MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION
June 26, 2019

A regular meeting of the Directors of New York City Economic Development Corporation ("NYCEDC") was held, pursuant to notice by an Assistant Secretary, on Wednesday, June 26, 2019, at NYCEDC's offices at 110 William Street, in Conference Rooms 4A and 4B, New York, New York.

The following Directors of NYCEDC were present:

Wilton Cedeno (by conference telephone)
Hector Cordero-Guzman (by conference telephone)
Lorraine Cortes-Vazquez (by conference telephone)
Mitchell Draizin (by conference telephone)
Robert Englert (by conference telephone)
William Floyd (by conference telephone)
Matthew Hiitzik (by conference telephone)
Tanya Levy-Odom (by conference telephone)
David Lichtenstein
James McSpiritt
Gail Mellow (by conference telephone)
Melva Miller
Patrick J. O'Sullivan, Jr.
James Patchett
Carl Rodrigues (as alternate for Vicki Been, by conference telephone)
Mark Russo (by conference telephone)
Matthew Washington (by conference telephone)
Timothy Wilkins
Betty Woo

Members of NYCEDC staff also were present.

The meeting was chaired by James Patchett, President of NYCEDC, and called to order at 8:37 a.m. Meredith Jones, 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 contained in the Exhibits attached hereto.)
1. **Approval of the Minutes of the May 8, 2019 Regular Meeting of the Board of Directors**

There being no questions or comments with respect to the minutes of the May 8, 2019 regular meeting of the Board of Directors, as submitted, a motion was made to approve such minutes, as submitted. Such motion was seconded and unanimously approved.

2. **Report of NYCEDC's President**

At this time, Mr. Patchett presented to the Directors his report as President of NYCEDC. Mr. Patchett thanked everyone who participated in the recent offsite (the "Offsite") that NYCEDC hosted for the Board. He stated that the Offsite was a very positive, valuable experience for all involved and that going forward NYCEDC would provide offsites more often, at least annually. He stated that NYCEDC also would make an effort to arrange more informal events and opportunities for the Directors to get together.

Mr. Patchett then noted that this was the last meeting of the Board of Directors to be held at 110 William Street, as NYCEDC would be moving into its new office at One Liberty Plaza in July. Mr. Patchett then emphasized that a great deal of feedback came out of the Offsite. Mr. Wilkins stated that the Offsite was very valuable.

Mr. Hiltzik joined the meeting at this time.

3. **Election of Officers**

Under NYCEDC’s Bylaws, the Board shall elect such Senior Vice Presidents and Executive Vice Presidents as it may from time to time determine. At this time, Mr. Patchett proposed that each of Bernice Clark, Gbenga Dawodu, Adam Meagher, Fred Olayele and Maxwell Padden be elected as a Senior Vice President and that Jennie Wallace be elected as an Executive Vice President. A description of certain responsibilities of Senior Vice Presidents and Executive Vice Presidents may be found in Article IV of the Bylaws. It was anticipated that Ms. Clark would head the Marketing Department, Mr. Dawodu and Mr. Padden would be promoted in the Real Estate Transaction Services Department, Mr. Olayele would head the Economic Analysis and Research Department, Mr. Meagher would be promoted in the Development Department and Ms. Wallace would head the Internal Audit Department. Each shall perform such duties as are assigned to her/him by NYCEDC’s President. Mr. Patchett then summarized the backgrounds of Ms. Clark, Mr. Dawodu, Mr. Meagher, Mr. Olayele, Mr. Padden and Ms. Wallace.

Ms. Levy-Odom and Mr. Lichtenstein joined the meeting at this time.

A motion was made to elect each of Bernice Clark, Gbenga Dawodu, Adam Meagher, Fred Olayele and Maxwell Padden as a Senior Vice President of NYCEDC and Jennie Wallace as an Executive Vice President of NYCEDC. Such motion was
seconded and unanimously approved. The position of each of Bernice Clark, Gbenga Dawodu, Adam Meagher, Fred Olayele, Maxwell Padden and Jennie Wallace as an officer shall be conditioned upon the continuance of his or her employment by NYCEDC.

Mr. Floyd joined the meeting at this time.

4. **Election of Member of Executive Committee**

At this time, Mr. Patchett presented a proposal to elect an additional Director, Vicki Been, to serve on the Executive Committee of the Board of Directors of NYCEDC.

A motion was then made to elect Vicki Been as a member of the Executive Committee of NYCEDC's Board of Directors. Such motion was seconded and unanimously approved.

5. **Budget Information**

Elizabeth Verostek, a Senior Vice President of NYCEDC, and Jason Oddo, a Vice President of NYCEDC, presented the proposed approval of budget information about NYCEDC in the form set forth in Attachment A to Exhibit A hereto, which budget information would be submitted to certain government officials and a government office. Also, attached to Exhibit A hereto as Attachment B is a copy of NYCEDC's budget information set forth in its standard format.

The Public Authorities Accountability Act of 2005 as amended requires NYCEDC to submit to the Mayor, the City’s Comptroller, the City Council Speaker and New York State’s Authorities Budget Office (“ABO”) budget information on operations and capital construction setting forth the estimated receipts and expenditures for the next fiscal year and the current fiscal year, and the actual receipts and expenditures for the last completed fiscal year. ABO has designated the form in which the budget information is to be submitted and such form requires the inclusion of estimated information for additional years. The submission is for information purposes and the submission must be in the form submitted to NYCEDC's Directors.

Ms. Verostek and Mr. Oddo then summarized NYCEDC’s operations and capital budgets.

Ms. Cortes-Vazquez left the meeting at this time.

In answer to a question from Mr. Wilkins, Ms. Verostek stated that NYCEDC currently had a healthy balance sheet. She further stated that the timing of NYCEDC land sales could move between fiscal years, and that if NYCEDC projected that a land sale would close in the current fiscal year but it instead closed in the next fiscal year, the adjustment would be reflected in the next year’s budget presentation to the Board.
At this time, Mr. Patchett pointed out that NYCEDC did not have outside financing, and that NYCEDC generally budgeted conservatively with the expectation that it would do better largely because its expenses were known and could be controlled, whereas its revenues were less known. Mr. Patchett explained that generally NYCEDC’s expenses tended to cluster more toward the end of the year, and that if revenues happened to be coming out lower, that NYCEDC then had the ability to ratchet back expenses over time. He stressed however that in practice it was more typical for revenues to be a bit higher, and that this allowed NYCEDC more flexibility with expenses in the latter half of the year. Lastly, Mr. Patchett additionally noted that two fundamental issues that loomed over the budget were (1) the NYC Ferry costs over time and how to best manage those costs in partnership with the City, and (2) the management of NYCEDC’s property management budget for its assets.

In answer to a question from Mr. Draizin, Kim Vaccari, Chief Financial Officer of NYCEDC, explained that the breakdown of NYCEDC’s restricted versus unrestricted assets amounted to approximately $100 million restricted, and the rest unrestricted, and that NYCEDC looked at its unrestricted assets to fund its operations. Ms. Vaccari further noted that NYCEDC did a lot of its funding up front and then got reimbursed, and that NYCEDC therefore wanted to maintain a healthy balance at all times.

A motion was made to approve the budget information about NYCEDC in the form set forth in Attachment A to Exhibit A hereto. Such motion was seconded and unanimously approved.

6. Approval

With respect to the approved items set forth above, it was understood that authorization and approval of such matters included authorization for the President and other empowered officers to execute the necessary legal instruments, and for the President and other empowered officers to take such further actions as are or were necessary, desirable or required, to implement such matters substantially on the terms described above.

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 Board of Directors was adjourned at 9:05 a.m.

Mark Silverman
Assistant Secretary

Dated: August 13, 2019
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
HDC ......................... New York City Housing Development Corporation
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
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
SUBJECT: The approval and submission of budget information about NYCEDC

PROPOSED RESOLUTION: To approve budget information about NYCEDC in the form attached hereto as Attachment A

BACKGROUND: The Public Authorities Accountability Act of 2005 (the "Act") as amended requires NYCEDC to submit to the Mayor, the City’s Comptroller, the City Council Speaker and New York State’s Authorities Budget Office ("ABO"), budget information on operations and capital construction setting forth the estimated receipts and expenditures for the next fiscal year and the current fiscal year, and the actual receipts and expenditures for the last completed fiscal year. ABO has designated the form in which the budget information is to be submitted and such form requires the inclusion of estimated information for additional years. The submission is for information purposes and the submission must be in the form submitted to NYCEDC’s Directors.

Attached hereto is Attachment A, which sets forth the budget information in the form in which it will be submitted pursuant to the Act. Attached hereto as Attachment B is a copy of NYCEDC’s budget information set forth in its standard format.

STAFF: Spencer Hobson, Executive Vice President and Treasurer
Elizabeth Verostek, Senior Vice President, Finance
Jason Oddo, Vice President, Budget
## ATTACHMENT A

NYC ECONOMIC DEVELOPMENT CORPORATION

BUDGETED REVENUES, EXPENDITURES, AND CHANGES IN CURRENT NET ASSETS

<table>
<thead>
<tr>
<th>REVENUE &amp; FINANCIAL SOURCES</th>
<th>Last Year (Actual) 2018</th>
<th>Current Year (Estimated) 2019</th>
<th>Next Year (Adopted) 2020</th>
<th>Proposed 2021</th>
<th>Proposed 2022</th>
<th>Proposed 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenues</td>
<td>9,835,329</td>
<td>11,113,828</td>
<td>11,178,418</td>
<td>9,081,504</td>
<td>9,150,222</td>
<td>9,268,465</td>
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<tr>
<td>Charges for services</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rental &amp; financing income</td>
<td>214,523,362</td>
<td>231,519,568</td>
<td>266,861,508</td>
<td>234,307,295</td>
<td>251,017,117</td>
<td>283,036,700</td>
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<tr>
<td>Nonoperating revenues</td>
<td>40,506,532</td>
<td>40,669,940</td>
<td>72,430,172</td>
<td>36,900,045</td>
<td>37,947,914</td>
<td>34,662,449</td>
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<tr>
<td>Investment earnings</td>
<td>4,445,384</td>
<td>8,750,963</td>
<td>5,049,907</td>
<td>5,166,315</td>
<td>5,354,284</td>
<td>5,514,592</td>
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<tr>
<td>Municipal subsidies/grants</td>
<td>486,173,868</td>
<td>542,758,115</td>
<td>561,010,013</td>
<td>543,658,512</td>
<td>568,545,319</td>
<td>571,096,322</td>
</tr>
<tr>
<td>Reimbursable Grants- Superstorm Sandy</td>
<td>51,476</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Revenues &amp; Financing Sources</strong></td>
<td>785,617,984</td>
<td>838,009,323</td>
<td>919,533,018</td>
<td>831,851,361</td>
<td>871,714,836</td>
<td>904,619,927</td>
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</table>

### EXPENDITURES

| Operating Expenditures | Salaries and wages 64,242,234 | 71,729,153 | 76,401,319 | 80,885,206 | 83,863,309 | 87,229,260 |
|                       | Professional services contracts 621,518,266 | 688,524,378 | 821,678,814 | 718,537,433 | 720,873,077 | 721,322,816 |
|                       | Other operating expenditures 65,361,562 | 102,372,602 | 60,209,515 | 85,690,036 | 95,224,132 | 92,635,722 |
| Nonoperating Expenditures | Emergency repairs- Superstorm Sandy 98,345 | - | - | - | - | - |
| **Total Expenditures** | 751,218,407 | 863,626,133 | 978,549,748 | 886,112,676 | 899,790,678 | 901,387,919 |

Excess (deficiency) of revenues and capital contributions over expenditures 14,399,577 (20,616,810) (50,116,730) (53,201,319) (26,078,742) 3,231,108
## ATTACHMENT B

**NYC ECONOMIC DEVELOPMENT CORPORATION**  
**FISCAL YEAR 2020 BUDGET**

<table>
<thead>
<tr>
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<td><strong>REVENUES:</strong></td>
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<td></td>
<td></td>
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<tr>
<td>Real Estate Sales, net</td>
<td>8,506,175</td>
<td>16,400,823</td>
<td>9,251,897</td>
<td>58,275,097</td>
<td>7,475,997</td>
<td>21,631,842</td>
<td>16,890,000</td>
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<td>Grants from City, State, Federal, Private</td>
<td>468,173,668</td>
<td>542,706,110</td>
<td>542,706,110</td>
<td>561,010,013</td>
<td>543,658,512</td>
<td>566,163,318</td>
<td>571,096,322</td>
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<tr>
<td>Fee Income</td>
<td>9,830,329</td>
<td>9,999,329</td>
<td>10,113,639</td>
<td>10,081,504</td>
<td>9,952,222</td>
<td>9,800,436</td>
<td>8,926,665</td>
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<tr>
<td><strong>TOTAL OPERATING REVENUES</strong></td>
<td>761,121,112</td>
<td>804,652,114</td>
<td>826,568,570</td>
<td>814,408,111</td>
<td>923,853,045</td>
<td>886,360,572</td>
<td>886,104,035</td>
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<td><strong>EXPENSES:</strong></td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>Project Costs</td>
<td>98,095,672</td>
<td>120,438,245</td>
<td>117,123,691</td>
<td>117,750,668</td>
<td>117,148,012</td>
<td>129,261,485</td>
<td>122,889,321</td>
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<td>Program Costs</td>
<td>391,935,245</td>
<td>426,634,524</td>
<td>425,634,524</td>
<td>425,650,008</td>
<td>425,668,500</td>
<td>425,689,585</td>
<td>425,710,273</td>
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<tr>
<td>Property Rentals &amp; Related Operating Expenses</td>
<td>131,497,389</td>
<td>150,539,140</td>
<td>146,766,294</td>
<td>218,578,046</td>
<td>175,721,921</td>
<td>185,762,007</td>
<td>172,752,213</td>
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<td>Personnel Services</td>
<td>64,242,234</td>
<td>73,547,958</td>
<td>71,729,153</td>
<td>76,461,316</td>
<td>80,685,286</td>
<td>83,893,369</td>
<td>87,220,280</td>
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<td>Office Rent</td>
<td>12,998,506</td>
<td>9,030,336</td>
<td>10,580,797</td>
<td>13,710,114</td>
<td>12,452,532</td>
<td>12,452,532</td>
<td>12,452,532</td>
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<td>Contract and Other Expenses</td>
<td>30,104,500</td>
<td>30,313,602</td>
<td>30,170,444</td>
<td>30,704,736</td>
<td>30,210,041</td>
<td>45,821,403</td>
<td>43,846,032</td>
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<td>Other General &amp; Admin Expenses</td>
<td>22,258,656</td>
<td>21,428,419</td>
<td>24,611,360</td>
<td>27,725,965</td>
<td>38,226,863</td>
<td>36,920,185</td>
<td>36,736,858</td>
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<td><strong>TOTAL OPERATING EXPENSES</strong></td>
<td>751,122,092</td>
<td>842,938,820</td>
<td>883,628,133</td>
<td>978,648,748</td>
<td>985,113,678</td>
<td>989,760,578</td>
<td>985,387,818</td>
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<td><strong>OPERATING INCOME</strong></td>
<td>0,000,000</td>
<td>(54,506,406)</td>
<td>(37,367,763)</td>
<td>(64,163,838)</td>
<td>(58,459,829)</td>
<td>(53,400,000)</td>
<td>(2,283,784)</td>
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<td><strong>NON-OPERATING REVENUES</strong></td>
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<td>Income from Investments</td>
<td>4,445,384</td>
<td>1,420,265</td>
<td>8,750,953</td>
<td>5,046,907</td>
<td>5,138,315</td>
<td>5,264,782</td>
<td>5,914,867</td>
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<td>Reimbursable Grants- Superstorm Sandy</td>
<td>51,478</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Emergency repairs- Superstorm Sandy</td>
<td>(96,845)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td><strong>TOTAL CHANGE IN NET ASSETS</strong></td>
<td>14,380,977</td>
<td>(33,098,121)</td>
<td>(28,819,810)</td>
<td>(48,118,730)</td>
<td>(61,281,310)</td>
<td>(38,075,420)</td>
<td>3,231,108</td>
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<td>Beginning Net Assets</td>
<td>433,848,868</td>
<td>448,248,548</td>
<td>448,248,548</td>
<td>419,387,723</td>
<td>380,515,005</td>
<td>307,353,890</td>
<td>279,177,049</td>
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<td><strong>NET ASSETS AS OF 06/30</strong></td>
<td>448,248,548</td>
<td>398,182,212</td>
<td>419,387,723</td>
<td>380,515,005</td>
<td>307,353,890</td>
<td>279,177,049</td>
<td>282,469,055</td>
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</table>