



New York City Economic Development Corporation

MINUTES OF THE MEETING OF THE
REAL ESTATE AND FINANCE COMMITTEE
OF
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION
October 23, 2018

A meeting of the Real Estate and Finance Committee (the "Committee") of the Board of Directors (the "Board") of New York City Economic Development Corporation ("NYCEDC"), was held on Tuesday, October 23, 2018, at NYCEDC's offices at 110 William Street, in Conference Room 5B, New York, New York.

The following members of the Committee were present:

James McSpiritt
Patrick J. O'Sullivan, Jr.
Mark Russo (by conference telephone)
Betty Woo

Members of NYCEDC staff also were present.

The meeting was chaired by Mr. O'Sullivan and called to order at 2:08 p.m. Meredith Jones, an Executive Vice President, General Counsel and Secretary of NYCEDC, served as secretary of the duly constituted meeting, at which a quorum was present. (Attached hereto as Attachment 1 is a definition sheet that contains the definitions of certain frequently used terms that may be contained in the Exhibits attached hereto.)

1. Approval of the Minutes of the September 12, 2018 Committee Meeting

It was moved that the minutes of the September 12, 2018 meeting of the Committee be approved, as submitted. Such a motion was seconded and unanimously approved.

2. Long Term Ground Lease to RAL Companies & Affiliates LLC

Jerald Watson, a Senior Associate of NYCEDC, presented a proposal for New York City Land Development Corporation ("NYCLDC") to (i) lease from the City of New York (the "City") Block 559, Lot 16 on the Tax Map of the Borough of Manhattan (the "Site"), (ii) assign such lease to either (a) RAL Companies & Affiliates LLC ("RAL"), or (b) an entity in which (1) RAL or persons or entities which control RAL, and (2) its equity partner Junius Real Estate Partners, an affiliate of JPMorgan Chase & Co., have a

direct or indirect interest in all or most of the entity, and for which RAL or an affiliated entity will oversee the proposed development on the Site (whichever, the "Developer"), and (iii) enter into any related agreements and documents and consents and amendments to effectuate the demolition of the structures on the Site and the development on the Site of a 21-story commercial development comprising approximately 240,000 square feet, on substantially the terms set forth in Exhibit A hereto.

At this time, Mark Silversmith, a Special Counsel and Assistant Secretary of NYCEDC, noted that when this item goes to the Board it will contain updated job numbers and an updated chart of the initial respondent responses.

In answer to a question from Mr. McSpirtt, Joshua Mitchell, a Vice President of NYCEDC, stated that the civic hall space had to be used for specific civic hall uses, and that for fifteen years it was in NYCEDC's reasonable discretion to approve a different user for such space than was currently proposed. In answer to a question from Mr. Russo, Hester Muis, a Senior Vice President of NYCEDC, stated that the variation in the proposed ground lease payments in the respondents' proposals was due in part to the fact that the Civic Hall space in the Developer's proposal (i.e. 6 of the building's 21 floors) was at a fixed rent that was approximately 35% below market.

A motion was made that the Committee recommend that the Board of Directors approve the matters set forth for approval in the Proposed Resolution section of Exhibit A hereto. Such motion was seconded and approved. Mr. O'Sullivan recused himself from voting on this item.

3. Brooklyn Army Terminal Sublease for Futureworks Center

Stacey Weismiller, an Assistant Vice President of NYCEDC, presented a proposal for NYCEDC to enter into a sublease with Staten Island Makerspace, Inc. d/b/a Makerspace NYC or an affiliated entity ("Makerspace NYC") for approximately 15,500 square feet of space constituting Unit 1C of the 1st floor of Building B at the Brooklyn Army Terminal ("BAT"), and the lease of certain fabrication and production equipment and tools used in advanced manufacturing work (the "Equipment"), on substantially the terms set forth in Exhibit B hereto. The sublease approved would include the space at BAT and lease of the Equipment.

In answer to a question from Mr. O'Sullivan, Ms. Weismiller stated that Makerspace NYC was selected over the other respondents because it was the only respondent with the necessary resources and experience in the market of operating one of these makerspaces, and that NYCEDC also felt that its proposal was in line with the policy goals of the Industrial Action Plan and the New York Works Plan. In answer to a question from Mr. McSpirtt, Ms. Weismiller stated that few tenant improvements would be necessary because NYCEDC had already completed the build-out of the space. She explained that NYCEDC felt that the rent being charged would allow the tenant to

be profitable and maintain the operations and services that NYCEDC required for the project.

A motion was made that the Committee recommend that the Board of Directors authorize the matters set forth for authorization in the Proposed Resolution section of Exhibit B hereto. Such motion was seconded and unanimously approved.

4. Audubon Ballroom Building Unit A Sublease

Jinquan Liang, a Senior Associate of NYCEDC, presented a proposal for NYCEDC to sublease Unit A of a building at Block 2124, part of Lot 43 (the "AB Building Site") on the Tax Map of the Borough of Manhattan to JPMorgan Chase Bank, National Association ("Chase"), for Chase's continued operation of a full service bank at the AB Building Site and purposes ancillary thereto, on substantially the terms set forth in Exhibit C hereto.

A motion was made that the Committee recommend that the Board of Directors approve the matter set forth for approval in the Proposed Resolution section of Exhibit C hereto. Such motion was seconded and approved. Mr. O'Sullivan recused himself from voting on this item.

5. East New York Industrial Building: Calypso Sublease

Stacy Yan, an Assistant Vice President of NYCEDC, presented a proposal for NYCEDC to sublease Units S1 and S2 of the building at Block 3729, Lots 1, 2, 5, 7, 10, 13, 15, 17, 20, 22, 24 and 38 on the Tax Map of the Borough of Brooklyn (the "ENY Site") to Calypso Wholesale Distributors, L.L.C. ("Calypso"), and to sublease parking space at the ENY Site to Calypso and/or to provide for use of parking space at the ENY Site by Calypso, on substantially the terms set forth in Exhibit D hereto.

In answer to a question from Mr. O'Sullivan, Ms. Yan stated that the rent terms for Calypso and Trans Union Transport Inc. were similar. In answer to a second question from Mr. O'Sullivan, Ms. Yan described the improvements that would be made at the ENY Site, and she noted that the work would begin in the spring of 2019 and take approximately 9 months to complete. In answer to a question from Mr. McSpirtt, Patrick Conway, a Vice President of NYCEDC, stated that Calypso would not have to relocate during renovations. In answer to another question from Mr. O'Sullivan, Ms. Yan stated that the job target would be a provision in the lease, and that the discounted rent would be reversed in the event that Calypso failed to meet the target.

A motion was made that the Committee recommend that the Board of Directors approve the matters set forth for approval in the Proposed Resolutions section of Exhibit D hereto. Such motion was seconded and unanimously approved.

6. Brooklyn Army Terminal Sublease for Community Shared Solar Panel

Jack Wilde, an Assistant Vice President of NYCEDC, presented a proposal for NYCEDC to sublease approximately 80,000 square feet of rooftop space on Building B at BAT to (a) a special purpose entity (the "Special Entity") owned by Co-Op Power, Inc. ("Co-Op") (or owners or principals thereof) and Peter Davidson (an equity investor) or (b) Co-Op, in the event the Special Entity has not been created by the proposed time of sublease execution, to provide for the installation and maintenance of a large scale solar photovoltaic system and all necessary supplemental components, as well as the management of a Community Shared Solar Program ("CSSP"), by the sublessee, on substantially the terms set forth in Exhibit E hereto.

In answer to a question from Mr. O'Sullivan, Mr. Wilde explained that the key components that factored in to NYCEDC's selection of Co-Op included having active community partnerships in the Sunset Park area, scalability, and proof of having done this sort of work before. Julie Stein, a Senior Vice President of NYCEDC, added that Co-Op had a number of solar installations in Massachusetts and that it also had partnered with local, New York City energy experts, such as Solar One. In answer to a second question from Mr. O'Sullivan, Mr. Wilde stated that Co-Op would be using a subcontractor to do the installation work, and that the lease included a stipulation that the roof would be returned to NYCEDC in the same condition that it was in prior to the work. In answer to an additional question from Mr. O'Sullivan, Mr. Wilde explained that the appraiser considered that the highest and best use for a roof was antennas, which was not appropriate to this space.

In answer to a question from Ms. Woo, Mr. Wilde summarized the structure of the CSSP. In answer to a question from Mr. McSpiritt, Mr. Wilde explained that anyone could be a subscriber to the CSSP but the plan was to target residential customers in the Sunset Park area and to also target industrial users in the Sunset Park Industrial Business Zone. He added that NYCEDC was determining whether the targeting plan would require modification. Ms. Stein noted that solar paneling could also be done on additional rooftop space that was available at BAT. In answer to a question from Mr. McSpiritt, Mr. Wilde stated that the solar panels had a useful life of approximately 40 years. In answer to a question from Ms. Woo, Ms. Stein stated that the structure of the deal may change in the event that the project could not specifically target Sunset Park. In answer to a question from Mr. Russo, Mr. Wilde stated that Co-Op was required in the lease to have a local community partner that would serve in a management role.

A motion was made that the Committee recommend that the Board of Directors approve the matters set forth for approval in the Proposed Resolutions section of Exhibit E hereto. Such motion was seconded and unanimously approved.

7. Adjournment

There being no further business to come before the meeting, pursuant to a motion made, seconded and unanimously approved the meeting of the Committee was adjourned at 2:53 p.m.



Assistant Secretary

Dated: 1/22/19

New York, New York

Attachment 1

DEFINITIONS

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

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

Exhibit A

**LONG TERM GROUND LEASE TO RAL COMPANIES & AFFILIATES LLC
Board of Directors Meeting
November 8, 2018**

LESSOR: The City of New York (the "City")

**LESSEE/
LEASE ASSIGNOR** NYCLDC

LEASE ASSIGNEE: (a) RAL Companies & Affiliates LLC ("RAL"), or (b) an entity in which (i) RAL or persons or entities which control RAL, and (ii) its equity partner Junius Real Estate Partners, an affiliate of JPMorgan Chase & Co., have a direct or indirect interest in all or most of the entity, and for which RAL or an affiliated entity will oversee the proposed development on the hereinafter defined Site (whichever, the "Developer")

**SITE
LOCATION:** Block 559, Lot 16 (the "Site")
124 East 14th Street
Borough of Manhattan
Community Board No. 3

**SITE
DESCRIPTION:** The Site, located at the intersection of East 14th Street and Irving Place, Manhattan, spans an approximately 15,450 square foot lot. The lot is owned by the City. The Site is currently improved with a vacant two-story retail building consisting of approximately 20,000 square feet.

The Site is approximately depicted in Attachment A.

**PROJECT
DESCRIPTION** NYCEDC released an RFP on November 5, 2015, for the disposition and redevelopment of the Site and ultimately selected the Developer as the successful respondent. Respondents to the RFP and a brief summary of their responses are listed on Attachment B.

It is anticipated that the City (as Lessor) and NYCLDC (as Lessee) will enter into a 49-year ground lease of the Site with two 25-year renewal options (the "Lease"). It is further anticipated that NYCLDC will then assign such Lease to the Developer, and it is anticipated that NYCEDC will administer the Lease.

The Developer proposes to demolish the structures on the Site and redevelop the Site into a 21-story commercial development comprising approximately 240,000 square feet that will be used according to the following Lease restrictions (the "Project"):

- 1) during the first twenty-five (25) years of the Lease term, the Developer is required to cause:
 - (a) approximately 10,000 square feet of the building to be used as retail space with approximately 25% of retail vendor stalls reserved for first-time entrepreneurs or new businesses, with a focus on small food vendors;
 - (b) approximately 44,000 square feet of the building to be used primarily to promote uses which support civic innovation and/or diversity in tech or social entrepreneurship in New York City and for community events (together, "Civic Hall Uses") and, possibly, other uses permitted by the Lease;
 - (c) approximately 71,000 square feet to be used as step-up office space for growing start-ups;
- 2) during the full ninety-nine (99) year lease term, the Developer shall cause approximately 44,000 square feet to be used as workforce development space ("Workforce Development Space"); such space is also subject to certain rent restrictions in connection with workforce development space users; and
- 3) the remaining space shall be available for other commercial uses as the Developer may deem desirable, excluding hotels or other lodging.

The Project is anticipated to generate approximately 811 construction jobs and approximately 615 permanent jobs. Developer will work with NYCEDC and the community to implement HireNYC program goals and initiatives.

**PURPOSE OF THE
DISPOSITION/BENEFIT
TO THE PUBLIC:**

It is anticipated that the disposition of the Site will transform an underutilized City-owned asset into a mixed-use commercial development that primarily provides for Workforce Development Space, Civic Hall Uses, and retail and office space tailored to the needs of new and growing businesses.

LEASE TERMS:

Currently the capitalized value of the Developer's ground rent payment is \$51,450,000 or \$246 per zoning square foot ("ZSF") of space authorized to be built.

The Developer shall make an initial \$5,000,000 payment upon the effective date of the Lease. Thereafter, commencing in the fourth lease year, base rent shall be \$2,300,000, with 2% annual escalations beginning in the ninth lease year. Base rent resets will occur on the first day of the 31st, 61st, and 91st Lease years based on a fair market value appraisal of the land as encumbered by the use restrictions set forth in the Lease.

The Lease includes a participation rent structure for each lease year from and after the fourth lease year. The percentage rent is equal to 10% of gross revenue in excess of a percentage rent threshold.

Commencing at such time that the Workforce Development Space is fully occupied, the Developer is obligated, in lieu of an amount of base rent equal to \$200,000, subject to annual escalations based on increases to the Consumer Price Index, to pay said amount to fund the programmatic elements of the Workforce Development Space.

Developer will make payments in lieu of taxes ("PILOT") equal to 100% of real property taxes, except that, in the event that all or a portion of the Civic Hall space or Workforce Development component is subleased to a qualifying non-profit entity as determined by NYCEDC, in its sole and absolute discretion, the PILOT for such subleased space may be reduced to as low as zero dollars (\$0.00) per annum.

Additionally, the Developer will comply with Living Wage and Prevailing Wage laws.

**APPRAISED
VALUE:**

An independent appraisal of the Site at highest and best use was obtained from Weitzman & Associates. The appraisal valued the fair market annual rent for the Site at \$6,050,000 and valued the Site at \$109,400,000. These values took into account the cost of construction at the Site, but did not take into account the development requirements and restrictions pertaining to the use and transfer of the Site. A separate determination by the appraiser, which did take into account the costs of such requirements and restrictions, resulted in a

fair market annual rent for the Site of \$2,200,000 and valued the Site at \$43,000,000.

**EXISTING
ZONING:**

The Site is part of a larger zoning lot consisting of Lots 16 and 55 on Block 559. Lot 16 and Lot 55 are in a C6-4 zoning district. Pursuant to a Zoning Lot Development Agreement, approximately 209,000 ZSF of commercial zoning square footage is allowable on the Site.

**PUBLIC
APPROVALS:**

The Project received ULURP approval for disposition on December 7, 1983.

The Project received ULURP approval for rezoning the zoning lot to C6-4 from the City Planning Commission on June 27, 2018.

Pursuant to Section 384(b)(4) of the City Charter, the Manhattan Borough Board approved the proposed disposition of the Site on September 20, 2018.

**PROPOSED
RESOLUTION:**

Approval for NYCLDC to (i) lease the Site from the City substantially as described herein, (ii) assign such lease to the Developer, substantially as described herein, and (iii) enter into any related agreements and documents and consents and amendments to effectuate the Project substantially as described herein.

The Board of Directors further resolves that there is no reasonable alternative to the proposed transfer to the Developer that will achieve the same purpose as the transfer.

**NYCEDC
PROJECT CODE:**

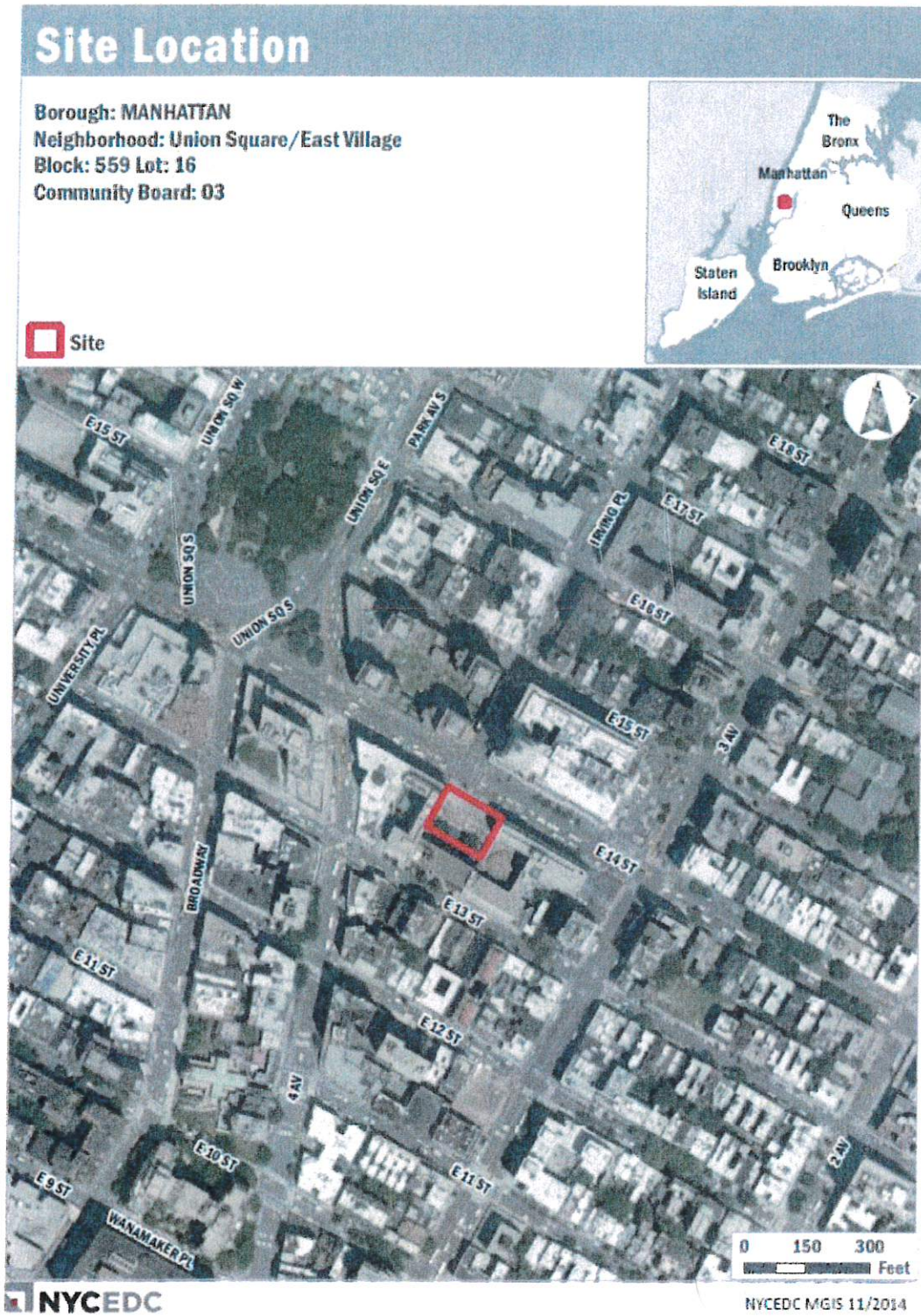
6035

NYCEDC STAFF:

Jerald Watson, Senior Associate, Real Estate Transaction Services
Joshua Mitchell, Vice President, Real Estate Transaction Services
Hester Muis, Senior Vice President, Real Estate Transaction Services
Lauren Brady, Senior Counsel, Legal

Attachment A

Site Location Map



Attachment B

Initial Respondent Responses

Development Partners	Proposed Project	Approximate Proposed Annual Payment When Building Substantially Occupied
Dune Real Estate Partners and ClearRock Properties	Commercial project with retail space and office space	Stabilized Lease Payment: \$5.5M
Milstein Properties	Commercial project with retail space and office space	Stabilized Lease Payment: \$2M
Tishman Speyer	Commercial project with retail space and office space	Stabilized Lease Payment: \$2.1M
Simon Baron Development and Premiant Development	Commercial project with retail space and office space	Stabilized Lease Payment: \$2M
RAL Companies	Commercial project with retail space and office space	Stabilized Lease Payment: \$750K
JEMB Realty	Commercial project with retail space and office space	Stabilized Lease Payment: \$3.5M
Kushner Companies and WeWork	Commercial project with retail space and office space	Stabilized Lease Payment: \$5.8M
Midtown Equities	Commercial project with retail space and office space	Stabilized Lease Payment: \$1.1M
Trinity Holdings and McKissack & McKissack	Commercial project with retail space and office space	Stabilized Lease Payment: \$1.7M
Taconic and BFC Partners	Commercial project with retail space and office space	Stabilized Lease Payment: \$2M
LAM Group	Commercial project with office space	Stabilized Lease Payment: \$1M
IBK	Commercial project with retail space and office space	Stabilized Lease Payment: \$2.3M
Ceruzzi Holdings and SMI	Commercial project with retail space and office space	Proposed to purchase not lease

Exhibit B

**BROOKLYN ARMY TERMINAL
SUBLEASE FOR FUTUREWORKS CENTER
Board of Directors Meeting
November 8, 2018**

- SUBLESSOR:** NYCEDC
- SUBLESSEE:** Staten Island Makerspace, Inc. d/b/a Makerspace NYC or an affiliated entity (referred to as "Makerspace NYC" or "Tenant")
- SITE:** Approximately 15,500 square feet of space constituting Unit 1C of the 1st floor of Building B at BAT (the "Site"). The Site is approximately shown on the site plan attached hereto as Attachment A.
- EQUIPMENT:** Certain fabrication and production equipment and tools used in advanced manufacturing work, owned by NYCEDC
- PROJECT DESCRIPTION:**
- NYCEDC currently leases BAT from the City. On September 29, 2017, NYCEDC's Board approved a subleasing plan for Building B at BAT. The proposed sublease is for less base rent than the pre-approved subleasing terms.
- In March 2018, NYCEDC released the "Futureworks Center for Advanced Manufacturing Operator RFP" (the "RFP") to sublease the Site, to lease the Equipment, and to procure a suite of services, including the operation of a center primarily for entrepreneurs and small businesses to develop advanced manufacturing technologies, products, and/or processes (the "Project"), which would fulfill a major component of the Mayor's 10-point Industrial Action Plan to modernize the City's industrial policy.
- The respondents to the RFP and their proposals are set forth in Attachment B. Makerspace NYC was selected based on several factors, including the quality of its proposal and its experience in running a makerspace. It is anticipated that Makerspace NYC will (a) operate the Site primarily to help new and incumbent

entrepreneur and small business manufacturers adopt advanced manufacturing technologies and (b) provide services including training classes and events to fulfill requirements set forth in the RFP. Makerspace NYC will be required to operate and maintain the Site and Equipment, and will be responsible for all managerial, operational, and programming activities at the Site. Makerspace NYC will offer memberships to support access to the Site, prototyping and design services for manufacturers, adult education, and STEAM (Science, Technology, Engineering, Art and Mathematics) programming.

**PURPOSE OF DISPOSITION/
BENEFIT TO THE PUBLIC:**

The proposed disposition of the Site and Equipment will promote NYCEDC's mission and promote the public welfare by providing advanced manufacturing space and training opportunities. It will have a positive economic impact on the City and on the State of New York by creating and maintaining permanent, private sector jobs in the City.

SUBLEASE TERM:

5 year initial term. The sublease will include an option to renew with the consent of NYCEDC for one additional 5-year term, based upon NYCEDC's evaluation of the Project. The terms and conditions of the renewal term will be agreed upon by NYCEDC and Makerspace NYC during the initial term, subject to the receipt of all necessary approvals.

BASE RENT:

In the initial term, the annual rental rate for the Site as well as Equipment will be the greater of \$31,000 ("Base Rent") or 10% of gross revenue incurred during the year ("Annual Rent Participation"). Based on appraisals, the total fair rental value of the Site for highest and best use and the Equipment is approximately \$240,000 in the initial year. The annual fair market rental value of the Site approved by the Board on September 29, 2017 is \$11.5 psf, approximately \$178,250, with a 2% annual escalation rate. The annual fair market rental value of the Equipment is estimated at approximately \$61,300 per year.

For the Annual Rent Participation, Tenant has to provide an audited annual financial statement at the end of each lease year.

In determining an acceptable rent, NYCEDC took into account the required use of the Premises and that the Sublessee will be required to provide various services and the amount of rent that would enable the project to be feasible.

APPRAISED VALUE: An appraisal dated September 7, 2017 by Goodman-Marks Associates, Inc. determined the estimated fair market value of the Site, for its highest and best use, is \$11.50 per square foot.

An appraisal dated September 12, 2018, by Rosin and Associates, Inc. determined that the fair market sale value of the Equipment is \$336,672, and the estimated fair market rental value for a five-year lease is \$61,296 per year.

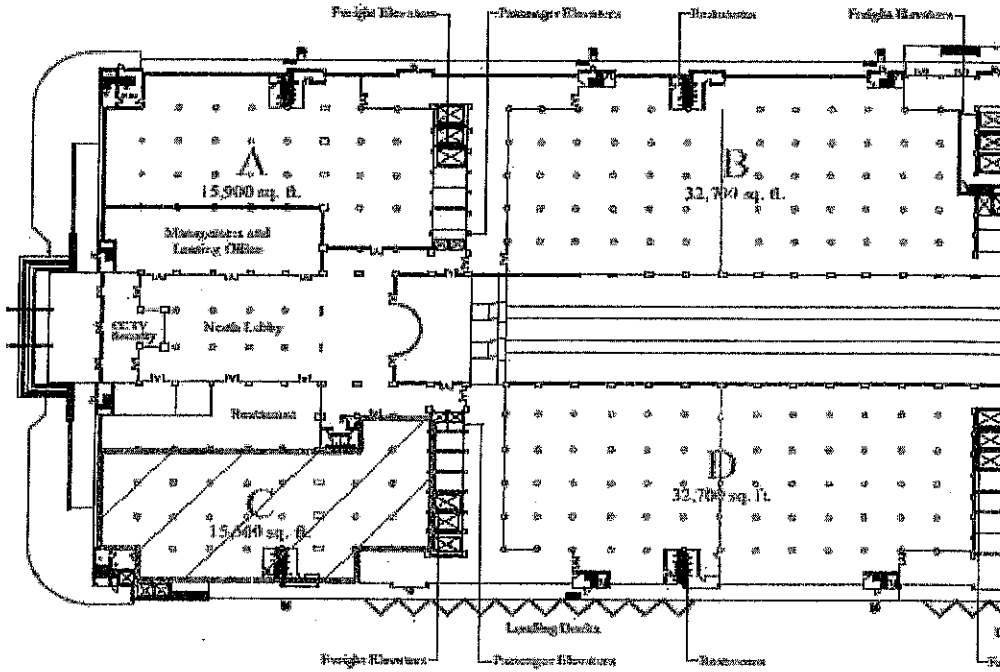
PROPOSED RESOLUTION: The authorization of NYCEDC to enter into the Sublease on substantially the above described terms

The Board of Directors further resolves that there is no reasonable alternative to the proposed sublease to Makerspace NYC that will achieve the same purpose as the transfer.

STAFF: Stacey Weismiller, Assistant Vice President, Asset Management
David Smucker, Assistant Vice President, Initiatives
Astrid Andre, Senior Counsel, Legal

Attachment A

Building B Proposed Futureworks Center Ground Floor Premises



Attachment B

Respondent Proposals

Name	Proposed Project	Approximate Proposed Total Rent Payment for a Five Year Term	Subsidy Requested
Makerspace NYC	Open access maker space	\$167,565	\$0
Duro Workforce ¹ or an affiliated entity	Open access maker space	\$169,740	\$0
New York Industrial Co-Op or an affiliated entity ²	Open access maker space	\$675,000	\$0
TechShop Global Inc. or an affiliated entity ³	Open access maker space	\$697,500	\$1,500,000

¹ Duro Workforce was an entity to be created by Nathaniel Padgett, Andre Anderson, Casey Rieder, Brian Wilson, Gabriel Foreman.

² New York Industrial Co-Op was an entity to be created by Spencer Wright.

³ This tenant was eliminated early in the process before "best and final" offers were solicited.

Exhibit C
AUDUBON BALLROOM BUILDING UNIT A SUBLEASE
Board of Directors Meeting
November 8, 2018

Audubon Ballroom Building

SITE

LOCATION: Block 2124, part of Lot 43 (the "Site")
Borough of Manhattan
Community Board No. 12
3940 Broadway

SITE

DESCRIPTION: The Site contains a two-story building of approximately 14,725 square feet that was constructed in 1913 and renovated in 1995. It includes the former Audubon Ballroom. Some space at the Site (not the space proposed by this item to be sublet) is anticipated to serve as a memorial in honor of Malcolm X.

MASTER LEASE: The Site is leased to NYCEDC by the City pursuant to an agreement of lease dated as of November 17, 1994 (the "Master Lease"), which expires on October 31, 2093.

Proposed Sublease of Unit A

SUBLESSOR: NYCEDC

SUBLESSEE: JPMorgan Chase Bank, National Association ("Chase")

**DESCRIPTION OF
SUBLEASED
PROPERTY:**

Unit A of the Site (the "Premises"), which contains approximately 3,725 square feet of ground floor retail space

TERM: November 1, 2019 to October 31, 2029 (the "Initial Term") with one 5 year renewal option (the "Renewal Term") from November 1, 2029 to October 31, 2034.

BASE RENT: In the Initial Term, Year 1 Base Rent will be \$465,625 (approximately \$125 psf), with 3% annual escalations.

In the Renewal Term, Year 11 Base Rent will be the greater of (1) the then current Base Rent (as annually escalated) or (2) the fair market rental value as per appraised value for the Premises as of the commencement date of the Renewal Term, with 3% annual escalations.

USE: A full service bank and purposes ancillary thereto; however, subject to Sublessor's reasonable prior written consent, the Premises may be used for any of the uses contained in Use Group 6 of the New York City Zoning Resolution as of the date of the Master Lease with certain exceptions stipulated in Exhibit E of the Master Lease, such as dry cleaning and laundry establishments, liquor stores, record stores and meeting halls and generally office uses.

APPRAISED VALUE: Based upon an appraisal, as of June 26, 2018, the annual fair market rental value for subleasing Unit A as is, is \$125 psf.

**PROJECT DESCRIPTION/
BENEFITS TO
THE PUBLIC:** On April 6, 2018, NYCEDC issued an RFP to sublease Unit A at the Site. One proposal was received, which was from the existing tenant, Chase. The proposed Base Rent by Chase was \$125 psf and was at market.

The new sublease will enable Chase to continue operating and providing quality jobs in the neighborhood. Pursuant to the Master Lease, the rents received from Chase in Unit A are required to be used for capital repairs, maintenance and operation of the Site including the Malcolm X memorial in Unit B.

Proposed Resolution

The approval for NYCEDC to sublease Unit A to Chase on substantially the terms described herein

**NYCEDC
PROJECT CODE:** 7077

NYCEDC STAFF: Jinqun Liang, Senior Associate, Asset Management - Revenue
Darryl Connelly, Senior Vice President, Asset Management - Revenue
Scott Shostak, Senior Counsel, Legal

Project Property Area

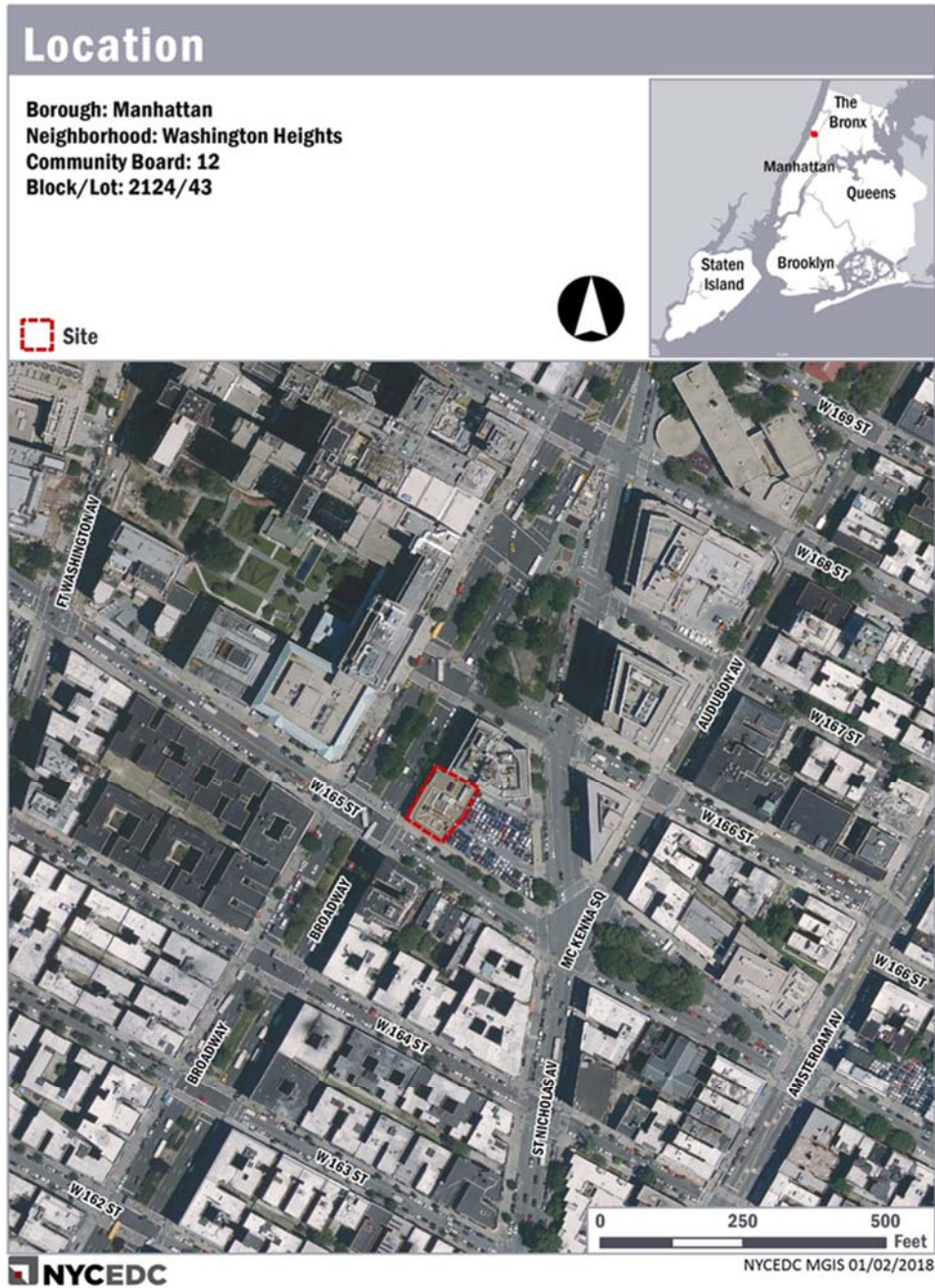


Exhibit D

**EAST NEW YORK INDUSTRIAL BUILDING: CALYPSO SUBLEASE
Board of Directors Meeting
November 8, 2018**

East New York Industrial Building

SITE LOCATION: Block 3729, Lots 1, 2, 5, 7, 10, 13, 15, 17, 20, 22, 24 and 38
(the "Site")
Borough of Brooklyn
Community Board No.16
191-201 Powell Street

SITE DESCRIPTION: The Site contains a one story building of approximately 30,500 square feet with six units, along with outside parking areas totalling approximately 29,500 square feet.

The building on the Site was constructed in 1992 and is a 'U' shaped building that is evenly divided into six approximately 5,000 square foot units.

The City of New York (the "City") has allocated approximately \$6 million in City capital funds to renovate the interior and exterior portions of the Site.

MASTER LEASE: The Site is leased to NYCEDC by the City pursuant to an agreement of lease dated as of August 18, 2018.

Proposed Sublease of Units S1 and S2

SUBLESSOR: NYCEDC

SUBLESSEE: Calypso Wholesale Distributors, L.L.C. ("Calypso")

DESCRIPTION AND LOCATION OF SUBLEASED PROPERTY:

Approximately 10,000 square feet in the building at the Site, known as Units S1 and S2, will be sublet. In addition, Calypso may sublease and/or have the right to use parking space at the Site.

TERM: Five years with a five year option to renew

BASE RENT: \$8.75 psf of building space per annum for the initial term and \$9.90 psf of building space for the renewal period if the option to renew is exercised. No additional charge for the parking space.

USE: Industrial use by Calypso; space is anticipated to primarily be used for producing, packing and/or distribution of vegetables and other grocery items.

APPRAISED VALUE: Based upon an appraisal, as of November 30, 2017, the annual fair market rental value for subleasing the units as is, is \$12.50 psf of building space per annum and as anticipated to be renovated will be \$16.50 psf of building space per annum.

PROJECT DESCRIPTION/PURPOSE OF DISPOSITION/BENEFIT TO THE PUBLIC:

In December 2017, an RFP was issued by NYCEDC for it to sublease all six units at the Site. The RFP indicated that the Site would be renovated and units would possibly not be usable during the renovation period. Two proposals were received from two existing tenants, Trans Union Transport Inc. and Calypso. Both of the proposals were for rents below the appraised value.

Calypso currently occupies Units S1 and S2. The new sublease will enable Calypso to continue operating in and providing quality jobs in the neighborhood, while keeping a portion of the Site occupied and active. It will help preserve industrial space in the East New York Industrial Zone. Without the new sublease, the subtenant might relocate from the area, providing fewer jobs and less economic activity in the neighborhood. Calypso was the only respondent to the RFP for the Site with regard to Units S1 and S2. NYCEDC will be making improvements to the Site, including Units S1 and S2. During the period of renovating Units S1 and S2, Calypso may be permitted to use other space at the Site.

Propose Resolutions

The approval of NYCEDC to sublease Units S1 and S2 to, and sublease to and/or provide for use of parking space by, Calypso on substantially the terms described herein

The Board of Directors further resolves that there is no reasonable alternative to the proposed sublease to Calypso that will achieve the same purpose as the transfer.

NYCEDC
PROJECT CODE: 1472

STAFF: Stacy Yan, Assistant Vice President, Asset Management-
Revenue
Patrick Conway, Vice President, Asset Management-Revenue
Scott Shostak, Senior Counsel, Legal

Exhibit E

**BROOKLYN ARMY TERMINAL
SUBLEASE FOR COMMUNITY SHARED SOLAR PANEL
Board of Directors Meeting
November 8, 2018**

LESSEE/

SUBLESSOR: NYCEDC

SUBLESSEE: (a) A special purpose entity (the "Special Entity") owned by Co-Op Power, Inc. ("Co-Op") (or owners or principals thereof) and Peter Davidson (an equity investor) or (b) Co-Op, in the event the Special Entity has not been created by the proposed time of sublease execution. In the event the sublease is entered into with Co-Op, the Co-Op will assign the sublease to the Special Entity once it is created.

It is anticipated that once the Special Entity sublessee achieves a certain rate of return, Peter Davidson's ownership interest in the Special Entity will be transferred to Co-Op, which thereafter will transfer at least 10% of the ownership of the Special Entity to United Puerto Rican Organization of Sunset Park-Bay Ridge, Inc.

SITE: Approximately 80,000 square feet of rooftop space on Building B at BAT

PROJECT

DESCRIPTION: NYCEDC currently leases BAT from the City. On September 29, 2017, the NYCEDC's Board approved a subleasing plan for Building B at BAT. The proposed sublease is for less base rent than the pre-approved subleasing terms and has a rent-free period that may exceed the pre-approved six-months rent free period.

Building B has approximately 100,000 square feet of rooftop space unencumbered by mechanical equipment or clearance requirements. Repairs are currently underway to reseal the roof.

In March 2018, an RFP was issued by NYCEDC for an owner/operator of a Community Shared Solar Program (a "CSSP") to lease up to 100,000 square feet of available rooftop space on Building B at BAT on which it would install a solar array. A CSSP operates under a program by which energy generated through renewable sources at one site is used to offset the energy use of the CSSP's subscribers. The CSSP generates energy at a site and sells it to the electric utility in exchange for credits, which the electric utility then applies directly to its electric charges to the subscribers. Instead of paying a utility bill, the subscribers make

subscription payments to the CSSP. These payments are more than the CSSP's cost to produce the power at the site, but less than what the subscribers' costs would have been had they bought power from the electric utility. The Special Entity will be the CSSP at Building B at BAT. This allows members of the community which do not control roof space to access the economic benefits of renewable energy.

The Sublessee was selected through a competitive RFP. Respondents that were responsive to the RFP and their proposals are set forth in Attachment A. The Sublessee's proposal best delivered on the RFP goals, including installing a large scale solar photovoltaic system and all necessary supplemental components (the "Solar PV System"), delivering significant energy cost savings to the community.

The Sublessee will be required to install and maintain the Solar PV System as well as manage all aspects of the CSSP.

**PURPOSE OF
DISPOSITION/
BENEFIT TO THE
PUBLIC:**

The CSSP allows members of the Sunset Park community ("SPC") to access the economic benefits of renewable energy. The Sublessee will provide a subscriber discount on the cost of electricity of 25% which is estimated to be worth approximately \$1,450,000 in terms of savings that will be delivered to subscribers in Sunset Park over the 25-year term of the sublease. In addition to the \$1,450,000 direct savings to the community in Sunset Park, it is anticipated that this will be one of the largest CSSP installations in the City and as such will provide the baseline data needed for private investment to create and expand CSSPs in the five boroughs, increasing access to renewable energy for all New Yorkers. It is anticipated that the CSSP will have a capacity of approximately 100 subscribers.

**SUBLEASE
TERM:**

The initial term of the sublease shall be up to 26 years including an initial one year rent free period. NYCEDC shall have options to terminate and buy out the sublease at the end of sublease years 11, 16, 21, and all subsequent years of the sublease term after year 21.

In the event that NYCEDC exercises its option to buy out the remaining years of the sublease, NYCEDC will retain the Solar PV

System or, at NYCEDC's sole discretion, the Sublessee will remove the Solar PV System from the Site.

Sublessee shall have two 5-year options to renew the sublease.

INITIAL RENT FREE PERIOD:

An initial rent free period shall commence upon execution of the sublease to allow for design, installation, and testing of the solar array. Upon the official commissioning of the array by a local utility or at the end of 12 months, whichever shall occur sooner, the rent free period shall terminate and the rental period shall commence. For purposes of this item, such rent free period is referred to as sublease year 1.

BASE RENT:

After the rent free period, a base rent will be \$47,000 annually, escalated 1% per year. The resulting rent per square foot is \$0.5875 in the second sublease year, with escalations shown below:

Sublease Year	Approximate Base Rent / SQUARE FEET	Sublease Year	Approximate Base Rent / SQUARE FEET
1	\$ 0.00	14	\$ 0.66
2	\$ 0.59	15	\$ 0.67
3	\$ 0.59	16	\$ 0.68
4	\$ 0.60	17	\$ 0.68
5	\$ 0.61	18	\$ 0.69
6	\$ 0.61	19	\$ 0.70
7	\$ 0.62	20	\$ 0.70
8	\$ 0.62	21	\$ 0.71
9	\$ 0.63	22	\$ 0.72
10	\$ 0.64	23	\$ 0.72
11	\$ 0.64	24	\$ 0.73
12	\$ 0.65	25	\$ 0.74
13	\$ 0.66	26	\$ 0.75

Monthly base rent for the second sublease year will be \$3,916.67.

Base rent for each renewal term shall be at least equal to 140% of the base rent in the Sublease Year prior to the commencement of the renewal term.

RENT CREDIT:

In order to incentivize the delivery of discounted energy to members of the SPC, the following rent credit structure has been proposed with regard to generated energy sold to residential

subscribers in zip codes 11220 and 11232 and industrial subscribers in the Sunset Park IBZ who subscribe to the CSSP, though subscribers shall be on a first come, first serve basis and are not limited to those zip codes and that IBZ.

% of Energy Sold to SPC	% Rent Credit	Effective Annual Rent in Year Two
0-50%	0%	\$47,000
50-60%	50%	\$23,500
60-70%	60%	\$18,800
70-80%	70%	\$14,100
80-90%	80%	\$9,400
90-99%	90%	\$4,700
100%	100%	\$0

The rent credit will be assessed through monthly monitoring and annual verification of audited financials from the operator, and shall be available during the initial term, and the renewal terms.

EFFECTIVE RENT:

Based on the proportion of the generated energy that is sold to residential subscribers in zip codes 11220 and 11232 and industrial subscribers in the Sunset Park IBZ at the discount rate agreed upon in the sublease, effective rent could drop to \$0.00/square feet.

APPRAISED VALUE:

The appraised value for the Site per the appraisal by Goodman-Marks Associates, Inc. dated September 7, 2017, is \$2.00 per square foot.

PROPOSED RESOLUTIONS:

Approval for NYCEDC to sublease the Site to the Sublessee on substantially the same terms as described herein

The Board of Directors further resolves that there is no reasonable alternative to the proposed sublease that will achieve the same purpose as the transfer

NYCEDC PROJECT CODE: 7163

STAFF:

Jack Wilde, Assistant Vice President, Asset Management - Revenue
 Stacey Weismiller, Assistant Vice President, Asset Management – Revenue

Louise Yeung, Assistant Vice President, Asset Management –
Revenue
Julie Stein, Senior Vice President, Asset Management - Revenue
Astrid Andre, Senior Legal Counsel, Legal

ATTACHMENT A

INITIAL PROPOSALS OF RESPONSIVE RESPONDENTS

RESPONSES INVOLVING BELOW NAMED ENTITIES AND OTHERS	PROPOSED FOOTPRINT	PROPOSED RENT	PROPOSED RENT / SF
Co-Op Power, Inc.	80,000	\$21,000	\$0.26 ¹
Fifth Avenue Committee, Inc.	80,000	\$27,500	\$0.34 ²
UGE USA Inc.	87,000	\$40,200	\$0.46 ³
OnForce Solar, Inc.	20,000	\$17,304	\$0.87 ⁴
Sunlight General Capital	58,000	\$32,000	\$0.55 ⁵

¹ Final and best offer was \$0.59

² Final and best offer was \$0.36

³ Final and best offer was \$0.46

⁴ Final and best offer not obtained

⁵ Final and best offer not obtained