

NYC Neighborhood Capital Corporation  
Minutes of the Meeting of the Investment Committee  
March 7, 2025

A meeting of the Investment Committee (the “Investment Committee”) of NYC Neighborhood Capital Corporation (“NYCNCC” or the “Corporation”) was held on March 7, 2025 at 2:00 pm at the New York City Economic Development Corporation (“NYCEDC”), 1 Liberty Plaza, New York, NY 10006 and via teleconference.

The following Investment Committee members were present in person or on the teleconference line:

- Melissa Pumphrey, Senior Vice President, NYCEDC
- Gregory Sullivan, Vice President, NYCEDC
- Lisa Weingarten, Vice President, NYCEDC

Also present in person or on the teleconference line were the following members of New York City Economic Development Corporation and other organizations:

- Emily Marcus Falda, Senior Vice President, NYCEDC
- Noah Schumer, Vice President, NYCEDC
- Mike Parella, Assistant Vice President, NYCEDC
- Weston Rich, Assistant Vice President, NYCEDC
- Sophie King, Senior Associate, NYCEDC
- Joseph Taecker-Wyss, Associate, NYCEDC
- Leyla Arcasoy, Associate, NYCEDC
- Ashley Dills, Senior Vice President, United Fund Advisors

Mr. Schumer convened the meeting of the Investment Committee of NYCNCC at 2:02 pm, at which time a quorum was present.

1. Approval of Previous Meeting Minutes

Mr. Schumer brought up the first item for consideration, which was approval of the minutes of the Investment Committee meeting held on February 24, 2024. Mr. Schumer asked for a motion to approve the minutes of the February 24, 2024, meeting. The motion was made, seconded, and unanimously approved with no abstentions or recusals.

2. Presentation of Greenpoint Manufacturing and Development Center Local Development Corporation

Mr. Schumer brought up the next item, which was the presentation of the proposed Greenpoint Manufacturing and Development Center project. Mr. Parella spoke about the organization, the project, the project’s community impact and support, the project financing, operating pro-forma and company financial statements, and the NMTC structure.

Mr. Sullivan asked if the organization’s Brooklyn Woods program operated at only one location, which Mr. Parella affirmed. Mr. Sullivan asked if trainees enrolled in this program received any form of compensation. Mr. Parella stated that trainees received no compensation, that the program was only educational.

Mr. Sullivan asked about the scores that the project received across multiple criteria, with specific reference to the “but for” criterion. Mr. Parella explained that staff carefully considered the stability of the organization’s current operations. Mr. Schumer also explained that the project’s nature as an operating investment in NYCNCC’s portfolio was a contributing factor, as the organization is stable but

not flush with cash. He also noted that GMDC would not have made the contribution to BK Woods without the NMTC benefit.

Ms. Pumphrey noted that some planned capital improvements were not included in the sources and uses of funding. Mr. Parella clarified that the capital improvements will be drawn from the organization's own assets and revenues and that NYCNCC's investment will free up capital for the organization to do so. Mr. Schumer also explained that those improvement plans are not ready to proceed and the inclusion of those in the sources and uses would delay the project's closing timeline. Moreover, he stated that those improvements would not have clear community benefit. Mrs. Marcus-Falda added that the organization was looking for greater sources of funding to contribute to the capital stack of the improvements that exceeded what NYCNCC could allocate.

Ms. Pumphrey noted that expenses exceeded revenues in the last two years and wanted to understand why it was reasonable to expect this pattern to change. Mr. Parella noted that the projections included are operating-only and therefore excluded non-operating costs such as depreciation and amortization. He explained that while the organization has been cash-constrained from a net revenue perspective, NYCNCC staff has seen strong cash management overall and feels confident in their overall portfolio as a stable organization. Mr. Schumer added that when non-operating expenses are included, the organization's net operating income shows a small surplus year over year. Mrs. Marcus-Falda noted that staff will also follow up on why historical utilities are greater than in the pro forma.

Ms. Pumphrey asked what the current vacancy rate is at the site, which Mr. Parella confirmed is nearly 0%. Mr. Schumer stated that the organization has a 3% total vacancy rate across its entire portfolio.

Ms. Pumphrey noted that the projected growth of rental income is much smaller than the historic rental growth. Mr. Parella stated that this was to generate a conservative set of projections.

Ms. Pumphrey asked what the organization's normal lease term is, which Mr. Parella said staff will follow up with. Ms. Dills stated that part of the organization's goal is to offer longer-term leases, but that staff can get back with a more granular analysis of lease terms.

Mr. Sullivan asked if there were any lessons learned from NYCNCC's previous operating deal that were applied to this project. Mrs. Marcus-Falda noted that staff has realized that operating deals are relatively simpler for the working group to manage as there were no additional items to diligence related to construction.

There being no other questions or comments, the Investment Committee recommended the project seek approval at the March 10<sup>th</sup> Governing Board meeting.

### 3. Adjournment

There being no further business, the meeting was adjourned at 2:22 pm.