enter into a Professional Contract with an Independent Auditor for the purpose of obtaining independent audit services for the Agency.
- To prescribe the compensation for the Independent Auditor.
- To authorize and cause the Agency to enter into Professional Contracts, other than the Professional Contract with the Independent Auditor, and to do so without the approval of the Board of Directors and to prescribe the compensation to be paid thereunder.
- To supervise and review the work, services and counsel provided under Professional Contracts, including but not limited to the work and services provided by the Independent Auditor. In particular, the Committee shall monitor the work of the Independent Auditor so that such work is in conformity with the requirements set forth in Appendix 1 hereto.
- To have unrestricted access to (i) Management, (ii) employees of the Agency, (iii) the Agency’s facilities, real and personal, (iv) the books and records of the Agency, and (v) the IA Group, if any, and its books and records.
- To oversee the IA Group (if any) and to approve its audit plan.

- To review for adequacy, reliability and clarity, and to monitor conformity with GAAP, the Agency's accounting practices, including but not limited to: (i) the procedures for internal financial control; (ii) the accounting of all transactions; (iii) the audit procedures employed by the Independent Auditor; and (iv) the dissemination of the financial position and performance information of the Agency.
- To review from time to time the fees, compensation and expenses paid under Professional Contracts.
- Any member of the Committee shall have the right to propose to his or her co-members and to Management changes and amendments to this Charter.

4. Required Credentials for Members of the Committee. Individuals appointed to be members of the Committee shall have the following credentials:

- The ability to read and understand financial statements.
- A working knowledge of GAAP.
- A working knowledge of concepts commonly used in corporate finance.
- Employment or professional experience that involves (or involved) finance and/or accounting.
- The absence of any conflict-of-interest that would impair the individual's ability to faithfully and impartially pursue the purpose of this Committee and to perform its objectives, all as set forth in this Charter. In particular (and without limiting the generality of the foregoing), any individual to be appointed a Committee member shall not have a conflict-of-interest that would interfere with that individual's impartial selection or impartial oversight of the Independent Auditor, including but not limited to determinations as to appropriate compensation.
- Independence in accordance with the standards set forth in Appendix 2 annexed hereto.

5. Standards to which the Committee must adhere. In performing its responsibilities, the Committee shall adhere to the following:

- Law, both statute and contract.
- GAAP.
- Authorization under relevant provisions of the General Municipal Law, and as provided by the Board of Directors and through the Agency's By-Laws.
- The Agency's mission and purpose.
- Commonly recognized principles of prudence, integrity and impartiality.

6. Specific Responsibilities of the Committee. The following is a non-exclusive list of the responsibilities of the Committee. Committee members must consider this list as a partial guide, to be supplemented by common sense and prevailing professional norms:

- In addition to other meetings required or permitted by this Section 6, the Committee shall meet two (2) times per annum with the Independent Auditor and Management, including the Chief Financial Officer, to discuss issues arising within the purview of the Committee's responsibilities. The two (2) meetings shall occur as follows and, in addition to any other relevant topics, must include the following substantive discussions:
  - The first meeting shall occur before commencement of the annual audit. At such meeting the Independent Auditor shall report, in connection with the audit that is to occur, as follows: (i) an overview of the audit process; (ii) the deliverables; (iii) the timetable; and (iv) all significant auditing policies and practices to be used by the Independent Auditor in the course of the audit;
  - The second meeting shall occur at the end of the annual audit. The purposes of the meeting will be to (1) review the draft of the Independent Auditor's report on the financial statements (the "Auditor's Report"), and (2) review the draft of the Independent Auditor's report on internal control to Management (the "Management Letter"). With respect to the Auditor's Report, the Committee shall (i) review the draft financial statements; and (ii) discuss (a) issues raised by the Independent Auditor (including adjustments required by the Independent Auditor), (b) the Auditor's Report, (c) all alternative treatments of financial information (within GAAP) that the Independent Auditor has discussed with Management and the treatment preferred by the Independent Auditor, (d) ramifications of such alternative treatments, and (e) other material written communications between the Independent Auditor and Management, including the Auditor's Report. With respect to the Management Letter, the Committee shall review the draft Management Letter (including, where applicable, internal control matters, material corrections, and any unadjusted differences), and Management's response to the draft.
- The Committee may, but shall not be required to, convene additional meetings as it deems necessary or advisable.
- The Committee and the Independent Auditor shall annually obtain from Management written representations regarding Management's responsibility for the integrity of the control and financial reporting systems and processes of the Agency, and Management's belief about the quality of such controls and financial reports.

- The Committee shall report at least annually to the Board of Directors and, in general, shall act as a liaison between the Board of Directors and the Independent Auditor.
- The Committee members shall be reasonably available to provide guidance to the Independent Auditor and the IA Group, if any, and to provide advice to the employees and officers of the Agency.
- Every four years, the Committee shall recommend to the Board of Directors for its approval the selection of an Independent Auditor. The Independent Auditor so recommended shall meet the criteria for independence as set forth in Appendix 3 hereto. The Committee, with the help of the Agency's employees, will be responsible for carrying out the procurement process and such process shall conform to the Agency's procurement requirements.
- The Committee shall from time to time look into the industry norm for appropriate compensation for independent auditors and shall regularly review the compensation of the Independent Auditor to ascertain whether or not it is reasonable.
- The Committee shall review all "management internal control letters" addressed to the Agency, including but not limited to the Management Letter. The Committee shall review all interim financials, the annual financials presented for audit, and the audited annual financials.
- The Committee, at least once annually, shall review with Management, including the Chief Financial Officer, and the Independent Auditor, the adequacy of the Agency's internal control procedures and accounting and auditing procedures generally. The Committee shall review Management's response to the comments, if any, of the Independent Auditor with respect to these procedures and practices.
- The Committee shall meet at least annually with the Independent Auditor, at a location designated by the Committee and outside the presence of Management, to discuss any issues arising within the purview of the Committee's responsibilities.
- The Committee shall meet at least annually with Management, outside of the presence of the Independent Auditor, to discuss Management's evaluation of the work performed by the Independent Auditor and the appropriateness of its fees.
- The Committee, when it deems necessary, shall investigate suspected or potential improprieties in bookkeeping, record retention or disclosure of financial information of the Agency. The Committee shall do the foregoing in consultation with counsel.
- The Committee shall monitor the professional staff of the Independent Auditor.
- The Committee shall review changes in accounting principles or auditing practices that had or are expected to have a significant impact on the preparation of financial statements.



- The Committee shall meet with the IA Group, if any, as required in order to discharge its responsibility to oversee the IA Group and shall review any report and recommendation by the IA Group.
- When it deems advisable, the Committee shall recommend to the Board of Directors the following:
  - entering into Professional Contracts for the purpose of securing specific studies and reports, including non-audit services from the Independent Auditor, and
  - including audited financials in any required public financial disclosures or regulatory filings.
- When it deems advisable, the Committee shall recommend to Management and the Board changes to this Charter and to the charter (if any) of the IA Group (if any), all in accordance with best practices and accounting standards. From time to time the Committee shall also review the adequacy of the internal staffing of the IA Group (if any) and recommend to Management and the Board of Directors any changes that it may deem necessary as a result of such review.
- The Committee shall cause minutes to be prepared for all of its meetings and shall review such minutes for accuracy and thereafter shall approve such minutes.

## **APPENDICES – REQUIREMENTS**

### **Appendix 1 – Requirements as to the work of the Independent Auditor.**

The Independent Auditor may not, while acting in the role of external auditor, provide non-audit services to the Agency without the previous written consent of the Committee. Examples of non-audit services are: bookkeeping or other services related to the accounting records or financial statements of the Agency; financial information systems design and implementation; appraisal or valuation services, fairness opinions or contribution-in-kind reports; actuarial services; internal audit outsourcing services; management functions or human services; broker or dealer, investment advisor, or investment banking services; and legal services and expert services unrelated to the audit.

### **Appendix 2 – Requirements as to the independence of members of the Audit Committee.**

An “independent member” shall mean a person who:

- (a) is not, and in the past two years has not been, employed by the Agency or an affiliate of the Agency in an executive capacity;
- (b) is not, and in the past two years has not been, employed by an entity that received remuneration valued at more than \$15,000 for goods and services provided to the Agency or an affiliate or received any other form of financial assistance valued at more than \$15,000 from the Agency or an affiliate;
- (c) is not a relative of an executive officer or employee in an executive position of the Agency or an affiliate; and
- (d) is not, and in the past two years has not been, a lobbyist registered under a state or local law and paid by a client to influence the management decisions, contract awards, rate determinations or other similar actions of the Agency or an affiliate.

For purposes of the foregoing, an “affiliate” is any person that controls, is controlled by, or is under common control with the Agency.

### **Appendix 3 – Requirements as to the independence of the Independent Auditor.**

The Independent Auditor must satisfy the following conditions: (i) an “audit partner” shall not have performed, for each of the previous five fiscal years preceding the audit year, audit services to the Agency; and (ii) an “executive” of the Agency shall not have been employed, for the twelve months preceding commencement of the audit, by the Independent Auditor if he/she participated in any capacity in the audit of the Agency

during the one year period preceding the initiation of the audit. As used herein: “audit partner” shall mean the lead (or coordinating) audit partner (having responsibility for the audit), and the audit partner responsible for reviewing the audit; “executive” shall mean the chief executive officer, chief financial officer, controller, chief accounting officer, and any other person serving in an equivalent position for the Agency.

Exhibit E

## PROJECT SUMMARY

Bo Bo Poultry Market Inc. is a New York business corporation (the “Company”). The Company is a food manufacturer that processes poultry. The Company is seeking financial assistance in connection with the renovation, furnishing, and equipping of two interconnected one-story commercial buildings with a partial mezzanine comprising approximately 13,000 square feet located on an approximately 30,500 square foot parcel of land at 1131 Grand Street, Brooklyn, New York (the “Facility”). The Facility is owned by 1131 Grand Street Inc., a New York business corporation, which is an affiliate of the Company. The Facility has been leased by the Company and is used as a poultry processing, food manufacturing facility.

## Project Location

1131 Grand Street  
 Brooklyn, New York 11211

## Actions Requested

- Inducement and Authorizing Resolution for an Industrial Program transaction.
- Adopt a SEQRA determination that the Project is a Type II action, which will not have a significant adverse effect on the environment.

## Anticipated Closing

Winter 2024

## Impact Summary

<b>Employment</b>	
Jobs at Application:	27
Jobs to be Created at Project Location (Year 3):	1
<b>Total Jobs (full-time equivalents):</b>	<b>28</b>
Projected Average Hourly Wage (Excluding Principals):	\$17.41
Highest/Lowest Hourly Wage:	\$20.00/\$16.05
Construction Jobs to be Created (Full-Time Equivalent):	5

<b>Estimated City Tax Revenues</b>	
Impact of Operations (NPV 25 years at 6.25%)	\$4,880,318
One-Time Impact of Renovation	\$83,077
<b>Total Impact of Operations and Renovation</b>	<b>\$4,963,395</b>
Additional Benefit from Jobs to be Created	\$103,639

<b>Estimated Cost of Benefits Requested: New York City</b>	
Building Tax Exemption (NPV, 25 Years)	\$571,416
Land Tax Abatement (NPV, 25 Years)	\$487,887
Sales Tax Exemption	\$47,732
Agency Financing Fee	(\$25,382)
<b>Total Value of Benefits provided by Agency</b>	<b>\$1,081,653</b>
Agency Benefits in Excess of As-of-Right Benefits	\$648,844

## Bo Bo Poultry Market Inc.

Costs of Benefits Per Job	
Estimated Total Cost of Benefits per Job	\$23,173
Estimated City Tax Revenue per Job	\$180,966

Estimated Cost of Benefits Requested: New York State	
Sales Tax Exemption	\$46,406
<b>Total Cost to NYS</b>	<b>\$46,406</b>
<b>Overall Total Cost to NYC and NYS</b>	<b>\$1,128,059</b>

## Sources and Uses

Sources	Total Amount	Percent of Total Financing
Company Equity	\$1,184,000	79%
Shareholder Loan	\$179,078	12%
Federal Grant	\$101,790	7%
NYSERDA Rebate	\$35,520	2%
<b>Total</b>	<b>\$1,500,388</b>	<b>100%</b>

Uses	Total Amount	Percent of Total Costs
Hard Costs	\$1,248,920	83%
Soft Costs	\$15,000	1%
Machinery & Equipment	\$186,468	13%
Closing Fees	\$50,000	3%
<b>Total</b>	<b>\$1,500,388</b>	<b>100%</b>

## Fees

	To be Paid at Closing	On-Going Fees (NPV, 25 Years)
Agency Fee	\$25,382	
Project Counsel	\$25,000	
Annual Agency Fee	\$750	\$9,364
<b>Total</b>	<b>\$51,132</b>	<b>\$9,364</b>
<b>Total Fees</b>	<b>\$60,496</b>	

## Financing and Benefits Summary

The total cost of the Project is \$1,500,388. It is anticipated that the Project will be financed primarily with company equity and a shareholder loan. The Company will provide \$1,184,000 in equity and Fun Fun Lee, the majority shareholder of the Company, will provide a \$179,078 loan, which loan commitment could be increased up to \$300,000 (the "Lee Loan Commitment"). The Lee Loan Commitment will bear an interest rate of 4.5% and will have a term of three years. The Company has applied for and has been selected to receive funding from a federal grant program meant to provide funding to manufacturers who are making energy efficient upgrades. As of Friday, September 13, the grant has not been publicly announced and the Company must refrain from making any public announcements. The Company has submitted sufficient information to the Agency to verify that the federal government intends to provide it with funding. Additionally, the Company is seeking a \$35,520 rebate from the NY-Sun program administered by the New York State Energy Research & Development Agency ("NYSERDA"). NY-Sun is a public-private partnership making solar energy more accessible to homes, businesses, and communities

## Bo Bo Poultry Market Inc.

throughout New York. The NY-Sun incentives available for nonresidential projects at the time of application by the Company was \$0.80/watt, which equates to \$35,520 for the proposed 44,400-watt solar panel system. The Company has demonstrated sufficient proof of equity and amounts available under the Lee Loan Commitment to cover the cost of the Project should it not be successful in obtaining the federal grant or NYSERDA NY-Sun rebate. The financial assistance proposed to be conferred by the Agency will consist of payments in lieu of City real property taxes, and an exemption from City and State sales and use taxes.

### **Company Performance and Projections**

The Company is seeking financial assistance in connection with the renovation, furnishing, and equipping of its existing processing plant in Brooklyn. The Company has operated out of the Facility since 1995, and the building is no longer suitable to support the Company's growth unless improvements are made. The Company's primary source of revenue is wholesale fresh and frozen poultry sales that have been limited due to a lack of cold storage space at the Facility. The Project will expand the Facility's cold storage capacity through the addition of two new mobile freezer units, which will enable the Company to increase production to meet the growing demands of the national ethnic food market. Additionally, the Company seeks to reduce its carbon footprint by utilizing renewable energy and making improvements to the Facility's roof. The existing roof will be entirely replaced and upgraded with a new insulated, white reflective roof that will reduce the amount of heat absorbed and increase the Facility's overall energy efficiency. The new roof will further support the installation of a new 44,400-watt solar panel system that will provide additional long-term energy cost savings for the Company. Lastly, the Project will involve upgrades to other building infrastructure, such as the installation of new HVAC systems, make-up air units, and exhaust fans.

### **Inducement**

- I. The Project would not be financially viable without Agency benefits.
- II. The Company requires improvements to the existing Facility, which has not been significantly upgraded in nearly 30 years, and growth is stalled due to limited cold storage capacity.

### **UTEP Considerations**

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

- I. Financial assistance is required to induce the Project.
- II. The Project will create or retain permanent private-sector jobs.

### **Applicant Summary**

Founded in 1985, the Company is an immigrant- and family-owned food manufacturer that processes live poultry at its USDA-inspected plant in Brooklyn. The Company was founded as a live poultry market in Lower Manhattan to meet the traditional culinary needs of the Chinese American and immigrant populations of New York City. The Company has since grown to sell products nationwide in 38 states and Puerto Rico while continuing to serve ethnic and cultural markets with slow grown Buddhist-style traditional breed chickens. The unique style of chicken is a culturally significant ingredient to many Asian and Latino communities and the Company is known nationally for its high-quality poultry with traditional flavor. The majority of the Company's chickens are grown at a family farm in Sullivan County, New York.

#### **Fun Fun Lee, Chief Executive Officer**

Ms. Lee started the Company with her husband, Richard Lee, in 1985. She is originally from Taiwan and immigrated to Canada in the 1970s to study biochemistry at Algonquin College. Ms. Lee has over 40 years of experience operating a family-owned business. Ms. Lee started as the Cashier and Office Manager for Delancey Live Poultry Market under the Williamsburg Bridge. She then opened and managed the Company's retail shop in Chinatown while Mr. Lee opened the Company's wholesale and processing operation in Brooklyn. The retail location quickly became a must-go spot for Asian immigrants, food enthusiasts, and chefs looking for high-quality poultry. Ms. Lee retired from the

## Bo Bo Poultry Market Inc.

Company's retail store in 2009 and now advises on strategic business decisions. Ms. Lee graduated from Algonquin College with an Associate degree in Biochemistry in 1975.

### **Anita Lee, Chief Marketing Officer**

Ms. Lee is the daughter of Fun Fun and Richard Lee and grew up alongside the Company, spending childhood visits at the family farm and poultry market. Ms. Lee joined the Company at her father's request in 2002 filling various roles as needed, such as Bookkeeper's Assistant, Substitute Bookkeeper, Office Manager, HACCP Liaison, USDA Liaison, and Sales and Marketing positions. In her current role as Chief Marketing Officer, Ms. Lee oversees the strategic and long-term direction of the Company with the support of other Company management. Ms. Lee graduated from UC Berkeley with a Bachelor's degree in Architecture in 1999.

### **Einar Canas, Chief Operating Officer**

Mr. Canas was born in El Salvador and immigrated to the United States at the age of 17 to join his family who worked in the poultry business. Mr. Canas has been in the poultry business for over 15 years and spent time working in the Hatchery Operations department of the Lee family's poultry farm in Sullivan County, New York. From 2007 to 2009, Mr. Canas was responsible for all steps involved in the growing of chickens, including incubating, hatching, and fertilizing. From 2008 to 2016, he was promoted to Operations Manager and USDA Liaison Assistant and later picked up additional roles as the Processing, Operations, and Shipping Manager for Bella Bella Gourmet Food, Inc. In 2016, Mr. Canas joined the Company as Chief Operations Officer. With his first-hand experience working on the family farm, he bridges food manufacturer's needs with the farm's capabilities. Mr. Canas graduated from Instituto Isidro Menendez with a Bachelor's degree in Accounting in 2006.

### **Employee Benefits**

Benefits include paid time off, paid family leave, and uniform allowances.

### **Recapture**

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

### **SEORA Determination**

Type II action, which if implemented in compliance with environmental assessment recommendations, will not result in significant adverse environmental impacts.

### **Due Diligence**

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

<b>Compliance Check:</b>	Not Applicable
<b>Living Wage:</b>	Not Applicable
<b>Paid Sick Leave:</b>	Compliant
<b>Affordable Care Act:</b>	Not Applicable
<b>Bank Account:</b>	JPMorgan Chase Bank, N.A.
<b>Bank Check:</b>	Relationships are reported to be satisfactory
<b>Supplier Checks:</b>	Relationships are reported to be satisfactory



Bo Bo Poultry Market Inc.

**Customer Checks:** Relationships are reported to be satisfactory

**Unions:** No derogatory information was found

**Background Check:** No derogatory information was found

**M/W/DBE Participation:** Not Applicable

**Attorney:** Thomas Di Paola, Esq.  
Rubin, Di Paola & Di Paola  
641 Lexington Avenue, 29<sup>th</sup> Floor  
New York, New York 10022

**Accountant:** Joseph Ho, CPA  
Chin & Ho, CPA  
88 Walker Street, 9<sup>th</sup> Floor  
New York, New York 10013

**Community Board:** Brooklyn, CB #1



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

September 13, 2024

To Whom It May Concern:

Bo Bo Poultry Market is a family-owned and operated food manufacturer in Brooklyn, NY. The company processes live poultry at their USDA-inspected plant. Bo Bo Poultry Market's chickens are now available nationwide in 38 states and Puerto Rico; they supply ethnic and cultural markets/distributors with slow grown Buddhist-style traditional breed chickens, which is a culturally relevant ingredient to Asians & Latinos. Many renowned chefs and foodies also enjoy Bo Bo chickens. Locally, they specialize in "same day, next day" locally sourced processed chickens. Nationally, Bo Bo chickens are known for their quality, traditional flavor and texture. Bo Bo Poultry Market produces backyard traditional chickens to scale.

Bo Bo Poultry Market will be installing a new 44 kw solar panel array on top of a new roof that will support the life of the solar panels. They will also be replacing the existing 30+ year old exhaust fan/HVAC/Make up air units as part of the new roof project and expanding their cold storage capacity with two new mobile freezer units. The total projected costs of these projects is \$1,500,388.

NYC IDA will help support this project by providing approximately \$1M in property tax abatement and a sales tax exemption to complement our Manufacturer's tax exemption. We anticipate saving approximately \$1M during the length of this program. Without this support, it would not be feasible to invest an additional \$1.5M into a \$3M property. There are other processing equipment and infrastructure projects that need to be completed in the next 5-10 years to sustain and expand Bo Bo Poultry Market's business. These NYC IDA incentives allow us to continue to do business in Brooklyn, NY and serve the many local ethnic communities that rely on our ability to deliver hyper-local, hyper-fresh poultry.

The immediate impact of these projects will include reducing our carbon footprint by utilizing renewable energy, installing an insulated white reflective roof, installing energy-efficient HVAC systems, and expanding our cold storage which will allow us to increase our capacity to meet the growing demands of the national ethnic food market. We anticipate with these freezers, we can increase capacity by 20% each year for 3 years, and expect 4-20% growth in sales. We currently turn away new customers due to the lack of these freezers.

Thank you so much for your consideration!

Sincerely yours,

A handwritten signature in black ink that reads 'Anita Lee'.

Anita Lee  
Secretary/ Co-Owner  
Bo Bo Poultry Market Inc  
1131 Grand Street Inc.

1131 Grand Street Brooklyn, NY 11211 t. 718.417.0016 e. bobopoultry@gmail.com www.boboChicken.com

**USDA EST# 20138P**

Exhibit F

Resolution inducing the financing of an industrial facility for Bo Bo Poultry Market Inc. as a Straight-Lease Transaction and authorizing and approving the execution and delivery of agreements in connection therewith

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

WHEREAS, Bo Bo Poultry Market Inc., a New York business corporation (the “Company”), has entered into negotiations with officials of the Agency for the renovation, furnishing and equipping of an industrial facility consisting of two interconnected one-story commercial buildings with a partial mezzanine comprising approximately 13,000 square feet located on an approximately 30,500 square foot parcel of land at 1131 Grand Street, Brooklyn, New York 11211 (the “Facility”), which Facility is owned by 1131 Grand Street Inc., an affiliate of the Company, and leased to the Company, all for the use by the Company in its operations as a poultry processing food manufacturer, for sublease to the Agency by the Company, and subsequent sub-sublease by the Agency to the Company in whole, and having an approximate total project cost of approximately \$1,500,388 (the “Project”); and

WHEREAS, the Company 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 Company and the Project, including the following: that the Company is currently located in Brooklyn, New York, and employs approximately twenty seven (27) full time equivalent employees within The City of New York (the “City”); that the Project will allow the Company to retain twenty seven (27) full time equivalent employees and to employ at least one (1) additional full time equivalent employee within the three years following the completion of the Project; that the Company must obtain Agency financial assistance in the form of a straight-lease transaction to enable the Company to proceed with the Project and thereby remain and expand its operations in the City; and that, based upon the financial assistance provided through the Agency, the Company desires to proceed with the Project and remain and expand its operations in the City; and

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

WHEREAS, in order to finance a portion of the costs of the Project, (i) the Company has committed to invest \$1,184,000 of equity in the Project, (ii) the Company's owner has agreed to enter into a loan arrangement with the Company pursuant to which the owner will lend approximately \$180,000 to the Company and pursuant to which the owner commits to lend up to a total of \$300,000 to the Company for the Project, and (iii) the Company is seeking Federal financial assistance of approximately \$102,000 and State financial assistance of approximately \$35,000 to pay for the costs of the Project; and

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

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

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

(a) the Project shall not result in the removal of any facility or plant of the Company 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 Company 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 Company for the Project, a straight-lease transaction is hereby authorized subject to the provisions of this Resolution.

Section 3. The Agency hereby authorizes the Company to proceed with the Project as herein authorized. The Company 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 Company that (i) nominal leasehold title to or other interest of the Agency in the Facility shall be in the Agency for purposes of granting financial assistance, and (ii) the Company 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 Company for such purpose.

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

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

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

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

Section 7. The officers of the Agency are hereby designated the authorized representatives of the Agency, and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for

carrying out this Resolution. The Agency recognizes that due to the unusual complexities of the transaction it may become necessary that certain of the terms approved hereby may require modifications which will not affect the intent and substance of the authorizations and approvals by the Agency herein. The Agency hereby authorizes the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or General Counsel to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution. The approval of such modifications shall be evidenced by a certificate of determination of an Agency officer.

Section 8. Any expenses incurred by the Agency with respect to the Project shall be paid by the Company. By acceptance hereof, the Company 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 Company. The provisions of this Resolution shall continue to be effective for one year from the date hereof, whereupon the Agency may, at its option, terminate the effectiveness of this Resolution (except with respect to the matters contained in Section 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 Company and such other information as the Agency has deemed necessary and appropriate to make this determination.

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

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

(1) The Company 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 Company, New York State sales or use tax savings taken or purported to be taken by the Company, and any agent or any other person or entity acting on behalf of the Company, to which the Company is not entitled or which is in excess of the maximum sales or use tax exemption amount authorized in Section 12 of this Resolution or which is for property or services not authorized or taken in cases where the Company, or any agent or any other person or entity acting on behalf of the Company, failed to comply with a material term or condition to use

property or services in the manner required by this Resolution or any agreements entered into among the Agency, the Company, and/or any agent or any other person or entity acting on behalf of the Company. The Company shall, and shall require each agent and any other person or entity acting on behalf of the Company, to cooperate with the Agency in its efforts to recover, recapture, receive, or otherwise obtain such New York State sales or use tax savings and shall promptly pay over any such amounts to the Agency that it requests. The failure to pay over such amounts to the Agency shall be grounds for the Commissioner of the New York State Department of Taxation and Finance (the “Commissioner”) to assess and determine New York State sales or use taxes due from the Company under Article Twenty-Eight of the New York State Tax Law, together with any relevant penalties and interest due on such amounts.

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

(i) In accordance with General Municipal Law Section 875(3)(c), if the Agency recovers, recaptures, receives, or otherwise obtains, any amount of New York State sales or use tax savings from the Company, any agent or other person or entity, the Agency shall, within thirty (30) days of coming into possession of such amount, remit it to the Commissioner, together with such information and report that the Commissioner deems necessary to administer payment over of such amount. The Agency shall join the Commissioner as a party in any action or proceeding that the Agency commences to recover, recapture, obtain, or otherwise seek the return of, New York State sales or use tax savings from the Company or any other agent, person or entity.

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

(3) The foregoing requirements of this Section 11 shall apply to any amounts of New York State sales or use tax savings that the Agency recovers, recaptures, receives, or otherwise obtains, regardless of whether the Agency, the Company or any agent or other person or entity acting on behalf of the Company characterizes such benefits recovered, recaptured,



received, or otherwise obtained, as a penalty or liquidated or contract damages or otherwise. The foregoing requirements shall also apply to any interest or penalty that the Agency imposes on any such amounts or that are imposed on such amounts by operation of law or by judicial order or otherwise. Any such amounts or payments that the Agency recovers, recaptures, receives, or otherwise obtains, together with any interest or penalties thereon, shall be deemed to be New York State sales or use taxes and the Agency shall receive any such amounts or payments, whether as a result of court action or otherwise, as trustee for and on account of New York State.

Section 12. In connection with the Project, the Agency intends to grant the Company real property tax abatements, and sales and use tax exemptions in an amount not to exceed \$94,138.

Section 13. This Resolution shall take effect immediately.

[ACKNOWLEDGEMENT PAGE FOLLOWS]

ADOPTED: September 24, 2024

Accepted: \_\_\_\_\_, 2024

BO BO POULTRY MARKET INC.

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

Name:

Title:

Exhibit G

### Project Summary

East Bay Energy Storage 1 LLC is a Delaware limited liability company (the “Company”). The Company is a subsidiary of Convergent Energy and Power LP, a Delaware limited partnership (“Convergent”). Convergent is a developer of energy storage power projects throughout the country. The Company seeks financial assistance in connection with the construction and equipping of a 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 1,300 square feet located on an 11,300 square foot parcel of land at 1271 East Bay Avenue, Bronx, New York (the “Facility”). The Facility will be operated by the Company on land leased from J ROS Properties, Inc., an unrelated entity and New York corporation, and will serve as a battery energy storage system capable of charging from and discharging into the New York power grid (the “Project”). The Company is expected to begin construction in the fourth quarter of 2024 and to be completed by the second quarter of 2026.

### Project Location

1271 East Bay Avenue  
Bronx, NY 10474

### Actions Requested

- Inducement and Authorizing Resolution for an Industrial Program transaction.
- Adopt a SEQRA determination that the Project is an Unlisted Action. The Project will not have a significant adverse effect on the environment.

### Anticipated Closing

Winter 2025

### Impact Summary

Employment	
Jobs at Application:	1
Jobs to be Created at Project Location (Year 3):	0
<b>Total Jobs (full-time equivalents)</b>	<b>1</b>
<b>Projected Average Hourly Wage (excluding principals)</b>	<b>\$71.00</b>
Construction Jobs to be Created (Full-Time Equivalent)	10

Estimated City Tax Revenues	
Impact of Operations (NPV 10 years at 6.25%)	\$5,727,066
One-Time Impact of Renovation	\$852,373
<b>Total Impact of Operations and Renovation</b>	<b>\$6,579,439</b>

Estimated Cost of Benefits Requested: New York City	
Sales Tax Exemption	\$637,133
Agency Financing Fee	(\$272,105)
<b>Total Cost to NYC Net of Financing Fee</b>	<b>\$365,028</b>
Agency Benefits in Excess of As-of-Right Benefits	\$365,028

Costs of Benefits Per Job	
Estimated Total Cost of Benefits per Job	\$365,028
Estimated City Tax Revenue per Job	\$6,579,439

## East Bay Energy Storage 1 LLC

Estimated Cost of Benefits Requested: New York State	
Sales Tax Exemption	\$619,434
<b>Total Cost to NYS</b>	<b>\$619,434</b>
<b>Overall Total Cost to NYC and NYS</b>	<b>\$984,462</b>

### Sources and Uses

Sources	Total Amount	Percent of Total Financing
Equity	\$17,739,500	100%
<b>Total</b>	<b>\$17,739,500</b>	<b>100%</b>

Uses	Total Amount	Percent of Total Costs
Leasing Costs	\$50,000	1%
Hard Costs	\$8,675,000	49%
Soft Costs	\$546,000	3%
FF&E and M&E	\$8,086,000	45%
Closing Fees	\$382,500	2%
<b>Total</b>	<b>\$17,739,500</b>	<b>100%</b>

### Fees

	To be paid at Closing	On-Going Fees (NPV, 10 Years)
Agency Fee	\$272,105	
Project Counsel	\$35,000	
Annual Agency Fee	\$1,250	\$9,092
Total	\$308,355	\$9,092
<b>Total Fees</b>	<b>\$317,447</b>	

### Financing and Benefits Summary

The total project cost for the Projects is approximately \$17 million, which will be financed entirely with equity contributions provided by Convergent. The Project 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. Convergent also plans to submit a bid for the Project 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 Project.

### Company Performance and Projections

The Project will serve as a battery energy storage system capable of charging from and discharging into the New York power grid. The Project is expected to have a 5MW battery energy storage system, metering a total of 20MW hours of storage capacity across the battery energy storage system. The total energy stored by the Project's Battery System is enough to power approximately 5,000 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.

## **East Bay Energy Storage 1 LLC**

### **Inducement**

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

### **UTEP Considerations**

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

- I. Financial assistance is required to induce the Project.
- II. The Project will create or retain permanent private-sector jobs.

### **Applicant Summary**

Founded in 2011 with a focus on energy storage project development, Convergent's project portfolio totals over \$1 billion invested in developing over 800 MW of energy storage capacity in North America. Convergent manages all aspects of energy storage development for its grid operator, utility, and industrial customers, and is focused on reducing electricity costs, guaranteeing power quality and reliability, and creating solutions to infrastructure problems. In 2019, Convergent was purchased by Energy Capital Partners, a firm that specializes in the ownership of and investment in power generation and renewable and storage assets. Convergent's first New York City project, located in Brooklyn, was supported by benefits conferred by NYCIDA and is currently under development.

#### **Johannes Rittershausen, Chief Executive Officer**

As Chief Executive Officer, Mr. Rittershausen is responsible for strategic planning, business development, investor relations, capital planning, and organizational stewardship at Convergent. Mr. Rittershausen co-founded Convergent in 2011 and has guided its growth from a two-person company into the leading independent developer of energy storage solutions in North America. Prior to his work at Convergent, Mr. Rittershausen spent five years at Southern California Edison, working as a senior project manager in corporate strategic planning. He holds a Bachelor of Arts from Pomona College and an MA from Georgetown University.

#### **Frank Genova III, Chief Financial Officer and Chief Operating Officer**

Mr. Genova is responsible for technology evaluation, asset development, project and corporate finance, and corporate mergers and acquisitions. Mr. Genova helped co-found Convergent after six years working in project development and finance with Fisher Brothers and Plaza Construction, focusing on renewable development, renewable integration, complex mechanical and electrical system integration, and corporate strategy. He holds a Bachelor of Arts from Villanova University in Mechanical Engineering and an MBA in Finance from Fordham University's Graduate School of Business.

#### **Sebastian Villaceves, Chief Development Officer**

Mr. Villaceves is responsible for corporate and commercial operations, mergers and acquisitions, and development teams after having previously served as Convergent's Deputy general counsel. Mr. Villaceves is committed to advancing the clean energy transition and brings over a decade of experience as a transactional lawyer in which he advised on projects and transactions in 15 jurisdictions throughout the Americas. He holds a JD equivalent degree from Universidad de los Andes in Colombia, a Master of Laws from Northwestern Pritzker School of Law, and a Certificate in Business Administration from Northwestern Kellogg School of Management.

### **Employee Benefits**

Benefits for employees include medical and dental benefit funds, retirement benefits, and employer contributions to a 401(k) plan.

## **East Bay Energy Storage 1 LLC**

### **Recapture**

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

### **SEQRA 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.

### **Due Diligence**

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

<b>Compliance Check:</b>	Compliant
<b>Living Wage:</b>	Compliant
<b>Paid Sick Leave:</b>	Compliant
<b>Affordable Care Act:</b>	Compliant
<b>Bank Account:</b>	Chase Bank
<b>Bank Check:</b>	Satisfactory
<b>Supplier Checks:</b>	Relationships are reported to be satisfactory
<b>Customer Checks:</b>	Not Applicable
<b>Unions:</b>	Not Applicable
<b>Background Check:</b>	No derogatory information was found
<b>M/W/DBE Participation:</b>	30% goal (construction)
<b>Attorney:</b>	Daniel Spitzer, Esq. Hodgson Russ LLP 605 Third Avenue, Suite 2300 New York, NY 10158
<b>Accountant:</b>	Vinod Krishnan Convergent Energy + Power LP 7 Times Square Tower, Suite 3504 New York, NY 10036
<b>Community Boards:</b>	Bronx Community Board #17



July 9, 2024

Emily Marcus NYCIDA  
One Liberty Plaza  
New York, NY 10006

**RE: East Bay Energy Storage 1, LLC Application**

Dear New York City Industrial Development Agency Team,

East Bay Energy Storage 1, LLC (“East Bay ES1”) is pleased to submit an application for our energy system project to participate in the NYCIDA program. East Bay ES1 is a wholly owned subsidiary of New York City based Convergent Energy and Power LP (“Convergent”), a leading provider of energy storage solutions in North America, announced today that it has over 800 MW / 1 GWh of energy storage and solar-plus-storage systems operating or under development. Convergent has over \$1bn invested in or committed to systems in operation or under development. Convergent is owned by private-equity firm Energy Capital Partners LLC, an international leader in investing in power generation, renewable and storage assets and critical sustainability and decarbonization infrastructure.

This project proposes to install a 5 MW / 20 MWh Battery Energy Storage System at 1271 E. Bay Avenue of Bronx, New York and occupies a portion of a 11,300 sq ft parcel (Brooklyn Block 2772 Lot 20). This project is an essential part of the local utility, Con Edison’s, plans to improve local grid reliability and resiliency. Each project has been preliminarily accepted into a Con Edison program with the goal of providing load relief during the summer in areas of grid constraint. The load relief provided by these batteries will help to eliminate the need for another utility substation in the area. Our siting approach includes finding the intersection of the greatest benefit to the grid and local community. We also seek to leverage local labor and domestic materials wherever possible. The project will offer subscriptions to customers to lower electric bills. Construction will begin in 2024 and is expected to be completed in 2026.

Although New York State and City have prioritized energy storage projects, this project cannot move forward without financial assistance from the NYCIDA. Like similarly situated renewable energy projects across the State, the real property taxation and sales tax expenses faced by the project would result in expenses that would prevent the project from being financially viable. The financial assistance sought from the NYCIDA will ensure East Bay ES1 has the ability to move forward. The benefits of the project will be directly realized through the energy subscription program; further energy storage provides increased grid resiliency to the City

Increased deployment of energy storage will support the goals of the City’s Climate Mobilization Act and New York State’s Climate Leadership and Community Protection Act by helping build a more sustainable future. We are pleased to have this opportunity to work with the NYCIDA to promote energy storage, thereby reducing the cost of electricity and harmful effects of emissions on New York City communities.

Kind Regards,

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

Sebastian Villaveces  
Chief Development Officer  
Convergent Energy and Power LP



Exhibit H

**RESOLUTION INDUCING THE FINANCING OF AN INDUSTRIAL FACILITY FOR EAST BAY ENERGY STORAGE 1 LLC, AS A STRAIGHT-LEASE TRANSACTION AND AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF AGREEMENTS IN CONNECTION THEREWITH**

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

**WHEREAS**, East Bay Energy Storage 1 LLC, a Delaware 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 20 MW hours of storage capacity (the “Battery System”). The Battery System will be enclosed in multiple containers totaling approximately 1,300 square feet, located on a parcel of land totaling approximately 11,300 square feet at 1271 East Bay Avenue, Bronx, New York (Tax Block 3772, Lot 20) (the “Facility”). The Facility will be operated by the Applicant and will serve 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 \$17,739,500; 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 Convergent Energy and Power LP, a Delaware limited partnership (“Convergent”), that is a developer of energy storage power projects; that the Applicant expects to employ approximately 1.0 full time equivalent employee 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 sales and use tax exemptions, all pursuant to the Act;

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

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

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

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

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

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

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

**Section 4.** The execution and delivery of a 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, Convergent, and/or the members of the Applicant and/or Convergent 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 (“Lead Agency”), issued its determination pursuant to the State Environmental Quality Review Act (“SEQRA”) (Article 8 of the Environmental Conservation Law) and implementing regulations contained in 6 N.Y.C.R.R. Part 617. The determination is based upon the Agency’s review of information provided by the Applicant and such other information as the Agency has deemed necessary and appropriate to make its determination.

The Agency has determined that the proposed project, an Unlisted Action in accordance with Article 8 of the Environmental Conservation Law, the State Environmental Quality Review Act (“SEQRA”) and the implementing regulations, would not have a significant effect on the environment and that a Draft Environmental Impact Statement will not be prepared. The 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 this site in March 2023. The Phase I identified Recognized Environmental Conditions (RECs), which included current and former uses of the property that warranted additional investigation. A limited Phase II subsurface soil investigation was then completed in August 2024. The limited Phase II identified historic urban fill at the site, with one sample exceeding NYS Part 375 Industrial Soil Cleanup Objectives of a semi-volatile organic compound (benzo(a)pyrene). Because of this, excess soil from construction of the Facility would need to be tested and disposed of properly, if necessary, as per applicable regulations. The applicant will need to produce a Health and Safety Plan (HASP) that addresses worker safety for managing soils during the development and construction of the Facility. The HASP would adhere to all applicable environmental and safety regulations. If the actions outlined above are followed, it is not anticipated that there would be any significant adverse impacts resulting from the proposed projects due to Hazmat.

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

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

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

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

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

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

**Section 12.** In connection with the Project, the Agency intends to grant the Applicant sales and use tax exemptions in an amount not to exceed \$1,256,566.

[Remainder of page intentionally left blank]

**Section 13.** This Resolution shall take effect immediately

Adopted: September 24, 2024

Accepted: September \_\_, 2024

**EAST BAY ENERGY STORAGE 1 LLC**

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

Name:

Title:

Exhibit I



**Project Summary**

Terzo in Jamaica, LLC, a New York limited liability company (the “Company”), is a supermarket operator owned by Inserra Supermarkets, Inc. (“Inserra”), an owner and operator of supermarkets in New York and New Jersey. The Company seeks financial assistance in connection with a project (the “Project”) involving the furnishing and equipping of a to-be-formed 52,000 square foot retail condominium unit (which will include a 46,000 square foot below-grade supermarket) (the “Facility”) within an existing 96,000 square foot building on a 46,918 square foot parcel of land located at 89-41 164th Street (a/k/a 89-28 165th Street), Queens, New York. The Facility will be owned by an unrelated entity, 89-41 164th Street LLC, and will be leased to and operated by the Company as a full-service supermarket under the ShopRite banner.

**Project Location**

89-41 164<sup>th</sup> Street (a/k/a 89-28 165<sup>th</sup> Street)  
Queens, New York 11432

**Actions Requested**

- Inducement and Authorizing Resolution for a FRESH Program transaction.
- Adopt a negative SEQRA declaration for the Project. The Project will not have a significant adverse effect on the environment.
- Adopt a finding that the Project, a retail project located in a “highly distressed area” as defined in Section 854(18) of the IDA Act, will result in increasing the overall number of permanent, private sector jobs in New York State.

**Anticipated Closing**

September 2025

**Impact Summary**

<b>Employment</b>	
Jobs at Application:	0
Jobs to be Created at Project Location (Year 3):	103.5
<b>Total Jobs (full-time equivalents):</b>	<b>103.5</b>
<b>Projected Average Hourly Wage (excluding principals):</b>	<b>\$18.59</b>
Highest/Lowest Hourly Wage:	\$27/\$16
Construction Jobs to be Created (Full-Time Equivalent)	1

<b>Estimated City Tax Revenues</b>	
Impact of Operations (NPV 25 years at 6.25%)	\$9,150,598
One-Time Impact of Renovation	\$500,841
<b>Total impact of operations and renovation</b>	<b>\$9,651,439</b>
<b>Additional benefit from jobs to be created</b>	<b>\$9,611,422</b>

## Terzo in Jamaica, LLC

Estimated Cost of Benefits Requested: New York City	
Building Tax Exemption (NPV, 25 years)	\$4,382,052
Land Tax Abatement (NPV, 25 years)	\$4,229,435
Sales Tax Exemption	\$528,606
Agency Financing Fee	(\$152,255)
<b>Total Value of Benefits provided by Agency</b>	<b>\$8,987,838</b>
Available As-of-Right Benefits (ICAP)	\$0
Agency Benefits In Excess of As-of-Right Benefits	\$8,987,838

Costs of Benefits Per Job	
Estimated Total Cost of Benefits per Job	\$86,839
Estimated City Tax Revenue per Job	\$186,115

Estimated Cost of Benefits Requested: New York State	
Sales Tax Exemption	\$513,923
<b>Total Cost to NYS</b>	<b>\$513,923</b>
<b>Overall Total Cost to NYC and NYS</b>	<b>\$9,501,761</b>

## Sources and Uses

Sources	Total Amount	Percent of Total Financing
Equity	\$12,050,000	100%
<b>Total</b>	<b>\$12,050,000</b>	<b>100%</b>

Uses	Total Amount	Percent of Total Costs
Construction Soft Costs	\$117,000	1%
Furnishings, Fixtures & Equipment and Machinery	\$11,700,000	97%
Closing Fees	\$233,000	2%
<b>Total</b>	<b>\$12,050,000</b>	<b>100%</b>

## Fees

	Paid At Closing	On-Going Fees (NPV, 25 Years)
Agency Fee	\$152,255	
Project Counsel	\$35,000	
Annual Agency Fee	\$1,250	\$15,607
<b>Total</b>	<b>\$188,505</b>	<b>\$15,607</b>
<b>Total Fees</b>	<b>\$204,112</b>	

## Financing and Benefits Summary

The total cost of the Project is approximately \$12,050,000. It is anticipated that the Project will be financed with \$12,050,000 in Inserra equity. The financial assistance proposed to be conferred by the Agency will consist of payments in lieu of City real property taxes and exemption from City and State sales and use taxes for the fit-out of the Facility.

## **Terzo in Jamaica, LLC**

### **Company Performance and Projections**

Inserra is a fourth-generation family-owned business with a strong track record of owning and operating ShopRite supermarkets and PriceRite Marketplaces in New Jersey and New York State. The Project will be Inserra's first supermarket in New York City. The Project is larger than other local markets in the area and will provide Jamaica residents greater access to quality healthy food options at competitive prices. The new supermarket will have onsite parking on the building's roof and will be located near Jamaica Avenue, which is a primary street for local transportation. The Project is therefore expected to serve a broad geographic radius of residents from the supermarket. The new supermarket projects year-over-year growth, with an annual growth rate of 2% for the first three years.

### **Inducement**

- I. City policy, as set forth by the Food Retail Expansion to Support Health (FRESH) program, aims to promote the establishment and retention of neighborhood grocery stores in underserved communities.
- II. Without the proposed financial assistance from the Agency, the Company cannot renovate, furnish, and/or equip the Facility due to the high barriers to opening and operating a new supermarket.

### **UTEP Considerations**

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

- I. The Project will create permanent private-sector jobs.
- II. Financial assistance is required to induce the Project.
- III. The Project will generate approximately \$12,050,000 in private sector investment.
- IV. The Project involves the supermarket industry, which the Agency seeks to retain and foster.

### **Applicant Summary**

The Company is a family-owned supermarket operator founded for the purpose of supporting the Jamaica, Queens community with the development of a ShopRite supermarket. The Company is owned by Inserra, whose principals currently own and operate 25 supermarkets located across New Jersey and New York State. They are seeking to use their equity and over 65 years of experience to successfully bring a full-service supermarket to the residents of Jamaica, Queens and will cater to the needs of the local community.

#### **Lawrence R. Inserra III, Chairman & Chief Executive Officer of Inserra Supermarkets Inc.**

Mr. Inserra is the Chairman and Chief Executive Officer of Inserra. He started working part-time in the family business of Inserra Supermarkets at a young age. He then earned a Bachelor of Science Degree in Business Administration from Felician College in 2010. Mr. Inserra continued his interest in the supermarket business and spent two years as a meat cutter apprentice. Afterwards, he participated in the Wakefern Food Corporation Leaders in Training Program. Mr. Inserra sits on the board of the Hackensack Performing Arts Center and the Northeast Regional Advisory Board of Hackensack-Meridian Health. He is also the Chairman of the Greater Alliance Federal Credit Union Hopes and Dreams Foundation.

#### **Jim Dorey, President and Chief Operating Officer of Inserra Supermarkets Inc.**

Mr. Dorey has been the President and Chief Operating Officer of Inserra since January 2023 and previously worked as a Senior Vice President at Inserra. Before this, Mr. Dorey was President of PRRC, Inc., a wholly owned subsidiary of Wakefern Food Corp., that operates the stores under the Price Rite Marketplace banner, where he worked for twelve years. Earlier in his career at Wakefern, Mr. Dorey held management positions in the Real Estate, Dairy, and Frozen Food Divisions. He earned a Bachelor of Science in Business Administration and Management from Montclair State University. He has completed both the Leadership at the Peak program of the Center for Creative Leadership and the Advanced Management Program at Harvard Business School.

## **Terzo in Jamaica, LLC**

### **Richard B. Chamberlain, Jr., Vice President of Finance of Inserra Supermarkets Inc.**

Mr. Chamberlain is the Vice President of Finance at Inserra. He started working part-time at Inserra Supermarkets when he was sixteen. After college, Mr. Chamberlain continued to pursue his career in Inserra's Finance Department, where he has worked for nearly a decade. Mr. Chamberlain earned a Bachelor of Science in Economics from Rutgers University and a Master of Business Administration in Finance from the Stillman School of Business at Seton Hall University. He also completed Executive courses at both Cornell University and the Harvard Business School.

### **Employee Benefits**

Employees of the Company are expected to be unionized and receive healthcare, vision, dental benefits and on the job-training.

### **Recapture**

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

### **SEQRA 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.

### **Due Diligence**

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

<b>Compliance Check:</b>	Not Applicable
<b>Living Wage:</b>	Exempt
<b>Paid Sick Leave:</b>	Compliant
<b>Affordable Care Act:</b>	Applicable
<b>Bank Account:</b>	JP Morgan Chase
<b>Bank Check:</b>	Relationships are reported to be satisfactory
<b>Supplier Checks:</b>	Relationships are reported to be satisfactory
<b>Customer Checks:</b>	Not Applicable
<b>Unions:</b>	Relationships are reported to be satisfactory
<b>Background Check:</b>	No derogatory information was found
<b>M/W/DBE Participation:</b>	20% goal (construction)
<b>Attorney:</b>	Steven Polivy Akerman LLP 1251 Avenue of the Americas, 37 <sup>th</sup> Floor New York, NY 10020

**TERZO IN JAMAICA, LLC**

c/o Inserra Supermarkets, Inc.

20 Ridge Road

Mahwah, New Jersey 07430

201.529.5900

**Via Email**

July 31, 2024

Emily Marcus  
Executive Director  
New York City Economic Development Corporation  
1 Liberty Plaza  
New York, NY 10006

Re: 89-41 164<sup>th</sup> Street  
Queens, Block 9794, Lot 36  
FRESH Application: Terzo in Jamaica, LLC (Operator)

Dear Ms. Marcus,

We are requesting assistance from the New York City Industrial Development Agency (the "Agency"), through the FRESH program, in the form of real property tax relief on the no action condo unit to be formed, and sales tax exemption on capital purchases of equipment and furnishings, in connection with our proposed lease of approximately 52,000 SF, to be occupied by a ShopRite supermarket within a commercial development located at 89-41 164<sup>th</sup> Street, Queens, New York.

Inserra Supermarkets, as the parent company of Terzo in Jamaica, LLC, intends to enter the New York City market with the company's first operation under the ShopRite banner in New York City with this project. Currently, the company operates eighteen (18) grocery stores in New Jersey and five (5) stores in Rockland County under the ShopRite brand and two (2) stores in New Jersey under the Price Rite brand.

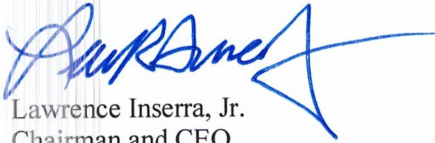
The FRESH program offers Inserra Supermarkets, Inc. the opportunity to expand into the highly competitive New York City supermarket sector, by providing the needed tax benefits that will help keep operating costs lower, making it more feasible for establishing their stores in the areas of the City that need them most: the food deserts served by the FRESH program. Both the ShopRite and Price Rite banners are known in New York City, but none are currently operating by Inserra Supermarkets, Inc. within the five boroughs. Inserra's strategy involves broadening the low and mid-price supermarket options with full-service, modern stores, carrying a wide array of the fresh, healthy, and well-priced foods that New Yorkers need, but which are not currently available.

This neighborhood, identified as a FRESH focus area by the NYCIDA, needs food retail investment such as this project. Aligned with the mission of the FRESH program, this full-service supermarket will provide the community access to food and nonfood grocery products, fresh produce, fresh meats, poultry, fish, and frozen foods not currently available in this area. The few existing smaller grocery stores in the area, ranging from 2,000 to 17,000 SF do not service the same marketplace or fulfill the needs of the community in the way that this full-service approximately 52,000 SF ShopRite will satisfy the need. What ShopRite brings to this community will be a level of service, selection and variety of goods that currently does not exist. A 52,000 SF full-service supermarket is categorically different from the selection in a small local grocer, or such stores as Aldi or Target, which are not intended to supply all the offerings and value that will be provided by the ShopRite at this location. Few, if any, of the Agency's FRESH supermarkets have been on a scale of this ShopRite.

With the benefits afforded by the Agency under the FRESH program, Inserra Supermarkets, Inc. can fulfill that need and launch a new era for the company, serving the City of New York as it has served customers in New Jersey and Rockland Counties since 1954.

Thank you for considering our application for FRESH benefits. We are exploring other viable FRESH locations and hope to present applications as new projects are ready.

Sincerely,



Lawrence Inserra, Jr.  
Chairman and CEO  
Inserra Supermarkets, Inc.

cc: Richard Chamberlain, Jr.  
Bruce Ritter, Esq.  
Steve Polivy  
Beth Zafonte

government officials in either print or electronic media, nor shall any funds of the Agency be given in connection with the Project to any group or organization which is attempting to prevent the establishment of an industrial or manufacturing plant within the State of New York.

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

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

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

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

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

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

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

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

Section 5. The execution and delivery of a Company Lease Agreement from the Applicant subleasing the Facility to the Agency, an Agency Lease Agreement from the Agency sub-subleasing the Facility to the Applicant, a Uniform Project Agreement between the Agency and the Applicant, an Agency Agreement between the Agency and the Owner and/or its affiliates, a Sales Tax Agent Authorization Letter from the Agency to the Applicant, the acceptance of a Guaranty Agreement from the Applicant and/or its owners and/or principals in favor of the Agency (each document referenced in this Section 5 being, collectively, the “Agency Documents”), each being substantively the same as approved by the Agency for prior transactions, is hereby authorized. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director and



General Counsel of the Agency are each hereby authorized to execute, acknowledge and deliver each such Agency Document. The execution and delivery of each such agreement by one of said officers shall be conclusive evidence of due authorization and approval.

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

Section 7. All covenants, stipulations, obligations and agreements of the Agency contained in this Resolution and contained in the Agency Documents shall be deemed to be the covenants, stipulations, obligations and agreements of the Agency to the full extent authorized or permitted by law, and such covenants, stipulations, obligations and agreements shall be binding upon the Agency and its successors from time to time and upon any board or body to which any powers or duties affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law. Except as otherwise provided in this Resolution, all rights, powers and privileges conferred and duties and liabilities imposed upon the Agency or the members thereof by the provisions of this Resolution or the Agency Documents shall be exercised or performed by the Agency or by such members, officers, board or body as may be required by law to exercise such powers and to perform such duties.

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

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

Section 9. Any expenses incurred by the Agency with respect to the Project shall be paid by the Applicant. 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 10. 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 9 hereof).

Section 11. The Agency, as lead agency, is issuing this determination pursuant to the State Environmental Quality Review Act (“SEQRA”) (Article 8 of the Environmental Conservation Law) and implementing regulations contained in 6 N.Y.C.R.R. Part 617. This determination is based upon the Agency’s review of information provided by the Applicant and such other information as the Agency has deemed necessary and appropriate to make this determination.

The Agency has determined that the proposed 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:

(a) The proposed Project would not result in a substantial adverse change in existing traffic, air quality, or noise levels.

(b) The proposed Project would not result in significant adverse impacts on cultural, archaeological, architectural, or aesthetic resources or the existing neighborhood.

(c) The proposed Project would not result in significant adverse impacts to natural resources, critical habitats, or water quality.

(d) The proposed Project would not result in a change in existing zoning or land use. The proposed use would be as-of-right under zoning.

(e) A Phase I Environmental Site Assessment was completed for this site in August 2024. The Phase I did not identify any current, historic, or connected Recognized Environmental Conditions (RECs) associated with the Project. However, there will be interior fit out at the site (furnishing and equipment installation), and there is a possibility of Asbestos Containing Materials (ACM), Lead Based Paint (LBP), and other regulated materials on site. It is recommended that during this work, ACM, LBP, and other regulated materials are properly handled and disposed of per applicable regulations. The Phase I also found two fuel oil fills. Upon redevelopment of the property, if any tanks are located, they should be removed according to applicable regulations. If these recommendations are followed, we do not anticipate any significant adverse impacts resulting from the proposed project due to Hazardous materials.

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

Exhibit J

Resolution inducing the financing of a Food Retail Expansion to Support Health Program facility for Terzo in Jamaica, LLC, as a (Straight-Lease) Transaction and authorizing and approving the execution and delivery of agreements in connection therewith

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

WHEREAS, Terzo In Jamaica, LLC, a New York limited liability company (the “Applicant”) owned by Inserra Supermarkets, Inc. (“Inserra”) has entered into negotiations with officials of the Agency for the furnishing and equipping of an approximately 52,000 square foot retail condominium unit (which will include a 46,000 square foot below-grade supermarket) (the “Facility”) to be located within an approximately 96,000 square foot building located on an approximately 46,918 square foot parcel of land located at 89-41 164th Street (a/k/a 89-28 165th Street), Queens, New York, for lease by 89-41 164th Street LLC (the “Owner”) to the Applicant, for sublease by the Applicant to the Agency, and for sub-sublease by the Agency to the Applicant, all for use by the Applicant as a full-service supermarket under the ShopRite Marketplace banner, and having a total project cost of approximately \$12,050,000 (the “Project”); and

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

WHEREAS, the Application sets forth certain information with respect to the Applicant and the Project, including the following: that Inserra, the parent company of the Applicant, operates 25 supermarkets in New Jersey and Rockland County, New York; that the FRESH program will offer Inserra the opportunity to expand into the New York City supermarket sector by providing benefits that will help keep operating costs lower; that the Project will provide the community access to food and non-food grocery products, fresh produce, fresh meats, poultry, fish, and frozen foods not currently available in the area, and that with the Agency’s financial assistance the Applicant can fulfill that need; that the Applicant expects to employ approximately 103.5 full-time equivalent employees at the Facility within the first 3 years of operations of the Facility; that the Applicant and the Project will meet all requirements of the FRESH Program; that the Applicant must obtain Agency financial assistance in the form of a straight-lease transaction to enable the Applicant to proceed with the Project and thereby locate its operations in the City of New York (the “City”); and that, based upon the financial assistance provided through the Agency, the Applicant desires to proceed with the Project and locate its operations in the City; and

WHEREAS, the Act allows the Agency to provide financial assistance for a project at which facilities or property primarily used in making retail sales of goods or services to customers who personally visit such facilities to obtain such goods or services constitute more than one-third of the total project cost if, among other alternative requirements: (1) the project is located

in a “highly distressed area,” defined in Section 854(18) of the Act, to include an area in which a census tract, or tracts or block numbering area or areas or such census tract or block numbering areas contiguous thereto, which, according to the most recent census data available has (i) a poverty rate of at least 20% for the year to which the data relates or at least 20% of households receiving public assistance and (ii) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates; and (2) the Agency determines after a public hearing that undertaking the project will serve the public purposes of Article 18-A of the Act by increasing the overall number of permanent, private sector jobs in New York State; and

WHEREAS, the Agency has determined that the Project is located in “a highly distressed area” (as defined in Section 854(18) of the Act) because it is located in Census Tract 446.01 in Queens, which is contiguous to Census Tract 446.02, which is highly distressed; that the poverty rate calculated from the most recent census data (American Community Survey 2019-2022 5-Year Estimate) for Census Tract 446.02 indicates that for the year to which the census data relates approximately 30.46% of the population was living below the poverty level; that the unemployment rate in Census Tract 446.02 for the year to which the census data relates was approximately 17.3%, while the statewide unemployment rate for such year was 6.2%; that 17.3% is greater than 1.25 times the statewide rate of 6.2%; and that, therefore, the proposed Project meets the statutory requirements of being located in a “highly distressed area”; and

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

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

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

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

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

(b) no funds of the Agency shall be used in connection with the Project for the purpose of preventing the establishment of an industrial or manufacturing plant or for the purpose of advertising or promotional materials which depict elected or appointed

Section 12. 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 13 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 the 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 12 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 13. In connection with the Project, the Agency intends to grant the Applicant sales and use tax exemptions in an amount not to exceed \$1,042,529 and real property tax abatements.

Section 14. This Resolution shall take effect immediately

ADOPTED: September 24, 2024

Accepted: \_\_\_\_\_, 2024

**TERZO OF JEROME AVENUE, LLC**

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

Name:

Title:

Exhibit K



---

**Project Summary**

GB Arthur Kill Storage LLC is a Delaware limited liability company (the “Company”). The Company is owned by Elevate Renewables F7, LLC (“Elevate”), a national renewable energy development company that is a portfolio company of ArcLight Energy Partners Fund VII, L.P. (the “Fund”). ArcLight Capital Partners, LLC (“ArcLight”) is an infrastructure-focused investment firm and serves as the investment adviser to the Fund. The Company is seeking financial assistance in connection with the construction and equipping of a battery energy storage system with an estimated capacity of approximately 15.1 megawatts (“MW”) consisting of batteries and other equipment, metering approximately 60.4 MW hours of energy storage capacity (the “Battery System”). The Battery System will total approximately 2,560 square feet and will be co-located at the Arthur Kill Generating Station (“Generating Station”). Arthur Kill Power LLC, another portfolio company of the Fund, owns the Generating Station, which is a dual-fuel capable power plant that produces electrical power for the electrical grid serving Staten Island and Manhattan, located on an approximately 96-acre parcel of land at 4401 Victory Boulevard in Staten Island, New York. The Company leases an approximately 43,560 square foot portion of the Generating Station which will be operated by the Company as a Battery System capable of charging from and discharging into the New York power grid (the “Project”).

**Project Location**

4401 Victory Boulevard  
Staten Island, New York 10314

**Actions Requested**

- Amended Authorizing Resolution for an Industrial Program transaction.
- Adopt a negative SEQRA declaration for the Project. The Project is an Unlisted action and is not expected to have a significant adverse effect on the environment.

**Prior Actions**

- Inducement and Authorizing Resolution adopted April 23, 2024.
- Adoption of Unlisted action determination and negative declaration under SEQRA on April 23, 2024.

**Amendment**

The Project was originally authorized on April 23, 2024. Agency staff is requesting that the Board approve an Amended Authorizing Resolution to replace the original applicant entity, which was Elevate, and instead adopt an Amending Authoring Resolution and negative declaration with the proposed applicant entity as the Company. Upon review of Agency transaction documents following the April 23, 2024, Board meeting, Elevate determined that the transaction documents would impose significant operational limitations on Elevate that were unrelated to the operation and development of the Project. To better align with the Agency requirements and address these operational challenges, Elevate is seeking to amend the applicant entity from Elevate to the Company, which is the legal entity that holds the operating and commercial agreements for the Project. This amendment does not change the Project or any benefits previously approved. A new public notice and public hearing was required in connection with the amendment.



GB Arthur Kill Storage LLC  
200 Clarendon Street, FL 55  
Boston, MA 02116

August 22, 2024

Emily Marcus Falda  
Executive Director  
New York City Industrial Development Agency ("NYC IDA")  
1 Liberty Plaza  
New York, NY 10006

Dear Emily Marcus Falda,

GB Arthur Kill Storage LLC (the "Company" and "Applicant") is developing the GB Arthur Kill Storage 15.1 MW, 4-hour battery energy storage system (the "Project"), which is co-located at the Arthur Kill Generating Station at 4401 Victory Blvd in Staten Island. The Company is owned by Elevate Renewables F7, LLC ("Elevate"), a national renewable energy and battery storage developer. The Arthur Kill Generating Station and Elevate are owned by an investment fund of ArcLight Capital Partners.

The Project is the subject of a previous NYC IDA approval for straight lease financing. At the NYC IDA board meeting held on April 23, 2024, Elevate (as "Applicant") received approval for straight lease financing assistance in connection with the Project.

Upon Elevate's receipt and review of the transaction documents following the board meeting, Elevate determined that the NYC IDA project lease agreement would impose significant operational limitations on the Elevate Renewables F7, LLC entity that were unrelated to the operation and development of the Project. The most critical of these are the lease agreement's restrictions on dissolutions, transfers, or mergers by the lessee entity. The Elevate entity is not only the holding company of the Project but also the holding company of many unrelated battery storage development projects nationwide. These unrelated projects will require standalone debt and equity financings in the future that are likely to violate the lease agreement's restrictions on transfers and changes in ownership. Further, the Elevate entity may perform acquisitions or divestitures or be itself the subject of debt and equity financing, both of which will similarly come into conflict with the lease agreement's restrictions on mergers, transfers, and changes in ownership.

To align the NYC IDA approved straight lease financing with the Project and address these issues, this application is being resubmitted under the "Applicant" entity of GB Arthur Kill Storage LLC, which is the legal entity that holds all of the operating and commercial agreements for the Project and is therefore most appropriate to serve as lessee in the lease agreement.

Below is the status of the Project:

- The Company has executed an interconnection agreement with the Consolidated Edison Company of New York, Inc. ("Con Edison").
- The Company has executed a site lease agreement with the co-located Arthur Generating Station.
- After the NYC IDA approval of the Project at the NYC IDA board meeting held on April 23, 2024, the Company executed an energy storage services agreement ("ESSA") with Con Edison to secure full offtake following participation in Con Edison's 2022 Bulk Storage RFP. The Company executed the ESSA only after obtaining the NYC IDA's approval of straight lease financing assistance, the receipt of which was critical in the Company's decision to commit economic resources towards to the long-term obligations under



the ESSA. By reducing sales tax expenses and supporting returns that meet our minimum thresholds, the savings generated by NYC IDA enabled the underwriting of capital commitments for our investors.

- The Company has executed supply agreements for the procurement of lithium-ion battery storage equipment.
- IN consultation with NYC IDA MWBE team, the Company has executed agreements for the engineering, construction, and procurement of the balance of plant for the Project and will begin construction in the next few months.

The Company sincerely appreciates the continued helpfulness and responsiveness of the NYC IDA throughout the application process and ongoing revisions. Your team's timely assistance and clear guidance has been instrumental in helping us navigate each step, and we are grateful for the strong working relationship we've built together.

We believe battery energy storage provides a unique opportunity for the City of New York to help fund a forward-looking industry that will benefit New York City and enable the growth of renewable energy resources and a transition to a cleaner grid. We look forward to continuing to work with the NYC IDA and are available to address any questions that may arise.

Sincerely,

DocuSigned by:

*Eric Cherniss*

48E822C2676041F...

Eric Cherniss,

Head of Development

Elevate Renewables F7, LLC

Exhibit L

**RESOLUTION AMENDING THE PRIOR RESOLUTION TO AUTHORIZE THE FINANCING OF AN INDUSTRIAL FACILITY FOR GB ARTHUR KILL STORAGE LLC, AS A STRAIGHT-LEASE TRANSACTION AND AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF VARIOUS 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**, pursuant to resolution adopted by the Agency on April 23, 2024 (the “Prior Resolution”), the Agency induced and authorized a straight-lease transaction for the benefit of Elevate Renewables F7, LLC, a Delaware limited liability company and a national renewable energy development company (the “Original Applicant”), is a portfolio company of ArcLight Energy Partners Fund VII, L.P. (the “Fund”) which Fund is sponsored by ArcLight Capital Partners, LLC (“ArcLight”) an infrastructure-focused investment firm which serves as the investment adviser to the Fund; and

**WHEREAS**, subsequent to the adoption of the Prior Resolution, the Original Applicant advised the Agency that GB Arthur Kill Storage LLC, a Delaware limited liability company would be substituted as the Applicant (the “New Applicant”, herein referred as the “Applicant”); and

**WHEREAS**; this resolution does not change the Project (defined below) or any benefits previously approved; and

**WHEREAS**, the Applicant, has entered into negotiations with officials of the Agency for the construction, and equipping of an approximately 2,560 square foot battery energy storage system with an estimated capacity of 15.1 megawatts (“MW”) consisting of batteries and other equipment, metering 60.4 MW hours of energy storage capacity (the “Battery System”) to be co-located at the Arthur Kill Generating Station (“Generating Station”), which is owned by Arthur Kill Power LLC, a portfolio company of the Fund, and is a dual-fuel capable power plant that produces electrical power for the electrical grid serving Staten Island and Manhattan, located on an approximately 96-acre parcel of land at 4401 Victory Boulevard in Staten Island, New York and an approximately 43,560 square foot portion of such Generating System is leased to the Applicant, a subsidiary of the Original Applicant, which will be operated by the Applicant as a Battery System capable of charging from, and discharging into, the New York power grid (the “Project”), and having a total project cost of approximately \$31,650,000; 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 developer of energy storage power projects; that approximately 1.5 full time equivalent employees will be employed and/or retained within 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 sales and use tax exemptions, all pursuant to the Act;

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

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

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

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

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

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

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

**Section 4.** The execution and delivery of an Agency Lease Agreement between the Agency and the Applicant, a Uniform Project Agreement between the Agency and the Applicant, a Sales Tax Agent Authorization Letter from the Agency to the Applicant, and, if applicable, a Guaranty Agreement from the Applicant, and/or the members of the Applicant and affiliates thereof to 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 (“Lead Agency”), issued its determination pursuant to the State Environmental Quality Review Act (“SEQRA”) (Article 8 of the Environmental Conservation Law) and implementing regulations contained in 6 N.Y.C.R.R. Part 617. The determination is based upon the Agency’s review of information provided by the Applicant and such other information as the Agency has deemed necessary and appropriate to make its determination.

The Agency has determined that the proposed Project, an Unlisted Action in accordance with Article 8 of the Environmental Conservation Law, the State Environmental Quality Review Act (“SEQRA”) and the implementing regulations, would not have a significant effect on the environment and that a Draft Environmental Impact Statement will not be prepared. The 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. The proposed Project is located within an area of archaeological sensitivity. However, for development of the Project, there would be limited soil regrading and excavation. In addition, a Phase IB Archaeological Survey conducted in connection to the proposed Arthur Kill Power Plant Lateral concluded that soils in this area are extensively disturbed and no further archaeological study was considered necessary.
3. The proposed Project would not result in significant adverse impacts to natural resources, critical habitats, or water quality. The proposed Project site is located within New York City’s Coastal Zone Boundary. Having reviewed the materials submitted by the Applicant regarding this action, the Agency finds that the proposed action is consistent with the policies comprising New York City’s Waterfront Revitalization Program (“WRP”) and that the proposed action would not hinder the achievement of the WRP.

The proposed Project is also located within a State regulated wetland check zone. The Applicant requested a project-specific jurisdictional determination from the New York State Department of Environmental Conservation (“NYSDEC”) and, NYSDEC determined that the proposed project is not within the jurisdiction of the NYSDEC under the Freshwater Wetlands Act (Article 24 of the Environmental Conservation Law). Therefore, we do not anticipate any significant adverse impacts resulting from the proposed project due to wetlands.

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 via a Soil Characterization Report (“SCR”) were completed for the site in February and April 2024, respectively. The Phase I identified a Controlled Recognized Environmental Condition (“CREC”) associated with past operations on the site. Building on the Phase I, the subsurface soil investigation identified a semi-volatile organic compound (“SVOC”), as phenanthrene, and the polychlorinated biphenyl (“PCB”), Aroclor 1260, in the 4-to-5-foot sample at



concentrations above the Unrestricted Use Soil Cleanup Objectives (“USCOs”) but well below the Industrial Use Soil Cleanup Objectives (“ISCOs”). Three metals (copper, nickel, and zinc) were detected above the USCOs, but below ISCOs, in the shallow sample. These exceedances are most likely due to the fill material at the site.

For development of the Project, there would be limited soil regrading and excavation. Soil should be properly tested, reused on site if found to meet NYSDEC regulations, and removed if found to be hazardous. Transportation of material leaving the site for disposal must be in accordance with applicable regulatory requirements. If groundwater dewatering of the site is needed, this would be performed in accordance with applicable regulations, including possibly obtaining a NYSDEC SPDES permit or NYC Department of Environmental Protection sewer discharge permit, as necessary. The Applicant has provided a Soil Management Plan and associated Construction Health and Safety Plan (“CHASP”) to the Agency to ensure there are no impacts from the project. 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 and the covenants and agrees to comply, and to cause each of its contractors, subcontractors, agents, persons or entities to comply, with the requirements of General Municipal Law Sections 875(1) and (3), as such provisions may be amended from time to time.

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

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

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

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

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

**Section 12.** In connection with the Project, the Agency intends to grant the Applicant sales and use tax exemptions in a total amount not to exceed \$2,262,495.

**Section 13.** This Resolution shall take effect immediately.

**Section 14.** The Prior Resolution is in all other respects ratified and confirmed.

Adopted: September 24, 2024

Accepted: September \_\_, 2024

**GB ARTHUR KILL STORAGE LLC**

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

**ELEVATE RENEWABLES F7, LLC**

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

Exhibit M

### **Project Summary**

Deerfield Management Company, L.P., a New York City-based Company engaged in investment management focused on advancing healthcare (“Deerfield”), entered into various agreements (collectively, the “Project Documents”) on September 5, 2019 to receive financial assistance in connection with the acquisition of an approximately 258,000 gross square foot building located at 345 Park Avenue South in Midtown South (the “Facility”). Pursuant to the Project Documents, eleven floors of the 12-story Facility were to be renovated, furnished and equipped for use as laboratories, laboratory support facilities, office space and other uses applicable to life sciences industries (the “Project”).

Deerfield is requesting an 18-month extension of its sales tax expiration date, from September 5, 2024 to March 5, 2026, to complete ongoing project work. Remaining work includes tenant fit out of half of the 5th floor and the full 7th floor; the construction of a loading dock; and remediation work to the building façade, sidewalk, and vault. Delays from COVID-19 prolonged the building and leasing timeline. Additionally, the post-COVID-19 decline in financing in the healthcare market has made it challenging to secure tenants. Deerfield is engaged in discussions with potential life science tenants for the vacant 5th floor unit and the 7th floor, which could be occupied by a single tenant or divided into two units. Once tenants are secured, the units will be constructed as functional lab or life science office space.

### **Project Location**

345 Park Avenue South  
New York, NY 10010

### **Action Requested**

Approve a Post-Closing Resolution allowing for an 18-month extension of the Sales Tax Exemption Expiration Date.

### **Prior Action**

Authorizing Resolution approved June 11, 2019  
Post-Closing Amendment approved June 15, 2021

### **Due Diligence**

A review of the Company’s compliance requirements under its agreement with the Agency revealed no outstanding issues.

### **Anticipated Transaction Date**

September 2024

Exhibit N

RESOLUTION AUTHORIZING AND APPROVING THE  
EXTENSION OF THE SALES TAX EXEMPTION  
EXPIRATION DATE IN CONNECTION WITH THE 2019 345  
PAS HOLDING LLC 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, 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 September 5, 2019, the Agency entered into a straight-lease transaction with 345 PAS Holding LLC (the “Lessee”) in connection with the acquisition, renovation, furnishing and equipping of a 12-story commercial facility (the “Facility”), consisting of the acquisition of an existing approximately 258,000 square foot office building located on an approximately 20,727 square foot parcel of land located at 345 Park Avenue South, New York, New York and the renovation, furnishing and equipping of approximately eleven floors therein, and the subleasing, occupancy, use and operation thereof, all for by various tenants for lab, lab support, office space and other uses applicable to the life sciences industries at the Facility, and having an approximate total project cost of approximately \$605,000,000 (the “Project”); and

WHEREAS, the Agency is leasing the Facility from the Lessee pursuant to the Company Lease Agreement dated as of September 1, 2019, and subleasing the Facility to the Lessee pursuant to the Agency Lease Agreement dated as of September 1, 2019, as amended on April 22, 2022; and

WHEREAS, the Lessee has advised the Agency that due to delays arising from the COVID-19 pandemic, it requires that the Agency extend the sales and use tax exemption expiration date under the Project documents (the “Sales Tax Exemption Expiration Date”) from September 5, 2024 to March 5, 2026; and

WHEREAS, the Agency desires to accommodate such request of the Lessee;

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

Section 1. The Agency hereby consents to the extension of the Sales Tax Exemption Expiration Date to March 5, 2026.

Section 2. The execution and delivery of such documents or amendments to documents (collectively, the “Agency Documents”) to evidence the extension of the Sales Tax Exemption Expiration Date, is hereby authorized. The Chairman, Vice Chairman, Executive Director, Deputy Executive Director and General Counsel of the Agency are each hereby authorized to execute, acknowledge and deliver each such Agency Document. The execution and

delivery of each such Agency Document by one of said officers shall be conclusive evidence of due authorization and approval.

Section 3. 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 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, 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 4. The officers of the Agency are hereby designated the authorized representatives of the Agency, and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution. The Agency recognizes that due to the unusual complexities of the transaction it may become necessary that certain of the terms approved hereby may require modifications which will not affect the intent and substance of the authorizations and approvals by the Agency herein. The Agency hereby authorizes the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or General Counsel to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution. The approval of such modifications shall be evidenced by a certificate of determination of an Agency officer.

Section 5. This Resolution shall take effect immediately.

ADOPTED:           September 24, 2024



Exhibit O

## **Project Summary**

This is a proposal to amend an existing services contract to support the further development and implementation of the LifeSci NYC Internship Program (the “Program”). The Program, launched in 2018, connects selected students with unique opportunities at life sciences companies and institutions in New York City and provides a suite of programmatic events and activities. The Program’s mission is to offer hands-on industry experience at life sciences companies to students currently enrolled in a life sciences-related academic field. In some cases, the Program may subsidize the compensation of a “host” company’s intern to expand the number of opportunities for students. In addition to the existing internship placement services, the Program also offers Career Development services that provide professional development opportunities for students outside of internship placements.

The Program connects students to the life sciences industry and helps accelerate their career, while growing a robust pipeline and source of talent for the industry. It is proposed that the Agency amend its services contract with New York City Economic Development Corporation (“NYCEDC”) to continue to implement the Program, as described below.

## **Project Location**

City-wide Initiative

## **Background**

The life sciences industry represents an important area of growth and opportunity for New York City, with unprecedented potential to create value, catalyze job creation and advance human health in the future. Essential to the success of the life science industry is the development of diverse talent and the elimination of significant barriers to career opportunities.

While some large companies may have existing talent development programs, they typically have relationships with only a limited number of academic institutions. Smaller firms have limited resources to ensure access to a pipeline that meets their specific talent needs. To bridge this gap, the Agency contracted with NYCEDC to launch the Program with the mission of creating a thriving and diverse workforce for the industry. In addition to the Program providing students with hands-on industry employment experience, it also helps address the gaps experienced by smaller companies, start-ups and non-profits by offsetting the cost of hiring and recruiting for interns. The Program also expands the relationships within the ecosystems by presenting a broader pool of talent for companies to hire from. Given a significant increase in demand for the Program over the past few years from students, the Program has expanded its services to include a more robust Career Development service line that provides training for students to enhance their skills in finding employment opportunities outside of the Program.

## **Services Provided**

NYCEDC, through its subcontractor Upper West Strategies, LLC (the “Operator”), sources, attracts, and prepares a diverse range of students for careers in the life science industry. The Operator will continue to provide the following services as part of the Program:

- Recruit from a diverse pool of qualified students across the City – including students from populations that have been underrepresented in science, technology, engineering, mathematic (“STEM”) fields. Undergraduate and graduate students who attend university in New York City, or who are New York City residents attending academic institutions elsewhere, will be highly encouraged to apply through concerted marketing efforts in local New York City academic institutions.
- Source for potential “host” companies from a wide range of life sciences-related fields that could include, but is not limited to, biotech, pharma, medical devices, health tech, business management, marketing, and many others.

- Screen and match candidates for participating “host” companies, and if candidates are hired, will provide candidates with more professional development programming to support their growth.
- Develop and deliver on a curriculum of enrichment programming designed to contribute to students’ professional/career development, outside of internship placements. These services would be offered at no-cost to students who apply to be part of the Program.

**Key Metrics/Targets of the Program**

- At least 200 placed interns per year for the next three years
- Source and recruit over 200 life sciences, or life sciences-related companies, as “host” companies
- Additional career development programming to support over 4000 students not placed into internships
- Increased rates of participation among students from underrepresented groups within STEM disciplines
- Increased rates of full-time employment opportunities offered post-internships

**Timeline**

The proposed services contract amendment will require NYCEDC to provide services, through NYCEDC’s subcontract with the Operator, during calendar years 2022 – 2027.

**Actions Requested**

Authorization of the execution and delivery by the Agency of an amendment to its services contract with NYCEDC, on a sole source basis, to extend the term of the contract through December 31, 2027, and to increase the contract amount by \$500,000 to provide additional intern wage subsidies and wraparound services to interns and prospective interns.

**Contract Value**

Up to \$1,000,000, reflecting an increase of \$500,000. NYCEDC’s amended contract with the Operator will be for an amount of up to \$8,730,000, of which \$1,000,000 will be provided through the Agency’s contract with NYCEDC

**Anticipated Contract Date**

October 2024