



MINUTES OF A MEETING  
OF  
THE REAL ESTATE AND FINANCE COMMITTEE  
OF  
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION  
October 28, 2025

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 28, 2025, in Conference Room 14A (*The Battery*), on the 14<sup>th</sup> Floor at the offices of NYCEDC at One Liberty Plaza, New York, New York.

The following members of the Committee were present:

James McSpiritt  
Patrick J. O'Sullivan, Jr.  
Betty Woo

Members of NYCEDC staff and of the public also were present in person and by Zoom.

The meeting was chaired by Mr. O'Sullivan and called to order at 9:07 a.m. Mark Silversmith, a Special Counsel and Assistant Secretary of NYCEDC, served as secretary of the duly constituted meeting, at which a quorum was present.

1. Approval of the Minutes of the September 19, 2025 Special Meeting of the Committee

It was moved that the minutes of the September 19, 2025 special meeting of the Committee be approved, as submitted. Such a motion was seconded and unanimously approved.

2. Long Term Ground Lease to Queens Development Group, LLC

At this time, Sharmaine Belton, a Senior Associate of NYCEDC, presented a proposal for New York City Land Development Corporation ("NYCLDC") to (i) enter into a lease (the "Lease") for Block 1833, Lot 140 on the Tax Map of the Borough of Queens (the "Site") from The City of New York (the "City"), (ii) assign such Lease to either (a) Queens Development Group, LLC, or an affiliated entity (whichever, the "Developer"), and/or (b) an affiliated housing development fund corporation or other entity whose purpose is to facilitate affordable housing and/or obtain financing for the proposed

project (the "Financing Entity"), and (iii) enter into any related agreements and documents and consents and amendments to effectuate the project, all to provide for the development of the Site by the Developer, as part of the Phase 1 Development of Willets Point, into one 12-story senior affordable rental apartment building comprising approximately 184,359 gross square feet, all on substantially the terms set forth in Exhibit A hereto.

In answer to a question from Mr. McSpiritt, Ms. Belton stated that the completion timeline was 42 months after construction commencement. In answer to a second question from Mr. McSpiritt, Maria Lombera, a Senior Associate of NYCEDC, stated that the Developer had initial discussions with the New York City Department of Housing Preservation and Development ("HPD") regarding the Project financing and that it was seeking to close in the first quarter of 2026. In answer to a question from Ms. Woo, Ms. Lombera stated that the regulatory period was anticipated to be 40 years. In answer to another question from Mr. McSpiritt, Ms. Belton stated that Lot 143 was the school site. In answer to a question from Mr. O'Sullivan, Ms. Belton stated that this project was consistent with the rest of Phase 1 to get to 1,100 units, and that the project for the other 880 units was on track and scheduled to be completed in 2026. In answer to a second question from Mr. O'Sullivan, Ms. Lombera stated that Lease execution would be in line with the closing on the HPD subsidy.

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

### 3. BATWorks (f/k/a Climate Innovation Hub) Management Agreement

At this time, Jamie Horton, a Senior Vice President of NYCEDC, and Ali Kokot, an Assistant Vice President of NYCEDC, presented a proposal for (i) a management agreement with CIC NYC Innovation Services LLC, a single purpose entity created by Cambridge Innovation Center ("CIC"), pursuant to which it will serve as BATWorks' real estate operator and manager (the "Management Agreement"), and (ii) any agreements necessary to obtain funds ("Funding Source Agreements") and any required ancillary agreements, to provide for operation and management services at a hub that will anchor a growing ecosystem along New York Harbor for new climate technologists, entrepreneurs and talent working to develop, pilot, and deploy new solutions to combat the effects of climate change ("BATWorks" or the "Hub", formerly known as the "Climate Innovation Hub"), all on substantially the terms set forth in Exhibit B hereto.

In answer to a question from Mr. O'Sullivan, Mr. Horton explained that CIC did not yet have a center open in New York City, but that it had already hired someone who was based in the City and who previously worked in the City's innovation ecosystem. He added that NYCEDC was using the project's long ramp-up period to build CIC's local presence on top of its introduction through the Climate Innovation Hub. In answer to a question from Mr. McSpiritt, Mr. Horton stated that CIC, Los Angeles Cleantech Incubator ("LACI"), and Perkins & Will Architects, P.C. were coming in as a consortium

to be able to deliver on every part of the Hub. In answer to a second question from Mr. McSpiritt, Mr. Horton stated that there were 8 applications in response to the request for proposals ("RFP"). In answer to a third question from Mr. McSpiritt, Mr. Horton explained that NYCEDC did try to do some matchmaking between groups that it saw as complementary, but the consortiums were already large enough. In answer to another question from Mr. McSpiritt, Mr. Silversmith explained that NYCEDC determined that this item was appropriate to go before the Committee because the management agreement was similar to a lease.

In answer to a question from Mr. O'Sullivan, Mr. Horton explained that the minimum net income distribution threshold was the only milestone trigger for a default or termination, but that NYCEDC was also collecting a lot of other performance metrics, and that there were requirements that CIC and LACI report on the same metrics so that NYCEDC can track the impact of the ecosystem and not just the financial performance. In answer to another question from Mr. O'Sullivan, Mr. Horton stated that by building in the termination right NYCEDC would not get in a situation where it is required to keep the operations going if the center is not performing financially.

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

At this time, Mr. O'Sullivan announced that he would be recusing himself from the Hunts Point Produce Market item since he was representing the Produce Market Cooperative with regard to a related lease and he left the room.

#### 4. Hunts Point Produce Market Redevelopment

Stephen Aly, an Assistant Vice President of NYCEDC, and Kevin Dunlevy, a Vice President of NYCEDC, then presented a proposal for NYCEDC (a) to (1) form HPPM LLC, a special purpose borrowing entity (an "SPE") of which NYCEDC will be the sole member, for the purpose of obtaining a Railroad Rehabilitation and Improvement Financing loan (the "RRIF Loan") from the U.S. Department of Transportation ("USDOT") and entering into related required agreements, and for related purposes, in connection with a proposed new Hunts Point Produce Market facility (the "Project") that will replace the existing facility, (2) enter into certain RRIF Loan related agreements, and (3) enter into a services agreement between NYCEDC and HPPM LLC setting forth certain services to be performed by NYCEDC on behalf of HPPM LLC (the "Services Agreement") and a contract with the selected design-build firm to facilitate Project construction (the "Design-Build Contract"), and (b) to take any actions and make payments and enter into any related agreements necessary for and related to the RRIF Loan or Project and making expenditures, all on substantially the terms set forth in Exhibit C hereto.

In answer to a question from Ms. Woo, Mr. Dunlevy stated that there will be some fees incurred during construction in connection with the RRIF Loan, and that

those fees will be part of the development budget and paid like other development costs. He added that on an ongoing basis the fees in connection with the loan will be funded out of the rent for the new facility, and that they will technically be paid by NYCEDC and then reimbursed by the SPE. In answer to a second question from Ms. Woo, Mr. Dunlevy stated that the rent will be sized to the annual debt service under the RRIF Loan, but that such debt service will not be known until the interest rate is fixed at the time of the loan closing. Mr. Aly added that how the rent will compare to the fair market appraisal value on a square footage basis will depend on the size of the facility once NYCEDC receives the design-build proposals for the Project. PJ Berg, an Executive Vice President of NYCEDC, then stated that NYCEDC anticipated that the rent based on the debt service will be less than the market rent. Jeanny Pak, an Executive Vice President of NYCEDC, then noted that the rent would be pretty much flat through 40 years.

In answer to a question from Mr. McSpiritt, Ms. Pak stated that the intent was that at stabilized operation the lease would pay for only the RRIF Loan, that excess coverage of 10% would cover NYCEDC's costs of operating the SPE, and that there would be some other costs after debt service that NYCEDC would have to fund. In answer to a second question from Mr. McSpiritt, Ms. Pak stated that the expected size of the lease payment by the Produce Market tenant would be significantly more than what it was previously paying, but that there would be a lot of operating savings, and that NYCEDC, the tenant and the ratings agency had done diligence in terms of how affordable this was. In answer to a third question from Mr. McSpiritt, Ms. Pak stated that the rating from S&P Global Ratings was specific to only the SPE, that there would be no other debt on it, and that it was currently a BBB rating. In answer to a fourth question from Mr. McSpiritt, Ms. Pak stated that because the capital stack contained significant grant funding NYCEDC will be able to use all the grant funds and then draw the RRIF Loan money last. In answer to a fifth question from Mr. McSpiritt, Ms. Pak stated all the money will exist on day one, and that NYCEDC will not have to draw and pay. Mr. Berg added that NYCEDC will have an executed loan agreement and will be able to draw on it.

In answer to another question from Mr. McSpiritt, Ms. Pak explained that the interest rate will be locked at the time of loan closing, that interest is only accrued on drawn funds, and that there will be no undrawn fee. Ms. Pak added that the rate will be determined the morning of closing and will be the 30-year treasury rate plus a credit spread. In answer to another question from Mr. McSpiritt, Ms. Pak stated that the New York State grant funding is typically disbursed pro rata with other funds and that the sequencing of State grant funds will have to be worked out, and that the FHWA grant is also available to NYCEDC, which is going to flow through the City. In answer to an additional question from Mr. McSpiritt, Ms. Pak explained that the debt service reserve was typically one year, but that NYCEDC really wanted an investment-grade rating because this was such a brand new and different credit profile than what RIFF and rating agencies were used to, and that NYCEDC therefore felt that a two-year debt service reserve fund would give the extra bump needed to secure such an investment grade rating. At this time, a brief discussion ensued among Mr. McSpiritt, Ms. Pak and Matthew Furlong, a Senior Vice President of NYCEDC, regarding the decisions made

on how to structure this and what the alternative options were. Mr. McSpirtt then stated that this was a good economic development opportunity, that he felt NYCEDC's approach would work for what is a jobs machine in the Bronx, and that he was pleased to see this happening.

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

5. 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 9:55 a.m.



Assistant Secretary

Dated: January 21, 2026  
New York, New York

**EXHIBIT A**

**LONG TERM GROUND LEASE TO QUEENS DEVELOPMENT GROUP, LLC**  
**Board of Directors Meeting**  
**November 13, 2025**

**LESSOR:** The City of New York (the “City”)

**LESSEE/  
LEASE ASSIGNOR:** NYCLDC

**LEASE ASSIGNEE:** The lease assignee will either be (i) Queens Development Group, LLC (“QDG”), or an affiliated entity (whichever, the “Developer”) and/or (ii) an affiliated housing development fund corporation (“HDFC”) or other entity whose purpose is to facilitate affordable housing and/or obtain financing for the proposed project (the “Financing Entity”). If the Financing Entity, or the Financing Entity and the Developer, is the Lease assignee, the Developer will be the beneficial owner of the leasehold interest. The Developer is controlled directly or indirectly by the Related Companies and Sterling Equities and/or their affiliates.

**SITE  
LOCATION:** Block 1833, Lot 140 (the “Site”)  
Willets Point  
Borough of Queens  
Community Board #7

**SITE  
DESCRIPTION:** The Site is approximately 16,112 square feet. The Site is owned by the City and is currently vacant. The Site is depicted in Attachment A.

**BACKGROUND:** The City has envisioned the redevelopment of Willets Point over several mayoral administrations. The Willets Point and Flushing Meadows Corona Park area had been historically known as the ‘Valley of Ashes’ due to their serving as a coal ash dump during the early 20<sup>th</sup> century. Though the coal ash was removed from the entire area and the larger Flushing Meadows Corona Park area was developed for the 1939 World’s Fair, the area known as Willets Point was never fully developed. In the mid-20<sup>th</sup> century, the Willets Point area evolved into primarily a neighborhood of automobile chop shops consisting of one-story metal structures and lacking basic infrastructure such as sanitary sewers.

In 2002, the Downtown Flushing Task Force convened to develop a planning strategy for the growth of Downtown

Flushing, the Flushing River waterfront, and Willets Point. Building upon this strategy, in 2008, approximately 63-acres bound by Seaver Way (126<sup>th</sup> Street), Northern Boulevard, Block 1833, Lot 1 to the west of Flushing Creek, and Roosevelt Avenue were rezoned, established as the Special Willets Point District (“SWPD”), and designated as an Urban Renewal Area. The City commenced purchasing properties from private landowners within Willets Point that would be part of future land assemblages.

NYCEDC released an RFP in 2011 for development proposals, and in 2012 QDG was selected. QDG’s initial proposal included development of a portion of the SWPD, and the parking lots of Citi Field (“Willets West”), which parking lots are mapped parkland. SWPD was to have been a mixed-use neighborhood featuring office, retail, hotel, a school, open space, and 2,500 units of housing, 35% of which was to have been affordable. Willets West was to have been developed as a retail mall. The Willets West component was challenged in court, and in 2017, was ruled to be a use inconsistent with the legislation that provided for the construction of Citi Field and its precursor Shea Stadium on parkland. Since Willets West was to have financially supported development of the entire plan, redevelopment was postponed.

On February 5, 2018, NYCEDC entered into a Pre-Development Agreement with QDG for Phase 1 of the Willets Point development (the “Phase 1 Development”), which was amended as of March 5, 2021, and further amended as of November 21, 2023. In July 2021, infrastructure work for the Phase 1 Development and remediation work on both the Phase 1 premises and the majority of the Phase 2 premises commenced, with the remediation work completed in 2024 and the Phase 1 infrastructure work expected to be completed in 2026. On November 21, 2023, the City entered into a ground lease with (i) Willets Point I Housing Development Fund Corporation (“Legal Tenant”), as nominee for an affiliate of QDG which is the beneficial tenant (the “Beneficial Tenant”) and (ii) the Beneficial Tenant, for development of the first 881 units of planned affordable housing, for which construction commenced in December 2023 and is anticipated to be complete in 2026.

**PROJECT DESCRIPTION:**

As part of the Phase 1 Development, the Site will be developed by the Developer into one, 12-story senior affordable rental apartment building comprising approximately 184,359 gross square feet (the "Project"). The development is expected to include (i) approximately 181,506 gross square feet of senior affordable housing, and (ii) approximately 2,853 gross square feet of community facility space. Subject to unavoidable delays, the Developer is to commence construction of the Project within 120 days of the Lease effective date and substantially complete construction of the Project by 42 months after the construction commencement date.

The Developer shall deliver approximately 220 senior affordable rental apartment units, which will include a homeless set-aside and units affordable to households earning up to 60% AMI.

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

It is anticipated that the disposition of the Site will transform underutilized City-owned land that has historically been a contaminated area into a mixed-use development that provides for affordable housing and community facility uses.

**LEASE TERMS:**

It is anticipated that the City (as Lessor) and NYCLDC (as Lessee) will enter into a lease for the Site (the "Lease"). It is further anticipated that NYCLDC will then assign such Lease to the Developer and/or the Financing Entity and that NYCEDC will administer the Lease on behalf of the City.

The term of the Lease will be 99 years.

The annual base rent will be \$1 during the period that the rents of the housing units on the Site are regulated pursuant to an agreement related to affordable housing with HPD. Upon termination or expiration of the regulatory period, and every 25 years thereafter, the annual base rent will be based on an appraisal of the fair market value of the Site for the uses permitted under the Lease, with periodic escalations.

The Lease assignee will make payments in lieu of taxes ("PILOT") in amounts equal to the real property taxes that would be assessed and levied against the Site if the owner of the Site was not the City except that PILOT will reflect (i) any as-of -right exemptions, abatements, credits or other

reductions that the Developer or the Financing Entity would be entitled to if it was the owner of the Site, and (ii) to the extent that any portion of the Project is being used for a regulated affordable housing use, a discretionary abatement in line with abatements for projects encumbered by a regulatory agreement under then-applicable laws, regulations, policies, and/or programs.

**APPRAISED  
VALUE:**

An independent appraisal of the Site was commissioned in August 2025. The appraisal valued the fair market annual rent for the Site at \$0, accounting for the specific development requirements and restrictions pertaining to the use and transfer of the Site. The appraisal also valued the highest and best use fair market annual rental value of the Site at \$847,000.

**EXISTING  
ZONING:**

The Site is zoned C4-4 within the SWPD.

**PUBLIC  
APPROVALS:**

On September 24, 2008 (Calendar No. 17) City Planning approved the disposition and rezoning of the Site, as part of the Willets Point Urban Renewal Area.

Pursuant to Section 384(b)(4) of the City Charter, the proposed disposition of the Site was approved by the Queens Borough Board on May 10, 2021. The proposed disposition must obtain Mayoral Authorization prior to the execution of the Lease.

The Project design is subject to review and approval by the Public Design Commission (“PDC”). The Project received final stage Approval from PDC on February 12, 2024.

**PROPOSED  
RESOLUTIONS:**

Approval for NYCLDC to (i) enter into the Lease for the Site from the City substantially as described herein, (ii) assign such Lease to the Developer and/or Financing Entity, 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 and/or Financing Entity that will achieve the same purpose as the transfer.

**NYCEDC**

**PROJECT CODE:** 1906

**NYCEDC STAFF:**

PJ Berg, Executive Vice President, Real Estate Transaction Services

John Raymond, Vice President, Real Estate Transaction Services

Maria Lombera, Senior Associate, Real Estate Transaction Services

Sharmaine Belton, Senior Associate, Real Estate Transaction Services

Judy Fensterman, Assistant General Counsel, Legal

Attachment A

Site Location Map



|  |                  |
|--|------------------|
|  | Project Site     |
|  | Phase 1 Boundary |

**EXHIBIT B**

**BATWORKS (f/k/a CLIMATE INNOVATION HUB) MANAGEMENT AGREEMENT**  
**Board of Directors Meeting**  
**November 13, 2025**

**Project Description:**

NYCEDC released the Climate Innovation Hub RFP in April 2024 (the “Hub RFP”). The Hub RFP sought consortiums to develop a hub that will anchor a growing ecosystem along New York Harbor for new climate technologists, entrepreneurs and talent working to develop, pilot, and deploy new solutions to combat the effects of climate change (“BATWorks” or the “Hub”, formerly known as the “Climate Innovation Hub”). BATWorks is expected to occupy approximately 200,000 square feet at BAT Building A (Ground Floor, Floors 7 and 8, and a portion of the roof) and is expected to provide services for business development, incubation and research commercialization, serving approximately 150 startups over 10 years and offering workforce development opportunities. This new space will be a world-class facility enabling emerging market innovators, small companies, and growth-stage and commercialization-stage companies to build and rapidly prototype products, carry out product research and development and draw upon needed resources in the fit-for-purpose space.

The Hub RFP contemplated that NYCEDC would procure operators to operate BATWorks and manage its programming. NYCEDC has selected a team led by Los Angeles Cleantech Incubator (“LACI” or the “Climate Innovation Operator”) to lead programming, and Cambridge Innovation Center (“CIC” or “Manager”) to lead the management and operation, of BATWorks.

NYCEDC has been allocated \$100 million of City Capital Budget funds for the design, construction and fit out of BATWorks. NYCEDC will manage the design and construction of the improvements through a CM, with input from CIC and LACI. NYCEDC has already received Board or Executive Committee approval for the following agreements which are being used to deliver the Hub:

- Arup US, Inc. (“Arup”) Design Agreement.
  - Arup is under contract with NYCEDC under an on-call design retainer contract. Under this contract Arup is delivering base building design services for the Hub space at BAT. CIC has been retained as a sub-consultant under this agreement to perform market assessment services to better inform the scope of Hub improvements.
- Perkins & Will Architects, P.C. (“Perkins & Will”) Design Contract (Approved by the Executive Committee April 30, 2025)
  - Up to \$6.4M for design services for BATWorks which will be led by Perkins & Will with a set of specialty sub-consultants. CIC is retained as a design subconsultant under this agreement. Design is to be followed by approximately two years of construction.

- LACI Services Agreement (Approved by the Board June 17, 2025)
  - Up to \$4.5M for the administration of climate innovation programming at BATWorks over its 5 year term, from July 2025 through July 2030.
- Suffolk Construction Company, Inc. (“Suffolk”) (Approved by the Board September 30, 2025)
  - Suffolk is under contract with NYCEDC as one of the Asset Management on-call CM retainer contracts for which an additional \$500M of total funding was approved at the September 30, 2025 Board meeting. Suffolk was selected from these retainers to act as CM for the BATWorks capital project that will utilize approximately \$100M in City Capital Budget funding. Suffolk was selected for its expertise building similarly high-performing spaces and for its role delivering base building improvements at BAT.

At this time, approval is being sought for a management agreement with CIC NYC Innovation Services LLC, a single purpose entity created by CIC, pursuant to which it will serve as BATWorks’ real estate operator and manager (the “Management Agreement”). The manager will be responsible for working with NYCEDC to design the space for its innovation function, partner with LACI to develop industry specializations for the Hub, marketing and tenanting the space, and day-to-day management of BATWorks once it is open.

### **About CIC**

CIC has designed and managed over 1.5 million square feet of innovation shared workspaces across 9 cities globally. It creates environments and programming that foster growth and connection and specialize in lab and office facilities. CIC co-founded the world’s largest specialized startup facilities for life sciences (LabCentral), robotics (MassRobotics), and offshore wind (CIC Providence). In 25 years, CIC has served over 11,200 companies and its affiliates’ member companies have raised nearly \$40B in venture capital.

While CIC will operate the entirety of the Ground, 7<sup>th</sup> and 8<sup>th</sup> floors at BATWorks, the lab and office space that CIC will administer for its clients will be located primarily on the 7<sup>th</sup> and 8<sup>th</sup> floors while LACI will primarily utilize classroom, prototyping and amenity spaces for programming on the Ground Floor. CIC’s operating model is to provide short-term licenses to companies looking to use the space they operate. As such CIC will enter into licenses and other use agreements with BATWorks clients. These clients will utilize both individual space like dedicated offices and labs as well as shared amenities like co-working, prototyping and event spaces.

**Borough:** Brooklyn

**Type of Contract:** Management Agreement and any needed Funding Source Agreements

**Amount To Be Approved:** Up to \$8,500,000

**Type of Funds:** NYCEDC programmatic budget funds, City Tax Levy, and IDA programmatic funds may be used

**Procurement Method:** Public RFP

**Agreement to Be Approved:** Management Agreement with CIC NYC Innovation Services LLC to provide operation and management services at the Hub

**M/WBE Goals:** N/A

**Term of Agreement:** Up to approximately 30 years, inclusive of all renewals and extensions. The term will be inclusive of the following pre and post-opening periods:

- **Pre-Launch Period:** The period of time from execution of the Management Agreement to the start of the Pre-opening Period. This is expected to cover CY 2026.
- **Pre-Opening Period:** The period of time from the end of the Pre-Launch Period to the opening and operations commencement date of the Hub (the “Hub Opening Date”).
- **Operating Period:** Fifteen (15) years from the Hub Opening Date, with two (2) renewal options of five (5) years each. Total maximum Operating Period is 25 years from the Opening Date (or 25 Operating Years). Renewals shall be automatic so long as there is no ongoing default under the Management Agreement.

**Scope of Work:** This scope of work covers all phases of the Project, substantially as outlined below.

During the Pre-Launch Period, Manager shall partner with the Climate Innovation Operator to host and facilitate events, market space to potential tenants and users, undertake sales and marketing activities, hire key staff, and establish administrative infrastructure.

During the Pre-Opening Period, Manager shall undertake the required actions to prepare the Hub for opening and commencement of operations, including without limitation, recruiting, hiring, training, travel, establishing payroll, marketing, and planning a launch event.

After the Hub is open, Manager is responsible for the operation and management of the Hub, including but not limited to strategic and operational management, obtaining

clients to use the space, event management, facility operations, vendor management, community building, programming coordination, and financial management.

**NYCEDC Operational Funding:**

Per the approval requested herein, NYCEDC will provide up to \$8,500,000 in operational funding to fund all or a portion of Manager’s operating expenses during: (i) the Pre-Launch Period, (ii) Pre-Opening Period, (ii) the Operating Period before the Hub reaches financial stabilization, and (iv) in the event of termination, to fund wind-down expenses. The Hub is expected to reach financial stabilization after the first five years of operation (CY 2026 through CY 2031), but this timeline may be extended if necessary. NYCEDC expects to provide up to \$6,000,000 in the aggregate to cover Manager’s operating expenses prior to Hub stabilization, a portion of which may be put in a cash reserve fund. However, NYCEDC may increase the aggregate amount up to \$7,500,000 in its sole discretion. NYCEDC will make up to \$1,000,000 available to fund expenses associated with winding down Hub operations should Manager be terminated.

**Hub Clients and Revenues and Expenses:**

Manager is responsible for securing Hub clients who will occupy the Hub through licenses and other use agreements. These uses are expected to generate the majority of revenue generated by the Hub. Manager is responsible for Hub financial performance and will collect all revenues and income generated directly by the Hub for the benefit of NYCEDC (the “Gross Revenues”). Such Gross Revenues will include any revenues attributable to use agreements, licenses, or similar space agreements at the Hub, events held at the Hub, operating grants, sponsorships, and investment revenues from cash reserves that may be used to offset operating expenses incurred by Manager to operate the space. Operating expenses include management fees, salaries and benefits, selling & advertising, utilities, consumables costs, repairs, among other costs.

NYCEDC will have approval of the operating budget for Operating Years 1-3 and any Operating Year when Manager does not expect to make a minimum net income distribution to NYCEDC (as further described under Manager Compensation and Obligations to NYCEDC below, the “Minimum NID Threshold”).

Net income after all operating expenses are paid will be distributed according to the following schedule (“Net Income Distributions” or “NIDs”):

| <b>Annual Net Income Range</b><br>(through Operating Year 5) | <b>NYCEDC Share of Net<br/>Income Distribution</b> | <b>Manager Share of Net<br/>Income Distribution</b> |
|--|--|---|
| \$1 - \$1,900,000  | 100%   | 0%  |
| \$1,900,001 - \$3,400,000                                    | 80%  | 20%   |
| Greater than \$3,400,000                                     | 60%  | 40%   |

Net income ranges increase 3% per year after operating year 5.

## **Manager Compensation and Obligations to NYCEDC**

Manager will be compensated through a Base Management Fee and Net Income Distribution Share. Manager's annual Base Management Fee will be the greater of \$350,000 or 5% of Gross Revenues, escalating 3% annually. Base Management Fee will be paid as part of operating expenses i.e. before calculation of net income distributions.

Manager is required to make Net Income Distributions to NYCEDC equal to or greater than the Minimum NID Threshold beginning in Operating Year 4. The Minimum NID Threshold schedule is:

- Year 4: \$560,000
- Year 5: \$1,200,000
- Following year 5, Minimum NID Threshold escalates at 3% per year through end of Term

The above schedule amounts may be reduced as a result of the amount of space useable by clients as a result of the final design of the Hub.

Manager may receive offsets to Minimum NID Thresholds in exchange for discounted memberships or access to specialized facilities to the Climate Innovation Operator, community organizations, and other Hub users delivering on policy priorities. Any offsets must be approved by NYCEDC.

Manager is required to pay Common Area Charges on floors 7 and 8 beginning in Operating Year 4. Common Area Charges will be determined prior to Hub opening.

## **NYCEDC Termination Rights**

NYCEDC may terminate the Management Agreement with Manager should the operating reserve be completely exhausted or if Manager fails to make required NIDs for two consecutive years. If NYCEDC terminates the Management Agreement, Manager will have up to 180 days to wind down operations and transfer operations to a subsequent space manager selected by NYCEDC.

**Proposed Resolution:** To authorize the President and any empowered officer to enter into the Management Agreement, any needed Funding Source Agreements and any required ancillary agreements on terms substantially as described herein

**Relevant Staff:** William Young, Assistant Vice President, Innovation Industries  
Jamie Horton, Senior Vice President, Special Projects & Business Operations  
Ali Kokot, Assistant Vice President, Green Economy  
Izzy Cohn, Senior Counsel, Legal

**EXHIBIT C**

**HUNTS POINT PRODUCE MARKET REDEVELOPMENT**  
**Board of Directors Meeting**  
**November 13, 2025**

**Background:**

The Hunts Point Produce Market (the “Produce Market”) is located in the Hunts Point neighborhood of the Borough of the Bronx and operates within the broader Hunts Point Food Distribution Center (the “FDC”). The FDC, including the Produce Market, is owned by The City of New York (the “City”). The Produce Market is the largest produce market in the United States and relocated to the FDC in 1967, where it operates today with approximately 2,000 full-time equivalent employees.

The FDC plays a vital role in New York City’s food supply chain, distributing approximately 4.5 billion pounds of food annually, about half of which is distributed throughout New York City. About 12 percent of all food in New York City goes through FDC, including about 25 percent of produce, 35 percent of meat and 45 percent of fish.

The Produce Market is operated by the Hunts Point Terminal Produce Cooperative Association, Inc. (the “Cooperative”), a New York cooperative corporation comprised of approximately 25 members, including 3rd and 4th generation businesses. The Cooperative leases the Produce Market premises from the City pursuant to a lease (the “Existing Lease”) expiring on May 31, 2031.

At nearly 60 years old, the existing facility serving the Produce Market (the “Existing Facility”) has exceeded its useful life and is functionally obsolete, requiring comprehensive redevelopment. Bordered by Halleck Street to the west and Food Center Drive to the south, the Existing Facility comprises four buildings spread across approximately 77 acres. Due to a lack of sufficient cold storage space, the Existing Facility requires an additional up to 1,000 diesel-powered transport refrigeration units (“TRUs”) to support wholesale produce operations. In addition to insufficient refrigerated warehouse space, the Existing Facility is challenged by an inefficient layout, limited ceiling height, outdated and poor circulation that results in truck congestion, and a burdensome rail connection. These conditions have limited the Cooperative’s ability to grow business and resulted in negative impacts on the local area, including poor air quality and heavy traffic.

**Project Description:**

On August 12, 2024, NYCEDC and the Cooperative entered into a letter agreement (the “Letter”), outlining preliminary points of agreement for the replacement of the Existing Facility with a state-of-the-art, fully electric intermodal facility across two new buildings (the “New Facility”), along with improvements to sitewide access

and circulation and rail infrastructure (together, the “Project”).

Expanded refrigeration warehouse space with increased ceiling heights and a modern racking system in the New Facility will expand pallet capacity, increase operational efficiency, and eliminate the need for on-site diesel-powered TRUs, currently used for permanent storage. The Project will also deliver improved traffic circulation and rail infrastructure, subsurface utility interconnections, electric vehicle and truck chargers, office and administrative space, and maintenance and waste management facilities, among other features.

The Project budget is approximately \$635 million, of which approximately \$14.5 million is being utilized for Project related expenses pursuant to previous Board and Executive Committee authorizations for expenditures under existing retainers, including a CM Contract, a civil engineering retainer and an environmental review retainer (approximately \$12 million), contracts with Ernst & Young Infrastructure Advisors, LLC (\$1 million) and Nixon Peabody LLP (\$1 million) and expenditures for indicative and definitive ratings from S&P Global Ratings acting through Standard & Poor's Financial Services LLC and an indicative rating from Moody's Investors Service, Inc. . Approximately \$601 million will be spent pursuant to the Design-Build Contract, as defined below. Approximately \$2.5 million will be paid on a sole source basis to the two entities of the Design-Build Shortlist, as defined below, that are not awarded the Design-Build Contract. Approximately \$5 million will fund on a sole source basis the cost of tenant representation services to be obtained by the Cooperative. Approximately \$2 million will be used on a sole source basis to pay fees to Ernst & Young Infrastructure Advisors, LLC and Nixon Peabody LLP in excess of those previously approved, financing and legal fees of the U.S. Department of Transportation (“USDOT”) related to the RRIF Loan, as defined below, and miscellaneous expenses necessary to effectuate the Project. Finally, approximately \$10 million will be reserved as owner's contingency to fund on a sole source basis overages for any of the aforementioned Project costs. The \$635 million Project budget does not include fees for annual surveillance or monitoring of the credit rating for the life of the loan previously approved by the Executive Committee.

\$405 million in funding is committed to the Project, including: (i) \$130 million in City Capital Budget funds, (ii) \$130 million from the State of New York, and (iii) \$145 million in federal grants, including \$110 million from USDOT's Infrastructure for Rebuilding America program. The City is the grantee of the federal and New York State grants and will advance funding to NYCEDC and subsequently be reimbursed by the respective grantors. The balance of

approximately \$230 million is anticipated to be funded with a Railroad Rehabilitation and Improvement Financing loan (the “RRIF Loan”) from USDOT. NYCEDC is fronting certain of the Project expenses with the anticipation that it will be reimbursed from the above indicated sources.

The RRIF Loan will be secured by a rent pledge from a new long-term lease between the City and the Cooperative for the New Facility (the “New Lease”), together with a pledge of lease revenue from certain City-owned assets, as described below. The New Lease will be on an absolute net basis with a lease term of 40 years. The City will enter into the New Lease pursuant to Section 1301.2 of the Charter of the City of New York.

**Project  
Construction:**

Procurement of the design-build firm for the Project commenced on March 18, 2025, with NYCEDC’s release of a request for qualifications (the “Design-Build RFQ”) as the first stage of an RFP process under the Competitive Sealed Proposals method of procurement under NYCEDC’s annual contracts with the City. The Design-Build RFQ was publicly advertised and specified a maximum contract price and set forth the basis of design for the Project. On June 6, 2025, NYCEDC selected the following design-build firms to be included on a shortlist for the final stage of the RFP procurement (the “Design-Build Shortlist”):

- ARCO DB Companies, Inc.
- A joint venture between Aurora Contractors, LLC and Primus Builders, Inc.
- A joint venture between Pavarini McGovern, LLC and LiRo Program and Construction Management, PE P.C. (d/b/a LiRo-Hill)

On August 4, 2025, NYCEDC released an RFP (the “Design-Build RFP”) to the Design-Build Shortlist. Design-Build RFP proposals from the Design-Build Shortlist are scheduled to be received on November 12, 2025. To facilitate Project construction, NYCEDC will enter into a contract (the “Design-Build Contract”) with the selected design-build firm. Authorization is being sought for NYCEDC to enter into the Design-Build Contract with one of the Design-Build Shortlist firms approved for the Design-Build Contract by the President or another authorized signatory of NYCEDC.

**RRIF Loan and  
Special Purpose  
Entity:**

A special purpose borrowing entity (“HPPM LLC”) will be formed by NYCEDC for the purpose of obtaining, and entering into the

agreements required by USDOT in connection with, the RRIF Loan (such agreements, together with agreements required by USDOT to be executed by NYCEDC in connection with the RRIF Loan, the “RRIF Loan Transaction Agreements”). NYCEDC will be the sole member of HPPM LLC.

Execution of the RRIF Loan Transaction Agreements is anticipated to occur simultaneously with execution of the Design-Build Contract and the New Lease. Authorization is being sought for NYCEDC to form HPPM LLC for the purpose of obtaining the RRIF Loan and entering into certain of the RRIF Loan Transaction Agreements and for NYCEDC to enter into certain of the RRIF Loan Transaction Agreements.

The RRIF Loan will have a term of 35 years and will be secured by a gross pledge of certain contracted lease revenues (other than payments in lieu of taxes) collected and retained by NYCEDC pursuant to the Amended and Restated Master Contract between the City and NYCEDC, dated as of June 30, 2024, as amended from time to time, and the Amended and Restated Maritime Contract between the City and NYCEDC, dated as of June 30, 2024, as amended from time to time.

The collateral for the RRIF Loan will be assigned and pledged by NYCEDC and HPPM LLC and include a (1) primary pledge of lease revenue from the New Lease (the “Primary Pledge”), as well as (2) a back-up pledge consisting of revenues from the NYCEDC-administered leases set forth below (the “Additional Pledge”):

|                                | Tenant Name                                  | Lease Date |
|--------------------------------|--|------------|
| FDC                            | Baldor Specialty Foods, Inc.                 | 3/8/2007   |
|                                | Dairyland HP LLC                             | 4/26/2012  |
| 2 MetroTech Center             | Forest City Bridge Street Associates II, LLC | 3/10/1988  |
| One Pierrepont Plaza           | Forest City Pierrepont Associates, LLC       | 5/13/1986  |
| Brooklyn Renaissance Plaza     | Brooklyn Renaissance Plaza LLC               | 6/19/1987  |
|                                | Brooklyn Renaissance Plaza II LLC            | 6/19/1987  |
|                                | Brooklyn Renaissance Office/Retail LLC       | 6/19/1987  |
|                                | Brooklyn Renaissance Garage LLC              | 6/19/1987  |
| Marriott NY at Brooklyn Bridge | Brooklyn Renaissance Hotel LLC               | 6/19/1987  |

The RRIF Loan will also be secured by a debt service reserve account (the “DSRA”) equal to two (2) years of debt service on the RRIF Loan, to be funded by the Primary Pledge during the first two years of rent payment under the New Lease.

The Primary Pledge will be used to pay RRIF Loan debt service, ongoing financing fees, and other annual reserves as agreed to in the RRIF Loan Transaction Agreements. The Additional Pledge, together with the DSRA, was required to strengthen the credit profile of the borrower entity. S&P Global Ratings provided an indicative credit rating of BBB on March 28, 2025 and will provide a final rating at the time of closing. The unused Additional Pledge revenues will be released to NYCEDC on a semi-annual basis provided that debt service payments are made.

Summary terms of the RRIF Loan are as follows:

|                |   |
|----------------|---|
| Borrower:      | HPPM LLC  |
| Lender:        | USDOT   |
| Loan Amount:   | \$230,000,000   |
| Interest Rate: | TBD – based on the 30-year treasury at RRIF Loan closing plus TBD credit spread                 |
| Term:          | 35 years  |
| Security:      | <ul style="list-style-type: none"> <li>▪ Primary Pledge</li> <li>▪ Additional Pledge</li> </ul> |

**HPPM LLC  
Agreements  
with NYCEDC:**

To support the RRIF Loan borrowing, NYCEDC will enter into the following agreements with HPPM LLC:

- a) A services agreement between NYCEDC and HPPM LLC (the “Services Agreement”) setting forth certain services to be performed by NYCEDC on behalf of HPPM LLC, including: (i) audit and accounting, (ii) budgeting, (iii) contract management related to the RRIF Loan Agreement, grant agreements, and procurements necessary to implement the Project, (iv) lease administration for the Primary Pledge and Additional Pledge, (v) project management and other related services, (vi) legal services, and (vii) compliance services, among other additional services and assistance as may be mutually agreed upon by the parties. Pursuant to the Services Agreement, HPPM LLC shall reimburse NYCEDC for third-party fees and

expenses, including all costs incurred by NYCEDC under the Design-Build Contract.

- b) A pledge and assignment agreement between NYCEDC and HPPM LLC (the “Pledge and Assignment Agreement”) pledging and assigning to HPPM LLC lease revenues comprising the Primary Pledge and the Additional Pledge for purposes of securitizing and funding debt service and other costs for (as described above) the RRIF Loan. HPPM LLC will assign and pledge such lease revenues to a Collateral Agent for the benefit of USDOT, as lender, pursuant to a Collateral Agency Agreement.
- c) All other RRIF Loan Transaction Agreements required by USDOT, as lender, in connection with the RRIF Loan.

**DBE Requirements:** Pursuant to the anticipated federal funding, including the RRIF Loan, the Project will be subject to the Disadvantaged Business Enterprises (“DBE”) rules and policies defined in Title 49, Code of Federal Regulations, Part 26 (49 CFR Part 26).

**Agreements to be Approved:** RRIF Loan Transaction Agreements, Pledge and Assignment Agreement, Services Agreement, Design-Build Contract and other agreements to implement the Project substantially as described herein

**Amount to be Approved:** Approximately \$635,000,000 for the Project

**Type of Funds:** Anticipated to be (i) City Capital Budget and federal funds and New York State grant funds (\$405,000,000) and (ii) proceeds from the RRIF Loan (\$230,000,000). NYCEDC is fronting certain of the Project expenses with the anticipation that it will be reimbursed from the above indicated sources

**Proposed Resolution:** To authorize the President and any empowered officer (a) to (1) form HPPM LLC for the purpose of obtaining the RRIF Loan and entering into certain RRIF Loan Transaction Agreements and related purposes; (2) on behalf of NYCEDC, enter into certain RRIF Loan Transaction Agreements, including the Pledge and Assignment Agreement; and (3) on behalf of NYCEDC, enter into the Services Agreement and Design-Build Contract, substantially as described herein, and (b) to take any actions and make payments and enter into any related agreements necessary for and related to the RRIF Loan or Project and making expenditures, substantially as described herein

**Relevant Staff:** Jeanny Pak, Chief Financial Officer  
PJ Berg, Executive Vice President, Real Estate Transactions

Raven Anderson, Senior Vice President, Real Estate Transactions  
Matthew Furlong, Senior Vice President, Real Estate Transactions  
Kevin Dunlevy, Vice President, Real Estate Transactions  
Stephen Aly, Assistant Vice President, Real Estate Transactions  
Brian Larsen, Senior Vice President, Capital Program  
Naomi Ocko, Vice President, Capital Program  
Elizabeth Russell, Project Director, Capital Program  
Lisa Weingarten, Vice President, Asset Management  
Meredith Jones, General Counsel, Legal  
Robert LaPalme, Assistant General Counsel, Legal  
Judy Fensterman, Assistant General Counsel, Legal

**Project Code:** 7406 (for Design-Build)