

MINUTES OF THE  
MEETING OF THE BOARD OF DIRECTORS  
OF  
NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY  
HELD AT THE 110 WILLIAM STREET OFFICES OF  
NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION  
JUNE 12, 2018

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

Brian Cook, alternate for Scott M. Stringer,  
Comptroller of The City of New York  
Marlene Cintron  
Khary Cuffe  
Albert De Leon  
Andrea Feirstein  
Jacques-Philippe Piverger  
Carl Rodrigues, alternate for Alicia Glen,  
Deputy Mayor for Housing and Economic Development of The City of New York  
Betty Woo, alternate for Zachary W. Carter, Esq.,  
Corporation Counsel of The City of New York

The following directors were not present:

James Patchett, Chairman  
Barry Dinerstein, alternate for Marisa Lago  
the Chair of the City Planning Commission of The City of New York  
Robert Santos  
Shanel Thomas

Also present were (1) members of New York City Economic Development Corporation (“NYCEDC”) staff and interns, (2) Scott Singer from Nixon Peabody LLP, (3) Arthur Cohen from Hawkins Delafield & Wood LLP, (4) Patricia Mollica from Katten Muchin Rosenman LLP, (5) Anne Rabbino from Bryant Rabbino LLP, and (6) other members of the public.

Eric Clement, a Senior Vice President of NYCEDC, convened the meeting of the Board of Directors of New York City Industrial Development Agency (the “Agency” or “NYCIDA”) at 9:00 a.m., at which point a quorum was present.

Mr. Clement stated that he would like to thank Anthony Ferreri, the representative of

Staten Island Borough President James Otto. Mr. Clement stated that Mr. Ferreri served on the Agency's board for seven years and graciously resigned given his new role with the U.S. Government. Mr. Clement also stated that he would like to thank Anne Shutkin for her service to the New York City Economic Development Corporation, the Agency and the Build NYC Resource Corporation ("Build NYC"). Ms. Shutkin was Executive Director of both the NYCIDA and Build NYC, was a great help to Agency staff and Mr. Clement he wished her well in her next endeavor.

Mr. Clement stated that he would like to welcome the newest board member for the NYCIDA and Build NYC, Khary Cuffe. Mr. Cuffe was nominated by Eric Adams, the Brooklyn Borough President, and subsequently appointed by the Mayor. Mr. Cuffe is the chief operating officer of Heritage Link Brands, a wine and food distributor with a focus in sustainable and women-owned brands. Heritage Link Brands is also a certified minority and/or women-owned business enterprise ("MWBE"). Mr. Clement explained that Mr. Cuffe has a varied background, having worked in both public and corporate finance, at institutions such as UBS and Prudential Financial, as well as experience in marketing, having worked at L'Oréal and Proctor & Gamble. Mr. Cuffe received his undergraduate degree from Wesleyan University and holds Masters Degrees from both Harvard Business School and Harvard Kennedy School. Mr. Clement stated that the Board and Agency staff and Build NYC staff are delighted to have Mr. Cuffe join the board.

Mr. Clement stated that he would like to inform everyone about the Agency's Garment Center program. In an effort to preserve the fashion industry that has been, and continues to be, an important part of the City, NYCEDC and the Agency and a number of fashion industry leaders have worked out a plan that provides tax-incentive relief to building owners that commit a certain amount of square footage dedicated to fashion manufacturing. Mr. Clement stated that Agency staff are pleased with the outcome and that he wanted to thank everyone that was involved in making this a reality.

1. Adoption of the Minutes of the April 10, 2018 Board of Directors Meeting

Mr. Clement asked if there were any comments or questions relating to the minutes of the April 10, 2018 Board of Directors meeting. There were no comments or questions; a motion to approve such minutes was made, seconded and unanimously approved.

2. Financial Statements for April 30, 2018 (Unaudited)

Carol Ann Butler, Assistant Vice President of NYCEDC, presented the Agency's Financial Statements for the ten-month period ending April 30, 2018 (Unaudited). Ms. Butler reported the following. For the month of April, the Agency recognized revenues in the amount of \$2,900,000, which came from project finance fees from fourteen transactions. The Agency recognized revenues derived from compliance, application, post-closing, recapture fees and termination fees in the amount of \$1,400,000 for the year-to-date. The Agency recognized operating expenses, largely consisting of the monthly management fee, in the amount of

\$2,800,000 for the ten-month period ending April 30<sup>th</sup>. The Agency spent \$2,100,000 in special costs largely relating to the Futureworks NYC program.

3. Audit Committee Member Appointment

Krishna Omolade, Assistant Vice President of NYCEDC and Deputy Executive Director of the Agency, presented for review and adoption a resolution to appoint Khary Cuffe as a member of the Agency's Audit Committee. A motion to adopt the resolution was made, seconded and unanimously approved.

4. Presentation of Fiscal Year 2019 Board Meeting Dates

Emily Marcus, a Project Manager for NYCEDC, presented for review the Board meeting dates for Fiscal Year 2019, attached hereto as Exhibit A. There were no comments or questions.

5. Approval of Annual Contract with NYCEDC

Mr. Omolade presented for review and approval the Agency's Annual Contract with NYCEDC (the "Contract"), pursuant to which NYCEDC would provide administrative services to the Agency in support of the Agency's programs. Mr. Omolade stated that under the Contract, NYCEDC provides services to the Agency such as project management, legal and accounting services.

There being no further comments or questions, a motion to approve the Agency's Annual Contract with NYCEDC attached hereto as Exhibit B, as submitted, was made, seconded and unanimously approved.

6. Approval of Investment Guidelines Policy

Mr. Omolade presented for review and approval the Agency's Investment Guidelines Policy, as required by the Public Authorities Accountability Act.

7. Approval of Disposition of Personal Property Policy

Mr. Omolade presented for review and approval the Agency's Disposition of Personal Property Policy, as required by the Public Authorities Accountability Act.

8. Approval of the Acquisition and Disposition of Real Property Policy

Mr. Omolade presented for review and approval the Agency's Acquisition and Disposition of Real Property Policy, as required by the Public Authorities Accountability Act.

9. Approval of the Procurement Policy

Mr. Omolade presented for review and approval the Agency's Procurement Policy, as required by the Public Authorities Accountability Act.

10. Mission Statement and Performance Measurements

Mr. Omolade presented for review and approval the Agency's Mission Statement and Performance Measurements, as required by the Public Authorities Accountability Act.

There being no comments or questions, a motion to approve the Agency's Investment Guidelines Policy attached hereto as Exhibit C, Disposition of Personal Property Policy attached hereto as Exhibit D, Acquisition and Disposition of Real Property Policy attached hereto as Exhibit E, Procurement Policy attached hereto as Exhibit F and Mission Statement and Performance Measurements attached hereto as Exhibit G was made, seconded and unanimously approved.

11. Board of Directors' Self-Evaluation Survey

Ms. Marcus presented the Board of Directors' Self-Evaluation Survey (the "Survey") attached hereto as Exhibit H, which was reviewed and approved by the Governance Committee. Ms. Marcus stated that the Survey was required under the Public Authorities Accountability Act.

Ms. Woo stated that this survey is the same as last year and that the results were the same as the year before. Ms. Woo stated that some Board members felt there were a couple questions for which they wanted more input, so the Governance Committee would work with any Board members who have questions. Ms. Woo explained that the long response time will give the Board sufficient time to respond to any questions.

12. Western Beef Retail, Inc.

Jenny Osman, a Project Manager for NYCEDC, presented for review and adoption a FRESH Program inducement and authorizing resolution for the benefit of Western Beef Retail, Inc., and recommended the Board adopt a SEQRA determination that the proposed project is a Type II action and therefore no further environmental review is required. Ms. Osman described the project and its benefits, as reflected in Exhibit I.

In response to a question from Mr. Cook, Mr. Clement stated that the company's projected finances show a loss from 2019 through 2021 due to the opening of the new store but over time Agency staff expect that the company's expenses will stabilize. In response to a question from Mr. Piverger, Ms. Osman stated that the company offers profit sharing to full time employees and that the company employs more full-time employees than the industry average. Ms. Osman stated that the average wage of \$17.32 is in addition to the profit sharing.

There being no further comments or questions, a motion to approve the inducement and authorizing resolution attached hereto as Exhibit J for the benefit of Western Beef Retail, Inc. and the SEQRA determination was made, seconded and unanimously approved.

13. Artex Inc.

Crissette Maxwell, a Project Manager for NYCEDC, presented for review and adoption a post-closing resolution to approve amendments to the project documents necessary for an asset sale to Iron Mountain Information Management. Ms. Maxwell described the project and its benefits, as reflected in Exhibit K.

In response to a question from Mr. Rodrigues, Ms. Maxwell stated Iron Mountain Information Management Services (“Iron Mountain”) will take over the sublease from the Company and that Iron Mountain is buying the Company. Mr. Piverger stated that the project looks fine, but asked whether, when the Agency structures deals, it is possible to get contractual obligations enabling the Agency, in the event of a sale, to recapture some additional benefits, get paid more quickly, or something to that effect. Mr. Clement responded that Agency staff could look into this issue and that in general the Agency incorporates restriction-of-use clauses in the project documents. Agency staff are comfortable if the buyer of a business, or a property, complies with the terms of the project documents. In response to a question from Mr. Rodrigues, Mr. Clement stated that the Board could say no to the sale of the Company to Iron Mountain. Meredith Jones, General Counsel and Secretary of the Agency, stated that in making that determination the Board would have to be reasonable so if it is basically the same kind of company and it passes Vendex, it would be difficult for the Board to arbitrarily deny the transfer. Mr. Cook asked if the Board did not approve the transfer and the company was sold then theoretically that could trigger a recapture event. Ms. Jones stated that the transfer is an asset sale so the company would probably dissolve which is typical after an asset sale. In response to a question from Mr. Rodrigues, Ms. Maxwell stated that the Agency would give benefits to Iron Mountain directly, as Iron Mountain would inherit any remaining benefits under the lease agreement. Ms. Feirstein asked whether Agency staff would have made the same decision in 2012, had it been Iron Mountain, a major international company, applying for the benefits. Ms. Jones stated that in the past the Agency has given benefits to major international companies. Mr. Clement stated that the transfer would be dependent on the benefits being used for art storage which is a high priority industry for the Agency so the Board would most likely have supported this transfer back in 2012. Ms. Cintron stated that the company is specialized and that there are not that many companies who can buy into this industry unless they’re already involved.

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

#### 14. Guidelines for the Funding of Special Projects

Mr. Clement stated that Agency staff wanted to look into setting guidelines for how the Agency funds special projects within NYCEDC. There are many groups within the organization that Agency staff support, both through the Agency and Build NYC, and the Agency funds many special projects. The Agency staff want to set guidelines and parameters around how they decide to fund projects. Mr. Clement stated that Agency staff are more than happy to talk about this issue and that in general all projects must align with the Agency's mission. There must be, up front, a clear thesis describing the need that is addressed by the project and supported by independent quantitative and qualitative data. For some of the past projects there was not a lot of data provided up front so when Board members would ask for progress reports there was less information provided than what might have been expected. Now, Agency staff will establish a lot of these criteria up front. Agency staff are also looking for descriptions of key performance indicators and metrics to measure success and will establish all of that up front so that Agency staff and Board members can be on the same page when progress reports are provided after the projects have been funded. Agency staff assess how a company is doing based on previously agreed upon metrics, including a description of the experience of the project contractors, additional sources of funding, and future sustainability beyond initial funding. Finally, Mr. Clement stated that the last thing Agency staff want to do is continuously fund operating cash flow. As these programs become more successful this would only lead to the asks becoming greater. Agency staff will place priority on projects that have additional sources of funding and have a plan for sustainability in terms of generating cash flow so that the Agency only funds projects that will be sustainable over the long term, irrespective of the funding by the Agency or Build NYC. Mr. Clement then explained that Agency staff want to place a "floor" on how low the Agency's fund balances should decrease to. That way when events like Superstorm Sandy occur, the Agency has capital in reserve to be able to help. In order to do that the Agency can't spend down the fund balances to zero, and so the intent is to maintain reserves of at least four times the Agency's annual operating expenses, which, as Mr. Omolade had indicated earlier, is the \$6.6 Million paid to NYCEDC. While the exact amount is different for the Agency and Build NYC, it would be four times the amount that each entity contracted to give NYCEDC, allowing more than enough reserves to meet the Agency's and Build NYC's obligations.

Mr. Cook stated that he would like to thank Mr. Clement and Agency staff for establishing these guidelines. This was something that he had requested for a while so that he knew how low the Agency's reserves had dropped. He recognized many of the sort of questions and criteria in these guidelines from the responses and feedback regularly requested by the Board on such projects.

There being no further comments, a motion to approve the Guidelines for the Funding of Special Projects attached hereto as Exhibit M was made, seconded and unanimously approved.

15. Adjournment

There being no further business to come before the Board of Directors at the meeting, pursuant to a motion made, seconded and unanimously approved, the meeting of the Board of Directors was adjourned at 9:32 a.m.

*Arthur Hauser*  
Assistant Secretary

Dated: 7/12/18  
New York, New York

**Exhibit A**

**NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY**

**June 12, 2018**

Meetings of the Board of Directors of the Agency during Fiscal Year 2019 shall be held on the respective dates indicated below.

Tuesday, July 24, 2018

Tuesday, September 18, 2018

Wednesday, November 07, 2018

Tuesday, December 11, 2018

Tuesday, February 12, 2019

Tuesday, April 9, 2019

Tuesday, June 11, 2019

**Exhibit B**

**AGREEMENT**

**between**

**NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION**

**and**

**NEW YORK CITY INDUSTRIAL  
DEVELOPMENT AGENCY**

**FOR FISCAL YEAR**

**~~2018~~2019**

**Dated as of July 1,**

**~~2017~~2018**

LDCMT-26-8425

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AGREEMENT, dated as of the 1st day of July, ~~2017~~2018 between NEW YORK CITY

ECONOMIC DEVELOPMENT CORPORATION (“EDC”), a corporation incorporated under the Not-for-Profit Corporation Law of the State of New York, having an office at 110 William Street, New York, New York 10038, and NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY (“IDA”), a corporate governmental agency constituting a body corporate and politic and public benefit corporation of the State of New York organized under the laws of the State of New York, having an office at 110 William Street, New York, New York 10038.

WHEREAS, Financial Services Corporation of New York City (“FSC”) entered into an agreement with The City of New York to act as the City's agent in managing and administering various financial assistance programs; and

WHEREAS, FSC and IDA entered into an agreement dated as of July 1, 1984 (the “Original Contract”) relating to the provision by FSC of certain services to IDA and the Board of Directors of IDA; and

WHEREAS, pursuant to agreements dated July 1, 1985, July 1, 1986, July 1, 1987, July

1,  
1988, July 1, 1989, and July 1, 1990, as amended, the Original Contract was duly amended, restated, supplemented and modified; and

WHEREAS, effective July 1, 1991 FSC was merged into New York City Public Development Corporation, and the name of the surviving corporation was New York City Economic Development Corporation, a not-for-profit local development corporation incorporated pursuant to Section 1411 of the Not-for-Profit Corporation Law of the State of New York (“Old EDC”); and

WHEREAS, Old EDC assumed FSC's contractual obligations, and, by agreement dated as of July 1, 1991, and by subsequent agreements each dated as of every July 1 through and including

July 1, 2012, Old EDC and IDA renewed, amended, restated, supplemented and modified the Original Contract; and

WHEREAS, on November 1, 2012, the following actions occurred simultaneously: (a) Old EDC merged into New York City Economic Growth Corporation, a New York not-for-profit corporation, (b) New York City Economic Growth Corporation survived as successor in interest to Old EDC and assumed the rights and obligations of the latter, and (c) New York City Economic Growth Corporation changed its name to “New York City Economic Development Corporation,” which is the party hereinabove defined as “EDC”; and

WHEREAS, pursuant to an agreement dated July 1, 2013, IDA and EDC, as successor-in- interest to Old EDC, renewed the Original Contract; and

WHEREAS, pursuant to an agreement dated July 1, 2014, as amended, the Original Contract was duly amended, restated, supplemented and modified; and

WHEREAS, pursuant to an agreement dated July 1, 2015, as amended, the Original Contract was duly amended, restated, supplemented and modified; and

WHEREAS, pursuant to an agreement dated July 1, 2016, as amended, the Original [Contract was duly amended, restated, supplemented and modified; and](#)

[WHEREAS, pursuant to an agreement dated July 1, 2017, as amended, the Original](#)  
Contract was duly amended, restated, supplemented and modified; and

WHEREAS, IDA and EDC (as successor-in-interest to Old EDC) desire to renew the contractual relationship between IDA and EDC by entering into this Agreement; and

WHEREAS, EDC desires to enter into this Agreement in the capacity of an independent contractor for the purpose of providing certain staff services to IDA and the Board of Directors of IDA; and

WHEREAS, IDA desires to retain EDC, as an independent contractor, under the terms set forth in this Agreement, to provide to IDA those services as are deemed necessary and desirable by the Board of Directors of IDA for the administration of IDA and the implementation of IDA programs; and

WHEREAS, IDA was created and organized for the purposes, *inter alia*, of promoting the economic welfare of the inhabitants of the City and to actively promote, attract, encourage and develop economically sound commerce and industry for the purpose of preventing unemployment and economic deterioration in the City in accordance with the provisions of Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended, and Chapter 1082 of the 1974 Laws of New York, as amended; and

WHEREAS, under the Act, IDA is authorized to make contracts and to employ private consultants for professional and technical assistance and advice; and

WHEREAS, IDA and EDC have agreed that EDC, as an independent contractor, shall provide certain staff services to IDA for the administration of IDA programs and shall render such other services to IDA as IDA may from time to time request, in the manner and to the

extent set forth in this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, IDA and EDC agree as follows:

ARTICLE I  
DEFINITIONS

Section 1.1 For the purposes of this Agreement the following terms shall have the respective meanings ascribed to them below: “Act” shall mean, collectively, the New York State Industrial Development Agency Act

(constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated

Laws of New York), as amended, and Chapter 1082 of the 1974 Laws of New York, as amended.

“Agreement” shall mean this agreement as the same may from time to time be modified, amended, renewed or supplemented in accordance with the provisions contained herein.

“Applicant” shall mean any person, firm, corporation, partnership or association that has submitted an application for financial assistance from IDA.

“Base Contract Fee” shall have the meaning provided in Section 5.1 of this Agreement.

“Board” shall mean the Board of Directors of IDA, including any duly designated committee thereof.

“City” shall mean the City of New York, a municipal corporation of the State of New York.

“Executive Director” shall mean the chief executive officer of IDA.

“EDC” shall mean New York City Economic Development Corporation, a New York not-for-profit corporation.

“Fees” shall mean, collectively, the fees referred to in Section 5.1 hereof.

“Financial Advisor” shall have the meaning assigned to such term in Section 2.3(d) of this Agreement.

“Financial Services Program” shall mean the various financial assistance programs as managed and administered by EDC pursuant to a certain contract between EDC and the City as amended and renewed from time to time.

“FSC” shall mean the former Financial Services Corporation of New York City.

“IDA” shall mean New York City Industrial Development Agency, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation of the State of New York, duly organized and existing under the laws of the State of New York.

“IDA Annual Budget” shall mean the statement of annual estimated expenses (as the same may be amended from time), which IDA shall or may incur for any fiscal year, whether directly or through EDC, pursuant to this Agreement. The IDA Annual Budget previously approved for the fiscal year ending June 30, ~~2018~~2019 is annexed hereto as Exhibit “A”.

“IDA Bank Accounts” shall mean all bank accounts of IDA as of the effective date of this Agreement and all subsequent bank accounts established in accordance with applicable laws and the by-laws of IDA for the deposit of funds of the Agency.

“Services” shall have the meaning provided in Section 2.1 of this Agreement.

“Term” shall mean the term of this Agreement as set forth in Article IV hereof.

## ARTICLE II

### SCOPE OF SERVICES

Section 2.1 The services described and set forth in this Article II shall hereinafter be collectively referred to as the “Services”.

Section 2.2 In order to assist IDA in furthering the purposes of the Act and so long as this Agreement is effective, EDC covenants and agrees to provide, in coordination with the Executive Director as provided in Article IX hereof and in accordance with the terms and

conditions of this Agreement, such personnel, office space, access to equipment, furniture, conference rooms, other materials and services deemed necessary by the Board for the efficient (i) distribution, receipt, evaluation and processing of all applications for industrial development revenue bonds and straight-lease transactions, (ii) monitoring, review, evaluation and servicing of all IDA projects and all financings entered into by IDA with respect thereto and (iii) coordination with local, state and federal agencies (including but not limited to the timely disclosure of all financial incentives and benefits provided by such agencies and EDC) with respect to the projects financed and to be financed by IDA.

Section 2.3 EDC covenants and agrees to provide to IDA, in accordance with the Act, the by-laws of IDA and all other applicable laws, rules, regulations and agreements, such services as may be authorized by the Board and provided for in the IDA Annual Budget, including but not limited to the following:

(a) Such advertising, marketing and other outreach services as are necessary and desirable to make Applicants and potential Applicants aware of the availability of IDA services;

(b) Such technical assistance services to Applicants and potential Applicants as are necessary and desirable in connection with the administration of IDA programs;

(c) Such information and assistance as may be deemed necessary by the Executive Director, on behalf of the Board, to monitor, report upon, timely enforce and evaluate the performance by EDC of its obligations under this Agreement;

(d) Upon approval of the Board, to engage a financial advisor (a “Financial Advisor”) to provide the following services to IDA:

(i) Assist in the development of new IDA financing programs and alternative financing mechanisms available to IDA;

(ii) Assist in the development and structuring of IDA bond issues, including

but not limited to, issues of tax-exempt or taxable bonds, notes, commercial paper or variable rate instruments, and financing either single borrowers or multiple borrowers through pooled or composite issues;

(iii) Perform financial analysis of select entities and projects seeking financing through IDA and assist in the design of appropriate financing structures for those entities and projects;

(iv) Analyze the market for potential purchasers of IDA bonds with a view toward optimal targeting of new issues;

(v) Assist in negotiations with managing underwriters, placement agents and credit enhancement providers;

(vi) Prepare for and participate in meetings with Federal, State and City officials, underwriters, placement agents, credit enhancement providers, investors, counsel, rating agencies and entities obtaining financing through IDA;

(vii) Assist in the preparation of official statements, private placement memoranda, flow of funds memoranda and other documents in connection with IDA financings; and

(viii) Work with rating agencies to obtain timely and proper ratings for IDA issues; provided, however, that the Financial Advisor may also provide services to EDC in furtherance of the Financial Services Program.

(e) Such other services or assistance as the Board may request, *provided however*, that the expenses incurred in connection with such services or assistance must have been provided for in the IDA Annual Budget.

Section 2.4 So long as this Agreement is effective, IDA hereby authorizes EDC and EDC covenants and agrees to take all necessary action to promptly collect, on behalf of IDA: (i)

any and all fees that are owed to IDA in connection with the providing of financial assistance, including but not limited to the issuance of bonds; and (ii) any and all fees owed to IDA under IDA project documents in connection with the administration of IDA programs; and (iii) payments in lieu of taxes owed to IDA under IDA project documents; and (iv) recapture amounts owed to IDA under IDA project documents, such amounts representing the financial assistance provided by IDA in the form of exempted or waived taxes; and (v) interest and penalty amounts owed to IDA under IDA project documents in connection with the amounts referred to in clauses “iii” and “iv;” and (vi) any other amounts as may from time to time be owed to IDA, including but not limited to damage awards and settlement amounts. The parties hereto agree that the Services described in this Section 2.4 also include collection by EDC on behalf of IDA when the monies so collected are intended to be collected by IDA on behalf of governmental jurisdictions and subdivisions.

Section 2.5 EDC covenants and agrees to administer the programs of IDA in a manner consistent with the policies of the Board and to develop recommendations in connection therewith for approval by the Board, consistent with the following guidelines that shall be in accordance with the Financial Services Program:

(i) consolidate services, including, where appropriate, combined application, review, analysis, monitoring and reporting procedures for all financial assistance incentives offered through the Act and the Financial Services Program;

(ii) expedite the assistance process, including, where appropriate, assigning one professional staff member to each Applicant, which member shall be responsible for structuring a financial package consisting of appropriate incentives available under the Act and the Financial Services Program and guiding the Applicant through the assistance process in a timely and efficient manner;

(iii) standardize financial analysis, including, where appropriate, performing uniform analysis in connection with each Applicant which shall be utilized in the review of that Applicant's application for any incentive under the Act and the Financial Services Program;

(iv) standardize fees, including, where appropriate, a unified fee structure for all incentives available under the Act and the Financial Services Program;

(v) standardize employment projections and analysis, including, where appropriate, establishing a uniform procedure with regard to the definition, calculation and monitoring of employment opportunities in connection with incentives available under the Act and the Financial Services Program;

(vi) centralize outreach, publicity and marketing, including, where appropriate, implementing seminars and conferences to alert the public and private sectors to the availability of incentives under the Act and the Financial Services Program;

(vii) standardize reporting and monitoring, including, where appropriate, creating a single reporting procedure to monitor Applicant compliance and performance;

(viii) standardize term sheets for each of the incentives available under the Act and the Financial Services Program, including where appropriate, the name of the Applicant, the amount of the incentive issued or awarded, interest rate, term, use of proceeds, collateral security and employment information;

(ix) standardize requirements with regard to financial statements from recipients of incentives available under the Act and the Financial Services Program;

(x) standardize documentation and analysis to support the issuance of incentives available under the Act and the Financial Services Program in order to induce Applicants to remain, expand or locate within the City;

(xi) standardize documentation and analysis in connection with market justifications to support Applicants' sales growth projections;

(xii) standardize documentation and analysis in connection with each Applicant's capability to manage a proposed project;

(xiii) develop program proposals with regard to the use of IDA funds which are not dedicated to the costs incurred or to be incurred by EDC in connection with the administration of the programs of IDA pursuant to the IDA Annual Budget; and

(xiv) perform such other services and render such other assistance as the Board or the Executive Director shall request.

In addition, the administrative services to be provided to IDA by EDC with respect to certain larger projects, including but not limited to the monitoring of sales tax exemptions taken in connection with the purchase of machinery and equipment for such projects, shall be included in the "Services."

Section 2.6. EDC shall, in the performance of the Services, follow procedures substantively similar to the rules issued by the City to enhance the ability of minority and women owned business enterprises ("MWBE(s)") to compete for City contracts. Specifically, for the purpose of procuring consulting and professional services, EDC shall assist IDA in seeking to obtain responses from MWBEs. In addition, EDC shall assist IDA in marketing efforts to obtain project applications from MWBE applicants.

Section 2.7. Services related to IDA closings shall be limited to sixteen (16) IDA closings.

EDC shall be compensated for additional IDA closings pursuant to Section 5.1(c) of this Agreement.

### ARTICLE III

#### ADMINISTRATION AND ACCOUNTING OF FUNDS; INSPECTION RIGHTS

Section 3.1 EDC covenants and agrees that all funds received by EDC pursuant to Section 2.4 shall be promptly deposited into IDA Bank Accounts or remitted to appropriate governmental jurisdictions in accordance with requirements of applicable law.

Section 3.2 EDC shall provide to the Board and IDA's Treasurer investment recommendations and such other advisory services with respect to any monies held in IDA Bank Accounts as the Board may reasonably request.

Section 3.3 EDC will keep proper books of records and accounts in which proper entries will be made of its transactions with respect to all monies received and investments made pursuant to the terms of this Agreement, all in accordance with generally accepted accounting principles.

Section 3.4 EDC will permit IDA or its agents to examine the books of account and records of EDC and to make copies and extracts therefrom, and to discuss the affairs, finances and accounts of EDC with its officers and with its independent public accountants, all at such reasonable times and as often as IDA may reasonably request.

#### ARTICLE IV

##### TERM

Section 4.1 The Term of this Agreement shall be for a period from the date of this Agreement to June 30, ~~2018~~2019 or until the earlier termination of this Agreement pursuant to Article XI hereof.

Section 4.2 This Agreement shall be renewable pursuant to Article X hereof for successive additional 12 month periods.

## ARTICLE V

### PAYMENT TO EDC

Section 5.1 (a) Payment for the Services. IDA shall remunerate EDC in the amounts required under this Section 5.1.

(b) Base Contract Fee. In consideration of the Services provided to IDA by EDC during the Term, IDA shall pay to EDC a base contract fee in the amount of \$~~3,300,000~~4,356,000 (the “Base Contract Fee”). IDA shall so remunerate EDC by paying to EDC, on the first day of each calendar month during the Term, an amount equal to one twelfth (1/12) of the Base Contract Fee.

(c) Additional Contract Fee. In addition to the Base Contract Fee, IDA shall pay to EDC an additional contract fee or fees (collectively, the “Additional Contract Fee”) of \$135,000 for each IDA closing beyond the sixteenth (16<sup>th</sup>) IDA closing during the Term of this Agreement. IDA shall pay EDC an amount equal to the Additional Contract Fee within thirty (30) days of the related closing.

(d) Contribution toward Tenant Improvements. In consideration of any cost incurred by EDC in the improvement of its tenanted offices at 110 William Street, New York, New York, IDA shall make a contribution toward such cost in a reasonably-allocated amount based upon the number of EDC personnel providing the Services and the time expended by such personnel. At the direction of the Chief Financial Officer of IDA, such contribution (if any) shall be deemed a part of the Base Contract Fee or it shall be payable as a separate fee in addition to the amount of the Base Contract Fee.

(e) Contingency Fees. In consideration of the Services rendered during the Term by EDC to IDA pursuant to Section 2.4 hereof, EDC may charge, and IDA shall pay to EDC, a contingency fee or fees (collectively, the “Contingency Fee”) for any amounts recovered by EDC on behalf of IDA under Section 2.4 hereof, other than the amounts described in clauses “iii” and “iv” of such Section 2.4; *provided, however*, that the payment to EDC of a Contingency Fee, and the amount thereof, when arising out of the recovery by EDC of the amounts described in clause “v” of such Section 2.4, shall be subject to applicable requirements of law, if any. The Contingency Fee shall equal fifteen (15%) per centum of the aggregate amount recovered by EDC pursuant to Section 2.4; and such Contingency Fee shall be payable exclusively out of the recovered amount, it being the express understanding and agreement of the parties hereto that EDC shall have no recourse to other monies or assets of IDA for the payment of the Contingency Fee.

## ARTICLE VI

### REPRESENTATIONS AND WARRANTIES OF EDC

EDC represents and warrants that:

Section 6.1 EDC is a not-for-profit corporation duly organized and validly existing and in good standing under the laws of the State of New York, and has all requisite power and authority to execute, deliver and perform this Agreement.

Section 6.2 This Agreement has been duly authorized by all necessary corporate action on the part of EDC and has been duly executed and delivered by EDC and, assuming due execution and delivery by IDA, constitutes a legal, valid and binding obligation of EDC,

enforceable in accordance with its terms.

Section 6.3 There are no actions, suits or proceedings (whether or not purportedly on behalf of EDC) pending or, to the knowledge of EDC, threatened against or affecting EDC at law or in equity or before any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality which involves the possibility of any material adverse change in the business, operations, property or assets, or in the condition, financial or otherwise of EDC.

Section 6.4 Neither the execution and delivery of this Agreement, consummation of the transactions herein contemplated, nor compliance with the terms, conditions or provisions hereof, will conflict with or result in a breach of any of the terms, conditions or provisions of the Certificate of Incorporation or by-laws of EDC or any statute, indenture, mortgage, deed of trust or other agreement or instrument to which EDC is bound, or to the knowledge of EDC, any order, rule, or regulation of any court or governmental agency or body having jurisdiction over EDC or any of its activities or properties.

## ARTICLE VII

### REPRESENTATIONS AND WARRANTIES OF IDA

IDA represents and warrants that:

Section 7.1 IDA is a corporate governmental agency constituting a body corporate and politic and public benefit corporation of the State of New York, duly organized, validly existing and in good standing under the laws of the State of New York and has all requisite power and authority to execute and deliver this Agreement.

Section 7.2 This Agreement has been duly authorized by all necessary corporate action on the part of IDA and has been duly executed and delivered by IDA, and assuming due execution and delivery by EDC, constitutes the legal, valid and binding obligation of IDA, enforceable in accordance with its terms.

Section 7.3 Neither the execution and delivery of this Agreement, consummation of the transactions herein contemplated, nor compliance with the terms, conditions or provisions hereof, will conflict with or result in a breach of any of the terms, conditions or provisions of the by-laws of IDA or any statute, indenture, mortgage, deed of trust or other agreement or instrument to which IDA is bound, or to the knowledge of IDA, any order, rule, or regulation of any court or governmental agency or body having jurisdiction over IDA or any of its activities or properties.

## ARTICLE VIII

### ADDITIONAL COVENANTS OF EDC

So long as this Agreement is effective, EDC further covenants and agrees as follows:

Section 8.1 EDC will maintain its corporate existence under the laws of the State of New York as a not-for-profit corporation and that it will maintain its tax-exempt status pursuant to the Internal Revenue Code of 1986, as amended.

Section 8.2 EDC will keep and maintain adequate books and records relating to its operations, including but not limited to records with respect to:

- (a) any funds received in connection with IDA and its program;
- (b) the disbursement of such funds; and
- (c) financial documents relating to IDA and its programs, e.g. bank statements, fund balances, cancelled checks, bills, invoices, receipts, and deposit slips.

Section 8.3 EDC will provide monthly and year-to-date financial reports regarding IDA and its program to the Board and the Executive Director, which reports, shall include the following:

- (a) Total deposits at the beginning and end of the month;
- (b) Amount, source, application and date of all monies received and/or disbursed by or on behalf of IDA during the month;
- (c) Amount and application of any interest received during the month on IDA funds;
- (d) A monthly operations report; and
- (e) Such other information as the Board or Executive Director shall reasonably request.

Section 8.4 EDC will deliver to IDA, as soon as practicable and in any event not later than 90 days prior to the end of the Term and each successive term thereafter, an operations report setting forth at least the following information:

- (i) discussion of the operations of EDC pursuant to this Agreement during the period covered by such report, including but not limited to IDA funds received and disbursed, project financings closed, revenues and scope of other activities hereunder;
- (ii) an officer's certificate stating whether or not any default has occurred and is continuing hereunder and if so, specifying each such default, the nature of such default, and what action or actions it plans to take with respect thereto; and
- (iii) such other information as the Board shall reasonably request.

Section 8.5 As soon as practicable and in any event not later than 120 days after the end of EDC's fiscal year, EDC will deliver to IDA the audited financial statements of EDC including a balance sheet and statement of profits and losses prepared in accordance with generally accepted accounting principles consistently applied.

Section 8.6 Promptly upon receipt thereof, EDC will deliver to IDA copies of any report

on accounting procedures or internal controls submitted to EDC by independent certified public accountants in connection with any annual examination of the financial statements of EDC.

Section 8.7 EDC will deliver to IDA such other information as to the business or operations of EDC filed with any governmental department, bureau, commission or agency, as the Board may, from time to time, reasonably request.

Section 8.8 EDC will, in a timely manner, obtain all approvals necessary and make all filings required under city, state and federal laws with respect to the performance of this Agreement and the administration of IDA program.

Section 8.9 EDC will perform all acts to be performed in connection with this Agreement in strict conformity with applicable city, state and federal laws, rules, regulations and orders.

## ARTICLE IX

### EXECUTIVE DIRECTOR

Section 9.1 EDC and IDA covenant and agree that the Executive Director shall coordinate all aspects of this Agreement with the Board and shall dutifully undertake and be responsible for insuring the proper performance by EDC of the terms and provisions of this Agreement, in accordance with the Act, the by-laws of IDA and policies and procedures of the Board.

Section 9.2 EDC shall provide to the Board and the Executive Director, in accordance with the terms of this Agreement, such personnel, reports, forms and other information and assistance necessary and desirable to fulfill and properly perform the obligations contained in this Agreement.

## ARTICLE X

### RENEWAL OF AGREEMENT

Section 10.1 EDC shall annually submit to the Board this Agreement and any proposed amendments thereto. The Board shall, if it is so advised, offer proposed amendments to the Agreement to EDC.

## ARTICLE XI

### EVENTS OF DEFAULT; TERMINATION

Section 11.1 If one or more of the following events (“Events of Default”) shall occur:

(a) EDC shall fail to perform or shall violate any provision of this Agreement and such default or violation shall continue for a period of thirty (30) days after the Chairman or Vice Chairman of the Board has given written notice thereof to EDC, or, in the case of a default or violation which cannot with due diligence be cured within such period of thirty (30) days, EDC shall not have commenced curing the same within such thirty (30) day period and thereafter shall not have prosecuted the curing of such default or violation with all due diligence to completion (it being understood in connection with a default or violation not susceptible to being cured with due diligence within thirty (30) days that the time to cure the same shall be extended for such

period as the Board may deem reasonably necessary to complete the curing thereof with all due diligence); or

(b) The contract between the City and EDC dated as of ~~July 1, 2016~~June 30, 2017 as amended from time to time (the “Master Contract”) shall be terminated or an Event of Default (as defined in the Master Contract) shall occur and as a result of such Event of Default or for any other reason, the City or EDC shall elect to terminate the Master Contract; or

(c) EDC shall file a voluntary petition in bankruptcy or shall be adjudicated a bankrupt or insolvent or shall file any petition or answer seeking any reorganization, arrangement, recapitalization, readjustment, liquidation, dissolution or similar relief under any present or future applicable federal, state or other statute or law, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of EDC or of all or any substantial part of its properties or shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due; or

(d) Within ninety (90) days after the commencement of any proceedings against EDC seeking any reorganization, arrangement, recapitalization, readjustment, liquidation, dissolution or similar relief under the present or any future Federal Bankruptcy Act or any other statute or law, such proceedings shall not have been dismissed, or if, within ninety (90) days after the appointment, without the consent or acquiescence of EDC, of any trustee, receiver or liquidator of EDC or all or any substantial part of its properties, such appointment shall not have been vacated or stayed on appeal or otherwise, or within ninety (90) days after the expiration of any such stay

such appointment shall not have been vacated; then, in any such Event of Default, IDA, at any time thereafter (but prior to the curing of all such Events of Default), may give written notice to EDC specifying such Event of Default or Events of Default and stating that this Agreement shall expire and terminate on the date specified in such notice, which shall be at least ten (10) days

after the giving of such notice, and on the date specified in such notice, this Agreement shall expire and terminate and EDC shall remain liable for all its obligations incurred pursuant to this Agreement prior to the date of such termination. EDC shall assume no further binding obligations in connection with any services to be rendered pursuant to this Agreement after the date of receipt of such notice from IDA, provided that IDA may direct such wind up work as it deems necessary.

Section 11.2 This Agreement shall terminate ninety (90) days after IDA shall have given to EDC, or EDC shall have given to IDA, written notice of the respective party's intention to terminate this Agreement. EDC shall assume no further binding obligations pursuant to any agreement after the date of receipt of such notice from IDA, provided that IDA may direct such wind-up work as it determines is necessary.

Section 11.3 On the date fixed for termination as provided in Sections 11.1 or 11.2 hereof, EDC shall transfer, assign and set over to IDA immediately (a) any and all documentation maintained by EDC in connection with services rendered hereunder and (b) all agreements, records, correspondence and other documents of any kind relating to outstanding IDA monies, projects and other matters.

## ARTICLE XII

### GENERAL PROVISIONS

Section 12.1 This Agreement may be assigned by EDC to its successor in function with the consent of the Board.

Section 12.2 No modification, amendment, waiver or release of any provision of this

Agreement or of any right, obligation, claim or cause of action arising hereunder shall be valid or binding for any purpose unless in writing and duly executed by the parties hereto.

Section 12.3 The table of contents and captions of this Agreement are for convenience and reference only and in no way define, limit or describe the scope or intent of this Agreement or in any way affect this Agreement.

Section 12.4 This Agreement contains all the terms and conditions agreed upon by the parties hereto, and no agreement, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to be binding upon any of the parties hereto.

Section 12.5 Each written notice, demand, request or other communication in connection with this Agreement shall be either served in person, with delivery or service acknowledged in writing by the party receiving the same, or deposited in the United States mails, postage prepaid, and addressed:

(a) To EDC: 110 William Street, New York, N.Y. 10038 Attention:  
President

(b) To IDA: 110 William Street, New York, N.Y. 10038 Attention:  
Executive Director

, or addressed to either party at any other address that such party may hereinafter designate by written notice to the other party.

Section 12.6 This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

Section 12.7 The parties agree that each and every provision of federal, state or local

law,  
rule, regulation or order, required to be inserted in this Agreement, is deemed by this reference to be so inserted in its correct form, and upon the application of either party, this Agreement shall be amended by the express insertion of any such provisions not so inserted and by the deletion of any such provision which is inserted incorrectly.

Section 12.8 No director, officer, member, employee, agent or other person authorized to act on behalf of EDC or IDA shall have any personal liability in connection with this Agreement or any failure of EDC or IDA to perform its obligations hereunder. Each of the parties hereto agrees that no action in connection with this Agreement shall lie or be maintained unless such action is commenced within six (6) months after the termination of this Agreement, or the accrual of the cause of action, whichever is earliest.

Section 12.9 EDC agrees to indemnify, defend and hold IDA, its members, directors, officers, employees and agents, harmless from any and all claims, demands, suits, expenses, judgments or liabilities of every kind and nature to which they may be subject because of any act or omission of EDC, its agents, or employees, in connection with this Agreement or because of any negligence of the EDC, its agents, or employees. EDC shall be solely responsible for the safety and protection of all its employees and shall assume all liability for injuries, including death, that may occur to said employees due to the negligence, fault or default of EDC.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

NEW YORK CITY ECONOMIC  
DEVELOPMENT CORPORATION

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

NEW YORK CITY INDUSTRIAL

DEVELOPMENT AGENCY

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

**EXHIBIT A**

*New York City Industrial Development Agency  
Budget for Fiscal Year  
~~2018~~[2019](#) follows this page*

## Exhibit A

### NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY FISCAL YEAR 2019 BUDGET

	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected Year-End Actual	FY 2019 Budget	FY 2020 Budget	FY 2021 Budget	FY 2022 Budget
<b>REVENUES</b>							
Financing Fees*	825,293	2,513,570	2,938,759	3,155,311	3,449,689	3,715,404	4,221,951
Application Fees	170,000	130,000	75,000	142,630	153,305	161,445	169,585
Compliance Fees**	843,621	970,980	822,706	847,387	872,809	898,993	925,963
Post-Closing Fees	117,500		105,000	108,150	110,313	112,519	114,770
Investment Income	199,995	129,808	247,208	220,929	223,448	226,248	231,716
Other Income	529,961	300,000	486,076	300,000	300,000	300,000	300,000
<b>TOTAL REVENUES</b>	<b>2,686,370</b>	<b>4,044,358</b>	<b>4,674,748</b>	<b>4,774,407</b>	<b>5,109,563</b>	<b>5,414,608</b>	<b>5,963,984</b>
<b>EXPENSES</b>							
Contract Fee	3,300,000	3,300,000	3,300,000	4,356,000	4,491,000	4,761,000	5,031,000
Audit and Accounting Fees	101,222	85,760	101,222	79,676	81,270	82,895	84,553
Outreach / Marketing	6,049	25,000	2,988	25,000	25,000	25,000	25,000
Public Notice Fees	45,733	52,677	24,975	34,327	38,904	43,481	48,058
Miscellaneous Expenses	63,429	35,471	71,493	47,120	47,183	47,249	47,316
<b>TOTAL EXPENSES</b>	<b>3,516,433</b>	<b>3,498,908</b>	<b>3,500,678</b>	<b>4,542,123</b>	<b>4,683,357</b>	<b>4,959,624</b>	<b>5,235,927</b>
<b>OPERATING EXCESS/(DEFICIT) FROM IDA OPERATIONS</b>	<b>(830,063)</b>	<b>545,450</b>	<b>1,174,070</b>	<b>232,284</b>	<b>426,206</b>	<b>454,984</b>	<b>728,057</b>
<b>Contract Purchases</b>							
Contract Purchases/Special Projects***	7,031,172	6,451,186	3,990,821	2,968,440	168,440	168,440	168,440
<b>NET OPERATING EXCESS/(DEFICIT)</b>	<b>(7,861,235)</b>	<b>(5,905,736)</b>	<b>(2,816,751)</b>	<b>(2,736,156)</b>	<b>257,766</b>	<b>286,543</b>	<b>559,617</b>
<b>NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY NET ASSETS</b>							
Unrestricted Net Assets (Beginning)	46,591,762	40,782,568	38,730,527	35,913,776	22,727,620	22,985,386	23,271,929
Operating Excess/(Deficit)	(7,861,235)	(5,905,736)	(2,816,751)	(2,736,156)	257,766	286,543	559,617
Asset Increase		-	-	-	-	-	-
Asset Decrease	-	-	-	(10,450,000)	-	-	-
<b>UNRESTRICTED NET ASSETS (ENDING)</b>	<b>38,730,527</b>	<b>34,876,832</b>	<b>35,913,776</b>	<b>22,727,620</b>	<b>22,985,386</b>	<b>23,271,929</b>	<b>23,831,546</b>

\* FY18 projected year-end financing fees are based on 14 transactions. FY19 financing fees are based on 15 transactions.

\*\* FY 2018 Budget did not include a separate line item for post-closing fees.

\*\*\* Pursuant to various Board approved agreements between the Agency and NYCEDC, the Agency is committed to fund various projects being performed by NYCEDC related to the City's economic and industrial development projects and initiatives.

**NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY**  
**BUDGETED REVENUES, EXPENDITURES, AND CHANGES IN CURRENT NET ASSETS**  
(Office of the State Comptroller's Submission Format)

	Last Year (Actual) 2017	Current Year (Estimated) 2018	Next Year (Adopted)* 2019	Proposed 2020	Proposed 2021	Proposed 2022
<b><u>REVENUE &amp; FINANCIAL SOURCES</u></b>						
<b>Operating Revenues</b>						
Charges for services	1,956,414	3,941,465	4,253,478	4,586,115	4,888,361	5,432,268
Other operating revenues	529,961	486,076	300,000	300,000	300,000	300,000
<b>Nonoperating Revenues</b>						
Investment earnings	199,995	247,208	220,929	223,448	226,248	231,716
<b>Total Revenues &amp; Financing Sources</b>	<b>2,686,370</b>	<b>4,674,748</b>	<b>4,774,407</b>	<b>5,109,563</b>	<b>5,414,608</b>	<b>5,963,984</b>
<b><u>EXPENDITURES</u></b>						
<b>Operating Expenditures</b>						
Professional services contracts	10,547,605	7,491,499	7,510,563	4,851,797	5,128,065	5,404,367
<b>Total Expenditures</b>	<b>10,547,605</b>	<b>7,491,499</b>	<b>7,510,563</b>	<b>4,851,797</b>	<b>5,128,065</b>	<b>5,404,367</b>
<b>Excess (deficiency) of revenues and capital contributions over expenditures</b>	<b>(7,861,235)</b>	<b>(2,816,751)</b>	<b>(2,736,156)</b>	<b>257,766</b>	<b>286,543</b>	<b>559,617</b>

\* The FY2019 budget will be presented to the Board of Directors on April 10, 2018.

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**Exhibit C**

**NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY  
COMPREHENSIVE INVESTMENT GUIDELINES POLICY  
Adopted June 13, 2006; as amended through June ~~13, 2017~~12, 2018**

**I. PURPOSE**

The purpose of this Policy is to establish procedures and guidelines regarding the investing, monitoring and reporting of funds of the New York City Industrial Development Agency (the “Agency”).

**II. GENERAL PROVISIONS**

**A. Scope of Policy**

This Policy applies to the funds of the Agency which, for purposes of this Policy and the guidelines stated herein, consist of all moneys and other financial resources available for deposit and investment by the Agency on its own behalf and for its own account (collectively, the “Funds”). As defined herein, “Funds” shall not include the proceeds of bonds issued by the Agency as financial assistance in connection with a project under the General Municipal Law (as such terms are defined in the General Municipal Law).

**B. Investment Objectives**

The Funds shall be managed to accomplish the following objectives:

1. *Preservation of Principal* – The single most important objective of the Agency’s investment program is the preservation of the principal of the Funds.
2. *Maintenance of Liquidity* – The Funds shall be managed in such a manner that assures that funds are available as needed to meet immediate and/or future operating requirements of the Agency.
3. *Maximize Return* – The Funds shall be managed in such a fashion as to maximize income through the purchase of Permitted Investments (hereinafter defined), taking into account the other investment objectives.
4. *Compliance with law* – The Funds shall be managed in compliance with Sections 10, 11 and 858-a(3) of the General Municipal Law of the State of New York (respectively, the “GML” and the “State”).

**III. IMPLEMENTATION**

Under the direction of the Chief Financial Officer of the Agency, the Treasurer of the Agency and any Assistant Treasurer of the Agency (respectively, the “Chief Financial Officer,” the “Treasurer,” and an “Assistant Treasurer”) shall be responsible for the implementation of the Agency’s investment program and the establishment of investment procedures and a system of controls to regulate the activities of subordinate staff, consistent with this Policy. The Treasurer

or an Assistant Treasurer shall additionally have the authority to invest the Funds of the Agency and shall invest prudently and in accordance with the requirements of this Policy.

#### **IV. AUTHORIZED DEPOSITS**

##### **A. Authorized Institutions for Deposit**

In accordance with relevant provisions of the General Municipal Law, the Board of Directors must designate one or more banks or trust companies for the deposit of Funds (“Designated Institution(s)”), and shall additionally specify the maximum amount of Funds which may be deposited in each such Designated Institution.

Accordingly: I. the Board of Directors hereby designates as the Designated Institutions, those banks and/or trust companies that, from time to time, the City of New York shall have designated, or shall have been permitted to designate, for the deposit of the City’s funds; II. the Board of Directors hereby determines and specifies that each account of the Agency at any such Designated Institution, shall be subject to a maximum deposit amount and that such amount shall be, for purposes of day-to-day operations, no greater than two million dollars, and for purposes of extraordinary receipts having a deposit duration of no longer than two business days, no greater than ten million dollars.

##### **B. Deposits; Responsibility for Making Deposits**

The Agency shall cause Funds potentially needed for immediate expenditure to be deposited at Designated Institutions in accounts that permit nearly immediate withdrawal (“Deposit Accounts”). The Chief Financial Officer, the Treasurer, an Assistant Treasurer, or any other officer of the Agency authorized to have custody of the Funds, shall be responsible for depositing the Funds in accordance with this Section IV.

##### **C. Collateral**

In the event that the Funds on deposit in any one Deposit Account exceed the amount that is insurable by the Federal Deposit Insurance Act, as now or hereafter amended, such excess shall be secured by collateral in accordance with the requirements of GML Section 10(3).

#### **V. AUTHORIZED TEMPORARY INVESTMENTS**

##### **A. Responsibility for Temporary Investments**

In accordance with relevant provisions of the General Municipal Law, the Board of Directors may delegate the authority to temporarily invest such portion of the Funds as are not needed for immediate expenditure. Accordingly, the Board of Directors hereby delegates to the Chief Financial Officer and, if under the direction of the Chief Financial Officer, to the Treasurer and any Assistant Treasurer, the authority to temporarily invest such portion of the Funds not needed for immediate expenditure; *provided*, such investments are made in accordance with the requirements of relevant provisions of the General Municipal Law.

## **B. Permitted Temporary Investments**

Permitted temporary investments for the Funds are the investments permitted under Section 11 of the GML (The securities purchased as temporary investments for the Funds are hereinafter referred to as the “Securities.”)

## **C. Requirements**

The Agency shall instruct its Agents (as such term is defined in Subdivision XI of this Policy) to obtain competitive quotes for each purchase or sale of Securities, other than governmental Securities, when such transaction equals or exceeds \$2,500,000 in amount.

All Securities of the Agency shall be purchased, sold, payable, paid, redeemed, delivered, registered, inscribed, held in custody, and co-mingled or not co-mingled in accordance with the requirements and limitations of the GML.

The Treasurer shall maintain, or cause to be maintained, proper books and records of all Securities held by or for the Agency and for all transactions pertinent thereto. Such books and records shall at least identify the Security, the fund for which held, and the place where kept; and the entries made therein shall show the competitive quotes obtained therefor, the date of sale or other disposition, and the amount realized therefrom.

## **VI. WRITTEN CONTRACTS**

The Agency shall enter into written contracts pursuant to which investments are made which conform with the requirements of this Policy and Section 2925.3(c) of the Public Authorities Law unless the Board of Directors determines by resolution that a written contract containing such provisions is not practical or that there is not a regular business practice of written contracts containing such provisions with respect to a specific investment or transaction, in which case the Board of Directors shall adopt procedures covering such investment or transaction.

## **VII. DIVERSIFICATION**

The investment portfolio for the Funds shall be structured diversely to reduce the risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer or a specific type of security. The maximum percentage of the total portfolio permitted for the indicated category of security is as follows:

SECURITIES	MAXIMUM
Time deposits and certificates of deposit permitted under the GML provided same are secured by <i>eligible securities</i> as defined under the GML	45%
Obligations of the USA; obligations of agencies of the USA if guaranteed by the USA	100%
Obligations of New York State	40%

### VIII. MAXIMUM MATURITY

Maintenance of adequate liquidity to meet the cash flow needs of the Agency is essential. Accordingly, the Agency’s portfolio of Permitted Investments will be structured in a manner that ensures sufficient cash is available to meet anticipated liquidity needs. Selection of investment maturities must be consistent with cash requirements in order to avoid the forced sale of securities prior to maturity.

For purposes of this Policy, assets of the portfolio shall be segregated into two categories based on expected liquidity needs and purposes – Cash Equivalents and Investments. Assets categorized as Cash Equivalents will be invested in Permitted Investments maturing in ninety (90) days or less or in Deposit Accounts. Assets categorized as Investments will be invested in Permitted Investments with a stated maturity of no more than two (2) years from the date of purchase.

### IX. MONITORING AND ADJUSTING THE INVESTMENT PORTFOLIO

Those responsible for the day-to-day management of the Agency’s portfolio of Permitted Investments will routinely monitor the contents of the portfolio, the available markets and the relative values of competing instruments, and will adjust the portfolio as necessary to meet the requirements and goals of this Policy. It is recognized and understood that the non-speculative active management of portfolio holdings may cause a loss on the sale of an owned investment.

### X. INTERNAL CONTROLS

Under the direction of the Chief Financial Officer, the Treasurer or an Assistant Treasurer, shall establish and be responsible for monitoring a system of internal controls governing the administration and management of the portfolio. Such controls shall be designed to prevent and control losses of the portfolio funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by any personnel.

## **XI. ELIGIBLE BROKERS, AGENTS, DEALERS, INVESTMENT ADVISORS, INVESTMENT BANKERS AND CUSTODIANS.**

The following are the standards for the qualifications of brokers, agents, dealers, investment advisors, investment bankers and custodians:

### **A. Brokers, Agents, Dealers**

The categories of firms listed below are the categories from which the Agency may select firms to purchase and sell Securities (as selected an “Agent”). Factors to be considered by the Agency in selecting Agents from these categories shall include the following: size and capitalization; quality and reliability; prior experience generally and prior experience with the Agency specifically; and level of expertise for the transactions contemplated.

1. any bank or trust company organized and/or licensed under the laws of the USA which is authorized to do business in NYS;
2. any bank or trust company organized and/or licensed under the laws of any state of the USA which is authorized to do business in NYS;
3. any broker-dealer licensed and/or permitted to provide services under federal law and, when necessary, qualified to do business in NYS

### **B. Investment Advisors**

In addition to the requirements set forth in “A” preceding, any Agent selected by the Agency to be an investment advisor shall be registered with the SEC under the Investment Advisors Act of 1940.

### **C. Investment Bankers**

In addition to the requirements set forth in “A” preceding, any Agent selected by the Agency to serve as a senior managing underwriter for negotiated sales must be registered with the SEC.

### **D. Custodians**

In addition to the requirements set forth in “A” preceding, any Agent selected by the Agency to be a custodian shall have capital and surplus of not less than \$50,000,000.

## **XII. REPORTING**

### **A. Quarterly**

Under the direction of the Chief Financial Officer, the Treasurer or an Assistant Treasurer, shall prepare and deliver to the Board of Directors once for each quarter of the Agency’s fiscal year a report setting forth a summary of new investments made during that

quarter, the inventory of existing investments and the selection of investment bankers, brokers, agents, dealers, investment advisors and auditors.

## **B. Annually**

1. *Audit* – the Agency’s independent accountants shall conduct an annual audit of the Agency’s investments for each fiscal year of the Agency, the results of which shall be made available to the Board of Directors at the time of its annual review and approval of these Guidelines.
2. *Investment Report* – Annually, the Treasurer or an Assistant Treasurer, under the direction of the Chief Financial Officer, shall prepare and the Board of Directors shall review and approve an Investment Report, which shall include:
  - a. This Policy and amendments thereto since the last report;
  - b. An explanation of this Policy and any amendments made since the last report;
  - c. The independent audit report required by paragraph 1 above;
  - d. The investment income record of the Agency for the fiscal year; and
  - e. A list of fees, commissions or other charges paid to each investment banker, broker, agent, dealer and advisor rendering investment associated services to the Agency since the last report.

The Investment Report shall be submitted to the Mayor and the Comptroller of the City of New York and to the New York State Department of Audit and Control. Copies of the report shall also be made available to the public upon reasonable request.

## **XIII. APPLICABILITY**

Nothing contained in this Policy shall be deemed to alter, affect the validity of, modify the terms of or impair any contract or agreement for the investment of the Funds, made or entered into in violation of, or without compliance with, the provisions of this Policy.

## **XIV. CONFLICT OF LAW**

In the event that any portion of this Policy is in conflict with any State, City or federal law, that law will prevail.

## **XV. PRIOR POLICIES**

This Policy, when originally adopted on June 13, 2006, superseded the *Deposit and Investment Policy* that the Board of Directors adopted at its meeting held on July 9, 1996. This Policy does not supersede, in any relevant part, the amended By-Laws of the Agency.

## **XVI. AUTOMATIC AMENDMENT**

This Policy shall be deemed automatically amended to conform with enactments that amend or succeed any of GML Sections 10, 11 or 858-a(3).

## **XVII. MWBEs**

The Agency shall seek to encourage participation by minority and women-owned business enterprises (i.e., “MWBEs”) in providing financial services to the Agency.

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**Exhibit D**

**NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY  
POLICY FOR THE DISPOSITION OF PERSONAL PROPERTY  
Adopted June 13, 2006; as amended through June ~~13, 2017~~[12, 2018](#)**

Personal Property Valued at \$5,000 or Less

Whenever New York City Industrial Development Agency (the “Agency”) wishes to transfer title to or a beneficial interest in an item of personal property or an interest therein with an estimated value of \$5,000 or less, it shall obtain offers from one or more persons or entities as the Agency’s contracting officer for personal property dispositions (the “Contracting Officer”), appointed by the Agency’s Board of Directors, or his or her designee deems appropriate. The Agency shall maintain a record of the persons or entities approached and their responses. The Agency may conduct discussions with some or all of the persons and entities. The property may be disposed of to whichever person or entity the Contracting Officer or his or her designee selects based on the proposed price and any other factors that the Contracting Officer or his or her designee deems appropriate.

All personal property that the Contracting Officer or his or her designee considers to be of no sale value and no use to the Agency may be destroyed or otherwise disposed of in such manner as is determined by the Contracting Officer or his or her designee. Notwithstanding the foregoing, records may only be destroyed or disposed of at a time and in a manner not in conflict with applicable law, regulation or contract.

No approval of a disposition of a type described above is required from the Board of Directors or any committee thereof. All disposal documents must be approved and executed by an officer who is an authorized signatory of all agreements of the Agency.

Personal Property Valued in Excess of \$5,000

Whenever the Agency wishes to transfer title to or a beneficial interest in an item of personal property or an interest therein with an estimated value in excess of \$5,000 it shall first obtain an appraisal of the property if, because of the unique nature of the property or the unique circumstances of the proposed transaction, it is not readily valued by reference to an active market for similar property. However, an appraisal of the property will not be required if an appraisal of the property or similar property has been made within the past two years.

The person or entity to which the property shall be disposed of shall be determined through a procurement conducted in accordance with Title 5-A of Article 9 of the Public Authorities Law. The Agency shall publicly advertise for proposals for the disposal of the property in accordance with Title 5-A, provided that it may dispose of the property without public advertising, obtaining such competition as is feasible under the circumstances, when permitted to do so under Title 5-A. In connection with the disposition, in addition to complying with the requirements of Title 5-A, the Agency shall also comply with the lobbying-and-procurement requirements of Sections 139-j and

139-k of the State Finance Law, and with all other laws, if any, that are applicable to the disposition of personal property.

Prior to the disposal of the property, the project manager involved in the disposition shall be the primary person responsible for the monitoring of compliance with the terms of the contract for the disposal, and shall keep the Contracting Officer or his or her designee informed of all major issues that arise and of the status of the disposition.

The disposal must be approved by the Board of Directors if the disposal (i) is on a sole source basis for an amount in excess of \$20,000, or (ii) is for an amount in excess of \$100,000 and has been competitively procured, or (iii) is for property valued in excess of \$5,000 and will be disposed of for less than fair market value. For disposals for less than those amounts, no approval is required of the Board of Directors. In all cases, the disposal must be approved by the Contracting Officer or his or her designee and disposal documents must be approved and executed by an officer who is an authorized signatory of all agreements of the Agency.

The Contracting Officer shall cause a record to be maintained of all personal property disposed of for an amount in excess of \$5,000 and shall cause to be prepared and transmitted all reports relating to the disposition of personal property required by Title 5-A.

#### Acknowledgment of Inapplicability

It is acknowledged that acquisition and disposition by the Agency of interests in personal property, when the Agency so acquires and disposes in the course of providing financial assistance to projects (as such terms are defined in the General Municipal Law) in accordance with relevant requirements of the General Municipal Law, are exempt from the requirements of Title 5-A; and that, accordingly, this Policy will have no application to such financial-assistance-related transactions of the Agency.

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**Exhibit E**

**NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY  
POLICY FOR THE ACQUISITION AND DISPOSITION OF REAL PROPERTY  
Adopted June 13, 2006; as amended through June ~~13, 2017~~12, 2018**

**I. Introduction**

In accordance with the requirements of Title 5-A of Article 9 of the Public Authorities Law and Section 2824(1)(e) of the Public Authorities Law, as amended by the Public Authorities Accountability Act of 2005, as amended (“PAAA”), the following comprehensive guidelines (“Guidelines”) set forth for the New York City Industrial Development Agency (“NYCIDA”) (i) the operative policy and instructions regarding the use, awarding, monitoring and reporting of contracts for the disposal of property through means of real property sale, ground lease, space lease and roof top lease, (ii) the guidelines relating to the acquisition of real property, and (iii) the related policies and procedures.

It is acknowledged that acquisition and disposition by NYCIDA of interests in real property, when NYCIDA so acquires and disposes in the course of providing financial assistance to projects (as such terms are defined in the General Municipal Law) in accordance with relevant requirements of the General Municipal Law, are exempt from the requirements of the PAAA; and that, accordingly, these Guidelines will have no application to such financial-assistance-related, real estate transactions of NYCIDA.

**II. Methods of disposing of real property**

NYCIDA shall dispose of real property in accordance with Title 5-A and other applicable laws in a manner so as to permit such full and free competition as is appropriate under the circumstances and shall award contracts to parties offering the most advantageous terms, financial and/or otherwise. The Contracting Officer for real property dispositions, appointed by NYCIDA’s Board of Directors (the “Board”), shall supervise and direct all dispositions of NYCIDA real property. The real property may be disposed of for not less than fair market value for cash, credit, or other property, with or without warranty, upon such terms and conditions as the Contracting Officer or his/her designee deems proper, except as otherwise permitted herein. No disposition of real property shall be made unless an appraisal has been made by an independent appraiser whose written report will be included in the NYCIDA file. To the extent reasonably feasible, the appraisal shall be dated within twelve months of the date on which NYCIDA enters into a contract to dispose of the real property. The independent appraiser must be a New York State Certified General Real Estate Appraiser and may not be an entity owned or controlled by the City, New York City Economic Development Corporation, or the prospective purchaser or lessee, or any of their affiliates. An appraisal meeting the foregoing requirements is a “Conforming Appraisal”. Before approving the disposal of any property the Board shall be advised of the date of the Conforming Appraisal.

Under the Contracting Officer's or his/her designee's direction, NYCIDA primarily uses two methods of disposition: Request for Proposals ("RFP") and negotiated disposition.

## **RFPs**

The RFP process is a process whereby the development community and other entities and individuals are invited to submit proposals for one or more properties. In an effort to create full and free competition consistent with the value and nature of the property, as certified in writing by the Contracting Officer, RFPs will be advertised in the City Record and shall be advertised in local newspapers, including community-based newspapers, in multi-language publications, and/or in a trade publications, where appropriate given the nature of the property. In addition, RFPs shall be posted on NYCIDA's web-site (or the portion of another entity's web-site devoted to NYCIDA), and, on occasion, distributed to a direct mailing list. All advertisements shall list when and where proposals shall be disclosed, except that if the disposition falls within one of the criteria for a negotiated disposition described below, as certified in writing by the Contracting Officer, at the discretion of the Contracting Officer, the advertisement may omit such disclosure information and/or the disclosure may or may not be made. The Contracting Officer shall approve the location of all advertisements and postings and any omission of disclosure information.

RFPs for real property sales and ground leases may, but are not required to, include an introduction and sections on development strategy, objectives, disposition process, public review process, general conditions and, where appropriate, economic development benefits. All RFPs for real property sales and ground leases must include a site description, proposal requirements and selection criteria.

Although the selection criteria for each RFP varies, as appropriate, NYCIDA will include at least the following selection criteria in reviewing submissions and selecting a proposal:

- *Economic Impact on / Spending in New York City* - projected expenditures, including purchase price, construction costs and annual operating costs; projected temporary (construction) and permanent on-site employment and payroll; projected applicable New York City taxes such as real property, sales and personal income taxes; and the extent, if any, to which the proposed project will create additional sources of revenue to the City.
- *Development Team Qualifications* – experience and development skills to complete the proposed project on time and within budget, for which experience in completing projects of a similar nature and scope as is contemplated by the RFP shall be taken into account.
- *Financial Viability* – developer's financial means to complete the project, availability of funding sources to finance the project, and sufficient use to support operating expenses, capital costs and any debt service.
- *Integration into Surrounding Community* – environmental issues such as pedestrian access, vehicular access and circulation, building mass, parking

availability, landscaping, environmental impact, and overall integration into surrounding community.

- *Design* – architectural design, urban design, environmental development techniques, and compliance with applicable zoning, environmental and other regulatory controls.
- *MWBE Participation* – participation by minority-owned and women-owned businesses, or partnering arrangements with minority-owned and women-owned businesses.
- *Purpose* – whether the project involves an industry or activity which the City seeks to retain and foster and conforms with NYCIDA’s mission

Depending on the nature of the real property, RFPs may or may not include additional selection criteria, deemed appropriate by the Contracting Officer or NYCIDA’s President.

With regard to an RFP for a real property sale or ground lease, NYCIDA shall notify the City Council Member and Community Board whose districts include the property, that an RFP is being issued.

The contract will be awarded to the candidate presenting the most advantageous terms, price and other factors considered in connection with the criteria enumerated in the RFP. NYCIDA may reject the proposals when the minimum terms and conditions have not been met, competition is insufficient and/or it is in the public interest to do so. The award/designation will be made by notice within a reasonable time of the original advertisement, all circumstances considered.

Notwithstanding anything that may be to the contrary in the foregoing description of the RFP process, NYCIDA shall, when using the RFP process, comply with the requirements of Sections 139-j and 139-k of the State Finance Law pertaining to procurements by a governmental entity (collectively, the “Procurement Requirements”) by acting in accordance with NYCIDA’s Procurement Policy.

### **Negotiated Disposition**

RFP by advertisement is not always the most appropriate and effective means of disposal of real property. In certain instances, including when the disposition is for less than fair market value but the purpose of the disposition is within NYCIDA’s purpose, mission or governing statute or the disposition is otherwise authorized by law, Title 5-A permits a negotiated disposition subject to obtaining such competition as is feasible under the circumstances. In some circumstances, the disposition will involve a sole source disposition. Title 5-A, Sections 2897(6)(c)(ii)-(vi) and 2897(7), sets forth that real property may be disposed of through a negotiated disposition when:

- (i) the fair market value of the property does not exceed fifteen thousand dollars;

- (ii) bid prices after advertising therefor are not reasonable, either as to all or some part of the property, or have not been independently arrived at in open competition;
- (iii) the disposal will be to the state or any political subdivision, and the estimated fair market value of the property and other satisfactory terms of disposal are obtained by negotiation;
- (iv) the disposal is for an amount less than the fair market value of the property, and (a) the transferee is a government or other public entity and the terms and conditions of the transfer require that the ownership and use of the asset will remain with the government or any other public entity, (b) the purpose of the transfer is within the purpose, mission or governing statute of NYCIDA, or (c) in the event NYCIDA seeks to transfer an asset for less than its fair market value to other than a governmental entity, which disposal would not be consistent with Agency's mission, purpose or governing statutes, NYCIDA shall provide written notification thereof to the governor, the speaker of the state assembly, and the temporary president of the state senate, and such proposed transfer shall be subject to denial by the governor, the state senate, or the state assembly in the manner specified in Section 2897(7)(iii); provided, however, that with respect to a below-market transfer by NYCIDA that is not within the purpose, mission or governing statute of NYCIDA, if the governing statute provides for the approval of such transfer by the executive and legislative branches of the political subdivision in which NYCIDA resides, and the transfer is of property obtained by NYCIDA from that political subdivision, then such approval shall be sufficient to permit the transfer; or
- (v) such action is otherwise authorized by law.

In the event a below fair market value asset transfer (pursuant to an RFP or negotiated disposition) is proposed to NYCIDA's Board of Directors for approval, the following information must be provided to NYCIDA's Board of Directors and the public:

1. a full description of the asset;
2. a Conforming Appraisal and any other information establishing fair market value as may be sought by the Board;
3. a description of the purpose of the transfer, and a reasonable statement of the kind and amount of the benefit to the public resulting from the transfer, including but not limited to the kind, number, location, wages, or salaries of jobs created or preserved as required by the transfer, the benefits, if any, to the communities in which the asset is situated as are required by the transfer;
4. a statement of the value to be received compared to the fair market value;

5. the names of any private parties participating in the transfer, and if different than the statement required by subparagraph “4” of this paragraph, a statement of the value to the private party; and
6. the names of other private parties who have made an offer for such asset, the value offered, and the purpose for which the asset was sought to be used.

Before approving the disposal of any property for less than fair market value, the Board shall consider the information described in the above paragraph, and the justification(s) provided in a written certification made by the Contracting Officer or NYCIDA’s President and make a written determination that there is no reasonable alternative to the proposed below-market transfer that would achieve the same purpose of such transfer. The Contracting Officer shall provide such supplemental information as the Board may require.

If an RFP involves a disposition that meets one of the criteria described above for negotiated dispositions, the Contracting Officer or his/her designee may direct that the disposition of the real property be considered a negotiated disposition. In such circumstance, a public disclosure of the proposals would not be necessary unless otherwise required but an explanatory statement and 90 days’ notice (or such other period as the statute may be amended to require) would be required as detailed below.

Upon meeting Title 5-A’s requirements for a negotiated disposition, the decision to proceed with a negotiated disposition in a situation where an RFP will not be used is based on an analysis of the facts and nature of the project. In such instance, a negotiated disposition may be undertaken without limitation under the following circumstances (which shall be explained to the Board in writing) where appropriate:

- risk of business relocation or expansion outside the City
- to permit expansion of business in the City
- due to number of jobs to be created or retained
- development of sites which lack private sector interest (as demonstrated by a failed RFP or other competitive means within the past two years)
- proximity of real property to a business’ existing location, or
- other important public purpose

Regardless of the reason the negotiated disposition is deemed permissible, such competition as is “feasible” under the circumstances is still required. In some instances where advertisement is not used, NYCIDA might notify neighboring businesses of an available parcel to give them the opportunity to submit a proposal, thereby effecting competition. However, in other instances, even such notification might not be feasible. Realistically, in certain situations a sole source disposition or little competition will be the only feasible alternative. For example, if a lease is for a sum below fair market value and failure to renew could threaten relocation outside the City, loss of jobs or business failure, a sole source negotiated disposition will be permissible under Title 5-A Section 2897(6)(c)(v). So too, if a space is leased at fair market value to a tenant that provides many jobs and services as well as promises future economic development to the

community, a sole source negotiated disposition might also be appropriate to preserve the jobs in the City. Similarly, if a tenant requires an adjacent available space to expand his/her business and such expansion would create new jobs and prevent the business from leaving the City, a sole source negotiated disposition at fair market value might also be appropriate. In cases where a sole source disposition is presented to NYCIDA's board of directors for approval, the board of directors should be informed of the justification for doing a sole source.

If a negotiated disposition is undertaken, in accordance with Section 2897(d) of the PAAA, in most cases not less than 90 days (or such other period as the statute may later require) prior to the disposal of the property, an explanatory statement must be submitted to the state comptroller, state director of the budget, state commissioner of general services and state legislature, a copy of the same to be maintained in NYCIDA's files.

### **III. Acquisitions**

Real property may be purchased or acquired by eminent domain by NYCIDA for purposes of use, resale, leasing or otherwise permitting the use of the property or space therein, and may be leased by NYCIDA for purposes of use, subleasing or assignment of lease or otherwise permitting the use of the leased property or space. The purpose of such acquisition shall be to further a purpose of NYCIDA under the General Municipal Law. Except for acquisitions arising out of the enforcement of remedies, the following requirements shall apply to acquisitions by NYCIDA. The Contracting Officer or his/her designee shall approve the terms of the acquisition and obtain the approval of the Board for the same. Further, at the discretion of the President of NYCIDA or his/her designees, where NYCIDA has a right of reacquisition of previously disposed of property, it may exercise this right. In NYCIDA's consideration of the acquisition of real property for the reasons enumerated above, the following information must be provided to the Board :

1. a full description of the real property;
2. a Conforming Appraisal and any other information establishing fair market value as may be sought by the Board;
3. a description of the purpose of the acquisition, and a reasonable statement of the kind and amount of the benefit to the public resulting from such acquisition, such as the kind, number, location, wages, or salaries of jobs created or preserved as required by the acquisition, the benefits, if any, to the communities in which the property is situated as are required by the acquisition;
4. a statement of the acquisition costs as compared to the fair market value, if such acquisition costs are above the fair market value; and
5. the names of any private parties participating in the acquisition; and
6. any known environmental issues.

### **IV. Approvals**

All purchases, sales and leases of real property by NYCIDA must be approved by its Board. Approvals may be obtained for specific purchases, sales or leases or the Board

may grant approval to purchases, sales or leases in accordance with Board-approved guidelines.

**V. Monitoring and Reporting Contracts for Disposal**

Prior to the disposal of the real property, the project manager involved in the disposition shall be the primary person responsible for the monitoring of compliance with the terms of the contract or other agreement or memorandum for the disposal and shall keep the Contracting Officer or his/her designee informed of all major issues that arise and of the status of the disposition.

The Contracting Officer shall cause a record to be maintained of all real property disposed of and shall cause to be prepared and transmitted all reports relating to the disposition of real property required by Title 5-A.

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**Exhibit F**

**PROCUREMENT POLICY OF THE**  
**NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY**

Adopted June 13, 2006; as amended through June ~~13, 2017~~[12, 2018](#)

In accordance with relevant requirements of the General Municipal Law, the Public Authorities Accountability Act, and the Lobbying and Procurement Act, all of the foregoing being enactments of the State of New York.

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**APPENDIX I RECORD OF PROCUREMENT**

Exhibit A: Record of Procurement  
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**APPENDIX II PERMITTED CONTACTS**

**APPENDIX III MINIMUM REQUIREMENTS**

Exhibit A: Affirmation

Exhibit B: Certification  
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**APENDIX IV      REQUIREMENTS TO BE INSERTED IN SOLICITATIONS**

**Section A. GENERAL**

(1) **Definitions.** The following terms shall have the meanings respectively provided:

*Agency* means the New York City Industrial Development Agency.

*Board of Directors* means the Board of Directors of the Agency.

*City* means The City of New York.

*Competitive Method of Procurement* means the following Methods of Procurement: Section C, Small Purchases (but not with respect to contracts under \$5,000); Section F, Competitive Sealed Bids; Section G, Competitive Sealed Proposals; and Section H, Contractors Recommended by Construction Manager.

*Construction-Related Supplies* means the providing of tangible personalty, whether or not capital in nature, in connection with Construction Services, including but not limited to fixtures, furnishings and equipment.

*Construction Services* means construction and/or renovation activities.

*Consultant Committee* has the meaning provided in subsection 7 of this Section A.

*NYCEDC* means the New York City Economic Development Corporation in its capacity as the contract provider to the Agency for all administrative services.

*Executive Director* means the Executive Director of the Agency, or, upon his or her direction, the Deputy Executive Director of the Agency.

*Investigation* means the then-current investigatory background check used by NYCEDC.

*Method(s) of Procurement* means collectively and individually the following procurement procedures: (i) *Use of NYCEDC* under Section B; (ii) *Small Purchases* under Section C; (iii) *Sole Source Procurement* under Section D; (iv) *Emergency Procurements* under Section E; (v) *Competitive Sealed Bidding* under Section F; (vi) *Competitive Sealed Proposals* under Section G; (vii) *Contactors Recommended by Construction Manager* under Section H; and (viii) *Use of other Governmental Contracts* under Section I.

*Minimum Requirements* has the meaning provided in subsection 8 of this Section A.

*Offeror(s)* has the meaning provided in subsection 5 of this Section A.

*Procurement Officer(s)* has the meaning provided in subsection 5 of this Section A.

*Public Contract* has the meaning provided in subsection 6 of this Section A.

*Record of Procurement* has the meaning provided in subsection 4 of this Section A.

*Response* means a response to a Solicitation.

*Responsible Person* means an individual or entity that does not fall within any of the following categories: (i) an Offeror with regard to which a governmental entity has made, within the preceding four years, a finding of non-responsibility on account of (y) impermissible contacts with such governmental entity during the restricted period for a procurement being performed by such governmental entity, or (x) intentionally providing to such governmental entity false or incomplete information; or (ii) any subsidiary or related or successor entity of the Offeror described in clause “i” preceding when such subsidiary or related or successor entity has a substantially similar function or management; and (iii) for purposes of any procurement of the Agency, an Offeror that has made an impermissible contact with the Agency during the Restricted Period applicable to such procurement, or an Offeror that has intentionally provided the Agency with false or incomplete information in connection with such procurement.

*Restricted Period* means, with regard to any Competitive Method of Procurement, the period of time commencing with the earliest Solicitation and ending with the final contract award and approval by the Board of Directors.

*Selection Criteria* has the meaning provided in subsection 9 of this Section A.

*Services* means professional and consulting services.

*Solicitation(s)* means any notice, advertisement, bid, request for proposals, or any other request that is published or otherwise disseminated by the Agency as part of one of the Competitive Methods of Procurement.

*State* means the State of New York.

*Supplies* means the providing of tangible and intangible goods, including (without limitation) software and capital items, including (with respect to machinery and equipment) installation and servicing, but not including construction-related personalty.

*Supplies and/or Services* means, depending on the context, all or any one of or any combination of the following: Services, Supplies, Construction Services, and/or Construction-Related Supplies.

(2) **Applicability of this Policy.** Except as provided for Public Contracts, this Policy shall apply to the procurement of contracts for all Supplies and/or Services to be purchased by the Agency for its own use and account. This Policy shall not apply to the review and approval by the Agency of any project or project entity for the purpose of providing to such project or project entity financial assistance in accordance with relevant provisions of Title 1 of Article 18-A of the General Municipal Law Chapter 24 of The Consolidated Laws of New York, as amended.

(3) **Methods of Procurement.** Every contract for Supplies and/or Services procured by the Agency shall be procured in accordance with and pursuant to one of the Methods of Procurement. Any contract for Supplies and/or Services procured by the Agency shall be procured in accordance with and pursuant to *Competitive Sealed Bidding* unless one of the other Methods of Procurement is appropriate for such procurement.

(4) **Record of Procurement.** The Executive Director shall cause to be maintained with respect to each contract procured by the Agency for Supplies and/or Services pursuant to one of the Competitive Methods of Procurement, the “**Record of Procurement**” set forth in *Appendix I*, annexed hereto.

(5) **Procurement Officer; Permitted Contacts.** For every Competitive Method of Procurement, the Executive Director or, at the Executive Director’s designation, the head of the contract administration unit for NYCEDC, shall name one or more individuals to act on behalf of the Agency for the purpose of receiving questions from, and providing information to, bidders, respondents or other offerors (or if individuals are acting on behalf of entities that are bidders, respondents or other offerors, then, to such individuals) (the “**Offeror(s)**”). The person or persons so named shall be referred to as the “**Procurement Officer(s)**.” During any Restricted Period, permitted contacts between the Agency (including but not limited to the Procurement Officer(s)) and Offeror(s) are limited to those described in *Permitted Contacts, Appendix II*, annexed hereto.

(6) **Public Contracts.** When the Agency funds contract payments with monies provided by the federal government and/or the State and/or the City; and where as a condition to using such monies, federal and/or State and/or City law, rules or regulations prescribe procurement requirements that exceed or conflict with those set forth in this Policy, the requirements of such laws, rules or regulations shall govern. Agency contracts that are so funded, whether in whole or in part, shall be referred to as “**Public Contracts.**”

(7) **Board of Directors; Executive Director; Selection Consultant Committee.**

(a) With the exception of contracts for \$5,000 or less, the Board of Directors shall approve all contracts for Supplies and/or Services except that in the case of Emergency Procurements, such approvals may be retroactive.

(b) The Board of Directors may (but shall not be obligated to) appoint a Selection Consultant Committee (the “**Consultant Committee**”) to evaluate and recommend Offerors and their Responses for any Supplies and/or Services for which a Competitive Method of Procurement is used. If the Board appoints a Consultant Committee, then the Consultant Committee shall be responsible for recommending Offerors and Responses (as selected pursuant to a Competitive Method of Procurement) to the Board of Directors. If the Board of Directors does not appoint a Consultant Committee, the Executive Director shall make such recommendations.

(8) **Minimum Requirements.** To be considered in a Competitive Method of Procurement, an Offeror must satisfy (and to the extent possible demonstrate in its Response that it satisfies) the “**Minimum Requirements**” set forth in *Appendix III* annexed hereto.

(9) **Selection Criteria.** For all contracts for which a Competitive Method of Procurement is used, the Executive Director (or, where applicable, the Consultant Committee) shall in writing specify criteria by which potential Offerors (and their Responses) are to be evaluated (the “**Selection Criteria**”).

(10) **Applicability of Differing NYCEDC Requirements.** If NYCEDC, whether by contract or decision by the Deputy Mayor for Economic Development or by other means, amends its procurement policy and procedures, this Policy shall be similarly and automatically amended without approval by the Board of Directors except to the extent otherwise required by law.

(11) **Solicitations of the Agency.** Solicitations of the Agency shall contain the provisions set forth in *Appendix IV* annexed hereto.

(12) **MWBEs.** The Agency shall seek to encourage participation by minority and women-owned business enterprises (i.e., “MWBEs”) in providing Supplies and/or Services to the Agency.

## **Section B. USE OF NYCEDC**

(1) The Agency may procure NYCEDC as the contractor for providing services for the administration and operation of the Agency, and may do so without competition and without complying with any other Method of Procurement. In adopting this Policy, the Board of Directors hereby finds and determines as follows: (a) Agency has no employees; (b) staff personnel of NYCEDC (or its predecessors) have, since the establishment of the Agency, administered and operated the Agency pursuant to contract between the Agency and NYCEDC; (c) as to staffing, the operational identity between the Agency and NYCEDC has always been and remains integrated; (d) it is in the best interests of the Agency to continue this contractual and operational relationship with NYCEDC; and (e) were the relationship to be discontinued, the resulting inefficiencies would be deleterious to the effective operation of the Agency, and (f) to competitively seek an entity to administer and operate the Agency would not be in the Agency’s best interest.

(2) The Agency may procure contracts for Services through NYCEDC (other than those described in subsection (1) immediately preceding) as contractor whereby NYCEDC obtains the desired services from a third party as subcontractor, and the Agency may select NYCEDC for this purpose on a non-competitive basis without the Agency otherwise complying with any other Method of Procurement; *provided, however*, that NYCEDC shall procure the subcontractor in question in accordance with NYCEDC’s then-current procurement policy and procedures. In adopting this Policy, the Board of Directors hereby finds and determines as follows: (a) for certain Services, procuring a contractor competitively when the contractor is merely acting in an administrative or pass-through capacity, is not in the best interests of the Agency; (b) selecting NYCEDC non-competitively for this administrative and pass-through role, given that NYCEDC staff personnel provide all day-to-day administrative services to the Agency, is by far the most efficient alternative to competitively selecting an entity for this purpose; and (c) by requiring NYCEDC to procure the subcontractor in accordance with NYCEDC’s own procurement policy and procedures, the Agency is fulfilling the intent of this Policy.

### **Section C. SMALL PURCHASES**

The procurement of a contract for Supplies and/or Services for an amount greater than \$5,000 but not more than \$100,000, shall consist of using reasonable efforts to obtain Responses from at least three Offerors. With regard to procurements of \$5,000 or less, the Agency shall not be required to engage in any procurement process. If the Agency only obtains a Response from one Offeror pursuant to this Section C, the procurement will not be considered sole-source under this Policy. In general, procurements shall not be artificially divided so as to constitute a small purchase under this Section C. Procurement under this Section C need not be based exclusively on cost.

### **Section D. SOLE SOURCE PROCUREMENT**

(1) **For Services.** Subject to review and approval by the Consultant Committee (if one has been appointed by the Board of Directors pursuant to subsection A.7 of this Policy), the Executive Director may award a contract for Services to a consultant on a sole-source basis if either of the following circumstances applies: (a) the consultant has unique capabilities or has exclusive access to unique technical data, either of which is relevant to the progress and/or completion of a project; or (b) a consultant's recent experience with a specialized project or its geographical location, or the consultant's familiarity with local community groups, would add significantly to the overall quality of either the planning, design or construction of the project.

(2) **For Supplies.** Subject to review and approval of the Consultant Committee (if one has been appointed by the Board of Directors pursuant to subsection A.7 of this Policy), the Executive Director may award to a vendor a contract for Supplies on a sole-source basis if either of the following circumstances applies: (a) the vendor is the only vendor that makes or supplies or installs or services a unique item (new or replacement); (in other words, this is a circumstance in which the Agency would have no visible alternative); or (b) the Agency has attempted to procure a vendor through one of the Competitive Methods of Procurement but the effort has failed to produce a Response or the Responses that were received were non-responsive; and, as a consequence, the Agency must procure a vendor on a sole-source basis in order to avoid possible cost overruns or a delay in the project.

### **Section E. EMERGENCY PROCUREMENTS**

(1) **General.** Upon determination by the Executive Director that one of the emergency circumstances described in subsection (2) following applies, the Executive Director may direct the Agency to enter into a contract for Supplies and/or Services without the benefit of a Competitive Method of Procurement; provided, however, that the Agency shall use such competitive procedures as may be practicable without endangering life, safety, health, welfare or property, and without impairing the success of the project to which the emergency pertains. Should the Agency use competition, the resulting procurement need not be based exclusively on cost.

(2) **Emergencies.** The following are emergencies under which the Executive Director may direct the Agency to enter into a contract without benefit of a Competitive Method

of Procurement: (a) procurement must occur immediately in order to avoid threat to life, safety, health, welfare or property; or (b) the failure to procure immediately is likely to threaten or jeopardize the security or value of a project or the property or goods associated with a project; or (c) immediate procurement is necessary in order to avoid cost overruns or substantial delay in project completion. For purposes of clause “c,” “substantial delay” in construction projects includes, but shall not be limited to, delay in a scheduled delivery date when such date is intrinsic to the progress of the construction.

## **Section F. COMPETITIVE SEALED BIDDING**

(1) **Applicability.** Except as provided in Sections B through E and Sections F through I, all contracts for Supplies and/or Services of the Agency shall be competitively bid under sealed bids in accordance with the provisions of this Section F. (For purposes of this *Section F*, the undefined term “bid(s)” shall be used interchangeably with the term “Response(s)”)

(2) **Invitation for Bids.** The Executive Director shall issue a Solicitation in the form of an “Invitation for Bids.” The Invitation for Bids shall include (whether by attachment or reference) a purchase description, and all contractual terms and conditions applicable to the procurement.

(3) **Public Notice.** Adequate public notice of the Invitation for Bids shall be provided by publication in the City Record a reasonable time prior to the date set forth therein for the opening of bids. In addition, the Agency may publish such notice in a newspaper of general circulation for a reasonable time prior to bid opening.

(4) **Bid Opening.** Bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the Invitation for Bids. The amount of each bid, the name of each bidder and the bid security, if any, shall be recorded. The record and each bid shall be open to public inspection.

(5) **Bid Acceptance and Bid Evaluation.** Bids shall be unconditionally accepted without alteration or correction on the part of the bidder except as authorized in this *Section F*. Bids shall be evaluated based on the requirements set forth in the Invitation for Bids, which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery and suitability for a particular purpose. Those criteria that will affect the bid price and be considered in evaluation for award shall be objectively measurable, such as discounts, transportation costs, and total or life cycle costs. The Invitation for Bids shall set forth the evaluation criteria to be used.

(6) **Correction or Withdrawal of Bids; Cancellation of Awards.** Correction or withdrawal of inadvertently erroneous bids before or after award, or cancellation of awards or contracts based on such bid mistakes, shall be permitted in instances in which the Executive Director finds that it is in the Agency's interest to do so. After bid opening, no changes in bid prices or other provisions of bids prejudicial to the interest of the Agency or fair competition shall be permitted. All decisions to permit the correction or withdrawal of bids, or to cancel

awards or contracts based on bid mistakes, shall be supported by a written determination made by the Executive Director.

(7) **Award.** The contract shall be awarded to the bid that (a) is lowest in cost, and (b) is responsive to the Invitation to Bids, and (c) meets the Minimum Criteria. Notwithstanding the foregoing, any or all bids may be rejected when the Agency reasonably deems it is in the Agency's interest to do so.

## **Section G. COMPETITIVE SEALED PROPOSALS**

(1) **Applicability.** The Agency may procure contractors through Competitive Sealed Proposals under this Section G for the following: (a) for Services; and (b) when the Executive Director determines (subject to review and approval of the Consultant Committee if one has been appointed by the Board of Directors pursuant to subsection A.7 of this Policy) that one or more of the following circumstances applies, then, under such circumstance, for Supplies, for Construction Services, and for Construction-Related Supplies: (x) Competitive Sealed Bidding is inadequate because of the importance of considerations other than cost; (e.g., the capacity of an Offeror to perform as stated in its Response; experience in the required area of knowledge; experience in the community to be served or studied; experience in the community where the contract work is to be performed); or (y) discussions with Offerors that are potential awardees are necessary in order to insure their full understanding and responsiveness to contract requirements; or (z) in the case of Construction Services, the needed expertise and experience is so specialized as to be outside the expertise and experience of most construction contractors.

(2) **Request for Proposals.** The Agency shall issue a Solicitation in the form of a “Request for Proposals.”

(3) **Public Notice.** The Agency shall provide adequate public notice for the Request for Proposals.

(4) **Receipt of Proposals.** When opening Responses for review, the Agency shall not, for the duration of the Restricted Period, disclose the contents of the Responses to competing Offerors. A “Register of Proposals” shall be prepared and shall be open for public inspection after the Restricted Period. The Register of Proposals shall contain the names of all Offerors and the prices respectively proposed in their Responses.

(5) **Selection Criteria.** For purposes of this Section G, the Selection Criteria shall include but not be limited to the following: cost; whether the Offeror has the capacity to execute the contract in accordance with the Offeror’s Response; whether the Offeror has relevant experience and/or knowledge; and if relevant, whether the Offeror has experience in and knowledge of the community to be served or studied or in which work is to be performed. Procurement under this Section G need not be based exclusively on cost.

(6) **Discussion with Responsible Offerors and Revisions to Proposals.** With respect to those Responses that the Executive Director or the Consultant Committee (as applicable) deem to be (in their sole discretion) candidates for award, the Agency may hold

discussions with the relevant Offerors to clarify and fully understand their Responses. The Agency shall treat such Offerors fairly and equably, particularly in connection with providing opportunities to amend Responses so that the Agency may obtain best and final Responses. The Agency shall not divulge information derived from Responses submitted by competing Offerors except as provided in subsection 4 hereinabove

#### **Section H. CONTRACTORS RECOMMENDED BY CONSTRUCTION MANAGER**

(1) **Applicability.** When the Agency has retained a construction manager for Construction Services, any contract for Construction Services (other than the contract with the construction manager itself) or Construction-Related Supplies may be procured pursuant to the procedure set forth in this Section H in lieu of other Competitive Methods of Procurement. For purposes of this Section H, “Executive Director” shall mean Executive Director or Consultant Committee as applicable.

(2) **Selection of Contractors.** Procurement under this Section H consists of the following: (a) the construction manager recommends to the Executive Director a minimum of five potential contractors; (b) the Executive Director reviews such list of potential contractors and determines which of them the Agency considers to be appropriate; (c) the selected contractors are invited to submit Responses; (d) the construction manager and the Executive Director review the Responses and in their discretion, negotiate with some or all of the Offerors. Revisions may be permitted to obtain best and final Responses.

(3) **Award.** After consulting with the construction manager, the Executive Director (or the Consultant Committee if one has been appointed pursuant to subsection A(7) of this Policy) shall recommend to the Board of Directors the Response and Offeror deemed to be the most advantageous to the Agency. Procurement under this Section H need not be exclusively based upon cost.

(4) **Procurement of Construction Manager.** Nothing in this Policy may be construed to exempt the procurement of a construction manager by the Agency from the requirements of this Policy.

#### **Section I. USE OF OTHER GOVERNMENTAL CONTRACTS**

Notwithstanding any other provision of this Policy, if there is a federal, State or City contract for Supplies and/or Services that permits the Agency to utilize such contract or to obtain Supplies and/or Services from the contractor under substantially similar terms, the Agency may utilize such existing contract (or enter into a new contract on substantially similar terms) without using any Competitive Method of Procurement. Procurement under this Section I need not be exclusively based upon cost.

## APPENDIX I

### Record of Procurement

**The Record of Procurement for each procurement performed by the Agency pursuant to one of the Competitive Methods of Procurement shall consist of the following:**

1. The completed *Record of Procurement* (the form of which is provided in *Exhibit A* to this *Appendix I*); and
2. The completed *Supplemental Record of Procurement* (the form of which is provided in *Exhibit B* to this *Appendix I*); and
3. All of the attachments that are required in the *Record of Procurement*, including but not limited to the following additional documents in completed form:
  - a. *Record(s) of Contact* (the form of which is provided in *Exhibit C* to this *Appendix I*);
  - b. The *Affirmation* (the form of which is provided in *Exhibit A* to *Appendix III* to this Policy);
  - c. The *Certification* (the form of which is provided in *Exhibit B* to *Appendix III* to this Policy); and
  - d. The *Disclosure* (the form of which is provided in *Exhibit C* to *Appendix III* to this Policy.)

EXHIBIT A to APPENDIX I

*Record of Procurement*

**RECORD OF PROCUREMENT**

**Pursuant to the Procurement Policy of the  
New York City Industrial Development Agency**

<b>Name of approved Contractor:</b>	_____
<b>Address of Contractor:</b>	_____
<b>Contract No.:</b>	_____
<b>Purpose of Contract:</b>	_____
<b>Term of Contract:</b>	<b>From:</b> _____ <b>To:</b> _____

**Procurement Officer:** \_\_\_\_\_  
**Procurement Officer designated by:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**(Deputy) Executive Director**

**Printed Name:**

**Date:** \_\_\_\_\_

\_\_\_\_\_

***INSTRUCTIONS:** Complete this form upon expiration of the Restricted Period, or, if no Restricted Period applies, immediately after execution and delivery of the contract. For the definitions of all defined terms used herein, see subsection A(1) of the Policy.*

**A. FOR ALL CONTRACTS:**

**Check only one of the following:**

- 1. Is NYCEDC the Contractor?**
- 2. Is the contract for \$5,000 or less?**
- 3. Was the contract procured through Small Purchase (i.e., greater than \$5,000 but not more than \$100,000)?**
- 4. Was the Contractor a Sole-Source selection?**
- 5. Was the Contractor an Emergency Procurement selection?**
- 6. Was Competitive Sealed Bidding used?**
- 7. Were Competitive Sealed Proposals used?**

8. Was the Contractor selected through recommendation by a construction manager?

9. Was the contract another government contract?

**B. IF A.4 OR A.5 OR A.7 WAS SELECTED, COMPLETE ONE OF THE FOLLOWING:**

1. Sole-Source Procurement

If applicable, state the relevant justification for Sole-Source Procurement under Section D of the Policy.

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Signature: \_\_\_\_\_

(Deputy) Executive Director

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

2. Emergency Procurement

If applicable, state the relevant justification for Emergency Procurement under Section E of the Policy

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Signature: \_\_\_\_\_

(Deputy) Executive Director

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

3. Competitive Sealed Proposals for Supplies and/or Construction Services and/or Construction-Related Supplies

If applicable, state the relevant justification for Competitive Sealed Proposals under subsection G(1)(ii) of the Policy.

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Signature: \_\_\_\_\_

(Deputy) Executive Director

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

**C. COMPLETE ALL OF THE FOLLOWING FOR ALL CONTRACTS OTHER THAN THOSE WITH NYCEDC OR FOR WHICH EMERGENCY PROCUREMENT WAS USED:**

1. Is the Contractor a Responsible Person?

Y                       N

2. **Did the Contractor complete and submit the required forms for the Investigation?**  
 Y             N
3. **Were the Investigation results satisfactory?**  
 Y             N
4. **Is the Investigation report attached?**  
 Y             N
5. **Is the Contractor's *Affirmation* attached in the form set forth in Appendix III to the Agency's Procurement Policy?**  
 Y             N
6. **Is the Contractor's *Certification* attached in the form set forth in Appendix III to the Agency's Procurement Policy?**  
 Y             N
7. **Is the Contractor's *Disclosure* attached in the form set forth in Appendix III to the Agency's Procurement Policy?**  
 Y             N

**D. COMPLETE ALL OF THE FOLLOWING FOR ALL CONTRACTS PROCURED THROUGH A COMPETITIVE METHOD OF PROCUREMENT:**

1. **Did any Offerors impermissibly contact the Agency during the Restricted Period?**  
 Y             N
2. **If the answer to No. 7 is "yes", are completed *Records of Contact* attached?**  
 Y             N             NA
3. **Are the Selection Criteria for this Contract attached either as a separate list or are they incorporated in the Solicitations (which are also required to be attached – see no. 5)?**  
 Y             N
4. **Did the Contractor satisfy the Selection Criteria?**  
 Y             N
5. **Did the Contractor's Response have the lowest proposed price?**  
 Y             N
6. **If the answer to No. 5 is "no":**
  - a. **Did the Response containing the lowest price come from a Responsible Person?**  
 Y             N             NA
  - b. **If the answer to No. 6.a is "yes", why was that Response/Offeror not selected?**  


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7. **Are copies of all Solicitations attached?**  
 Y             N

**8. Are copies of all Responses attached?**

Y       N

**9. Regarding approval of the Contract, are the relevant minutes of the Board of Directors attached, including the Executive Summary presented to the Board?**

Y       N

**10. Regarding approval of the Contract, are the relevant minutes of any Consultant Committee attached including the Executive Summary presented to any Consultant Committee?**

Y       N       NA

**E. COMPLETE THE FOLLOWING FOR CONTRACTS PROCURED BY COMPETITIVE SEALED PROPOSALS:**

**1. Is there a register attached that contains the names of every Offeror and the prices proposed in every Offeror's Response?**

Y             N

**Signature**

**:**

**Title:**            **Procurement Officer**

**Printed Name:** \_\_\_\_\_

**Date:** \_\_\_\_\_

EXHIBIT B to APPENDIX I

*Supplemental Record of Procurement*

**SUPPLEMENTAL RECORD OF PROCUREMENT**  
**Pursuant to the Procurement Policy of the**  
**New York City Industrial Development Agency**

<b>Name of approved Contractor:</b>	_____
<b>Address of Contractor:</b>	_____
<b>Contract No.:</b>	_____
<b>Purpose of Contract:</b>	_____
<b>Term of Contract:</b>	<b>From:</b> _____ <b>To:</b> _____

**Procurement Officer:** \_\_\_\_\_  
**Procurement Officer designated by:**

**Signature:** \_\_\_\_\_  
**(Deputy) Executive Director**  
**Printed Name:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

***INSTRUCTIONS:** complete this form as necessary until the contract terminates. For the definitions of terms used herein, see Section A(1) of the Policy.*

**A. COMPLETE FOR ALL CONTRACTS OTHER THAN THOSE WITH NYCEDC:**

1. **Has this Contract been terminated pursuant to State Finance Law Section 139-k (5)?**

Y             N

2. **If the answer to no. 1 is “yes” please provide details and/or attachments.**

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**B. COMPLETE ALL OF THE FOLLOWING FOR CONTRACTS PROCURED THROUGH A COMPETITIVE METHOD OF PROCUREMENT:**

1. **To the extent that the Procurement Officer has been so informed, were written complaints or protests, or appeals filed with the General Counsel of the Agency, the State Comptroller, the State Attorney General, the State Inspector General, the City District Attorney, or either the State or City Department of Investigation, with respect to the procurement process?**

Y             N

2. **If the answer to no. 3 is “yes” are copies of those complaints or protests or appeals attached?**

Y             N             NA

3. **To the extent the Procurement Officer has been so informed, is the procurement the subject of litigation?**

Y             N

4. **If the answer to no. 3 is “yes” please provide details and/or attachments.**

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**C. COMPLETE THE FOLLOWING FOR CONTRACTS PROCURED BY COMPETITIVE SEALED BIDDING:**

1. **Did the Executive Director permit the correction or withdrawal or cancellation of one or more bids pursuant to subsection F.6 of the Policy?**

Y             N

2. **If the answer to No. 1 is “yes” are those written permissions attached?**

Y             N             NA

**Signature**

**:**

**Title:**            Procurement Officer

**Printed Name:** \_\_\_\_\_

**Date:** \_\_\_\_\_

EXHIBIT C to APPENDIX I

*Record of Contact*  
*under State Finance Law Section 139-k(4)*

New York City Industrial Development Agency  
Record of Contact  
Under State Finance Law §139-k(4)

Was the person making the Contact informed that the Contact would be documented?

Yes       No

**To: Procurement Record Regarding** \_\_\_\_\_  
\_\_\_\_\_

**Procurement Contract Number:** \_\_\_\_\_

**From:** \_\_\_\_\_  
(Name and Title)

**Name of Governmental Entity:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Subject: Record of contact under New York State Finance Law §139-k(4)**

**I had contact with the below named individual regarding the above identified procurement. The term “contact” is defined in New York State Finance Law §139-k(1)(c). In accordance with New York State Finance Law 139-k(4), the following information was obtained.**

**Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_  
\_\_\_\_\_

**Telephone Number:**

**Place of Principal Employment:** \_\_\_\_\_

**Occupation:** \_\_\_\_\_

**Is the above named person or organization the “Offeror” in this New York City Industrial Development Agency (the “Agency”) procurement:**  
(Please circle)      yes                  no

**If no, was the above named person or organization retained, employed or designated by the “Offeror to:**

- appear before the Agency about the Agency procurement:  
(Please circle)    yes                    no

- contact the Agency about the Agency procurement?  
(Please circle)    yes                    no

List date(s) of Contact: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
(add additional pages as necessary)

*Optional*  
Summarize the form (e.g., email, letter, conversation) and topic of the communication on each date of Contact: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
(add additional pages or copies of written communications a necessary)

## APPENDIX II

### Permitted Contacts

**During a Restricted Period the only contacts that an Offeror may have with the Agency in connection with the procurement to which the Restricted Period pertains are the following:**

1. Offerors may submit Responses to the Procurement Officer.
2. When the Solicitation provides that all questions submitted by Offerors, and the answers provided by the Agency to such questions, will be disseminated to all other Offerors, then, in such instance, Offerors may submit questions in respect of the Solicitation to the Procurement Officer.
3. Offerors may participate in conferences with the Agency when the Solicitation provides that conferences will occur as part of the procurement process.
4. Offerors may file written complaints with the General Counsel of the Agency in respect of authorized, written contacts with the Procurement Officer to which the Procurement Officer did not respond in a timely fashion.
5. Offerors who have been conditionally designated as contractors may negotiate with the Agency in connection with the potential contract.
6. Offerors may request the Procurement Officer to review the award of the contract.
7. Offerors (including the apparent successful Offeror) may contact the Agency to protest, appeal or other wise cause the review of the Agency's procurement, and seek final administrative determination and subsequent judicial determination.
8. Offerors may file complaints alleging the improper conduct of procurement by the Agency with the State Attorney General, the State Inspector General, the City District Attorney, or a court of competent jurisdiction.
9. Offerors may file written protests, appeals or complaints to the State Comptroller's Office during the process of contract approval, where the State Comptroller's approval is required by law.
10. Offerors may file complaints of alleged improper conduct during the course of the Agency's procurement to the State Comptroller's Office.

## APPENDIX III

### Minimum Requirements

**An Offeror's Response to a Solicitation, if it is to be considered by the Agency, must satisfy the following Minimum Requirements:**

1. The Offeror must be a Responsible Person.
2. The Offeror must complete and submit to the Procurement Officer the forms required for the Investigation.
3. The results of the Investigation must be satisfactory to the Agency in its sole discretion.
4. The Offeror must execute and deliver to the Procurement Officer the following documents:
  - a. The *Affirmation* the form for which is provided in *Exhibit A* to this *Appendix III*;
  - b. The *Certification* the form for which is provided in *Exhibit B* to this *Appendix III*;  
and
  - c. The *Disclosure* the form for which is provided in *Exhibit C* to this *Appendix III*.

EXHIBIT A to APPENDIX III

*AFFIRMATION  
of Understanding of and Agreement pursuant to State Finance  
Law Sections 139-j(3) and 139-j(6)(b)*

**Offeror affirms that it understands and agrees to comply with the procedures of the New York City Industrial Development Agency relative to permissible contacts as required by New York State Finance Law §139-j (3) and §139-j (6) (b).**

**By:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Contractor Name:** \_\_\_\_\_

**Contractor Address:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

EXHIBIT B to APPENDIX III

*CERTIFICATION*  
*of Compliance with State Finance Law Section 139-k(5)*

**Offeror Certification:**

**I certify that all information provided to the New York City Industrial Development Agency with respect to New York State Finance Law §139-k is complete, true and accurate.**

**By:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Contractor Name:** \_\_\_\_\_

**Contractor Address:** \_\_\_\_\_

\_\_\_\_\_

EXHIBIT C to APPENDIX III

*DISCLOSURE  
of Prior Non-Responsibility Determinations*

**Offeror Disclosure of Prior Non-Responsibility Determinations**

**Name of Individual or Entity Seeking to Enter into the Procurement Contract:**

\_\_\_\_\_

**Address:** \_\_\_\_\_

\_\_\_\_\_

**Name and Title of Person Submitting this Form:** \_\_\_\_\_

\_\_\_\_\_

**Contract Procurement Number:** \_\_\_\_\_

**Date:** \_\_\_\_\_

1. **Has any governmental entity made a finding of non-responsibility regarding the individual or entity seeking to enter into the Procurement Contract in the previous four years?**  
**(Please circle):**

No Yes

**If yes, please answer the next questions:**

2. **Was the basis for the finding of non-responsibility due to a violation of New York State Finance Law §139-j (Please Circle):**

No Yes

3. **Was the basis for the finding of non-responsibility due to the intentional provision of false or incomplete information to a governmental entity? (Please circle):**

No Yes

4. **If you answered yes to any of the above questions, please provide details regarding the finding of non-responsibility below.**

**Governmental Entity:** \_\_\_\_\_

**Date of Finding of Non-responsibility:** \_\_\_\_\_

**Basis of Finding of Non-responsibility:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**(Add additional pages as necessary)**

5. **Has any governmental entity terminated or withheld a procurement contract with the above-named individual or entity due to the intentional provision of false or incomplete information? (Please circle):**

No Yes

6. **If yes, please provide details below.**

**Governmental Entity:** \_\_\_\_\_

**Date of Termination or Withholding of Contract:** \_\_\_\_\_

**Basis of Termination or Withholding :** \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**(Add additional pages as necessary)**

**Offeror certifies that all information provided to the New York City Industrial Development Agency with respect to New York State Finance Law §139-k is complete, true and accurate.**

**By:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Signature**

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

## APPENDIX IV

### Requirements to be inserted in Solicitations

- I. **Every Solicitation will have annexed to it a copy of this Policy (including all attachments).**
- II. **The following language, summarizing requirements of the State Finance Law pertinent to governmental procurement, must be substantially inserted in every Solicitation of the Agency.**

“Pursuant to New York State Finance Law Sections 139-j and 139-K, this [Invitation for Bid]/[Request for Proposals] includes and imposes certain restrictions on communications between the Agency and a [bidder]/[respondent] during the procurement process. A [bidder]/[respondent] is restricted from making contacts from the earliest notice of intent to solicit [an invitation for bid]/[a request for proposals] through final award and approval of the contract by the Agency and, if applicable, the Office of the State Comptroller (the “Restricted Period”), to other than designated staff of the Agency unless it is a contract that included among certain statutory exceptions set forth in New York State Finance Law Section 139-j(3)(a). Designated staff, as of the date hereof, is identified in this [Invitation for Bid]/[Request for Proposals]. Members of contract staffing, acting on behalf of the Agency, are also required to obtain certain information when contracted during the Restricted Period and make a determination of the responsibility of the [bidder]/[respondent] pursuant to these two statutes. Certain findings of non-responsibility can result in rejection for contract award and in the event of two findings within a four-year period, the [bidder]/[respondent] is debarred from obtaining governmental procurement contracts. Further information about these requirements can be found in the *Procurement Policy of the New York City Industrial Development Agency*, a copy of which is annexed to this [Invitation for Bid]/[Request for Proposals].”

- III. **Every Solicitation must notify Offerors that the resulting contract will provide the Agency with a right of termination to be exercised in accordance with provisions of the State Finance Law that are pertinent to governmental procurement. Accordingly, every Solicitation will contain substantially the notice provided below.**

“The Agency will require that the contract that the Agency enters into with the [awarded bidder]/[selected respondent] contain the following right of termination in the Agency:

The Agency reserves the right to terminate this contract in the event it is found that the certification filed by the [bidder]/[respondent] in accordance with New York State Finance Law, Section 139-k, was intentionally false or intentionally incomplete. Upon such finding, the Agency may exercise its termination right by

providing written notification to the [bidder]/[respondent] in accordance with the written notification terms of this contract.”

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9:46:33 AM

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**Exhibit G**

**NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY  
MISSION STATEMENT AND PERFORMANCE MEASUREMENTS**

**Board of Directors Meeting**

**June ~~13, 2017~~12, 2018**

WHEREAS, the 2009 Public Authorities Reform Act requires New York City Industrial Development Agency (“NYCIDA”) to annually review its mission statement and measurements by which the performance of NYCIDA and the achievement of its goals may be evaluated; and

WHEREAS, for Fiscal Year ~~2018~~2019 NYCIDA proposes to adopt the mission statement and performance measurements as indicated in Attachment A hereto; and

NOW, THEREFORE, RESOLVED that the Board approves the mission statement and performance measurements for use in Fiscal Year ~~2018~~2019, as set forth in Attachment A.

## ATTACHMENT A

### Authority Mission Statement and Performance Measurements

**Name of Public Authority:**

New York City Industrial Development Agency (NYCIDA)

**Public Authority's Mission Statement:**

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

**Proposed Adoption Date:** June ~~13, 2017~~ [12, 2018](#)

**List of Performance Measurements:**

- Number of contracts closed (current fiscal year and previous fiscal year)
- Amount of private investment leveraged (current fiscal year and previous fiscal year)
- Total net New York City tax revenues generated in connection with closed contracts (current fiscal year and previous fiscal year)
- Projected three-year job growth in connection with closed projects (current fiscal year and previous fiscal year)
- Current total jobs in connection with projects ~~closed~~ [that commenced operations](#) in FY ~~2014 and thereafter~~ [2015<sup>1</sup>](#) as compared to total jobs at [the](#) time of application for such projects
- Current total jobs in connection with projects ~~closed~~ [that commenced operations](#) in FY ~~2014 and thereafter~~ [2015<sup>2</sup>](#) as compared to [the](#) three-year total job ~~projects~~ [projections](#) stated in the applications for such projects
- Square footage of buildings/improvements receiving benefits (current fiscal year and previous fiscal year)
- Number of projects that received a field visit (current fiscal year and previous fiscal year)
- Percentage of projects that received a field visit (current fiscal year and previous fiscal year)
- Percentage of projects in good standing<sup>[13](#)</sup> (current fiscal year and previous fiscal year)

<sup>1</sup> [Also includes projects that closed in FY 2015 but commenced all project operations prior to the closing date.](#)

<sup>2</sup> [Also includes projects that closed in FY 2015 but commenced all project operations prior to the closing date.](#)

<sup>[13](#)</sup> Defined as those projects that did not receive a Notice of an Event of Default by the end of the Fiscal Year.

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Description	IDA - Mission Statement and Performance Measurements - June 2018
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**Exhibit H**

## **Board Self-Evaluation (NYCIDA)**

- Board members have a shared understanding of the mission and purpose of NYCIDA.
- The policies, practices and decisions of the Board are always consistent with this mission.
- Board members comprehend their role and fiduciary responsibilities and hold themselves and each other to these principles.
- The Board has adopted policies, by-laws and practices for the effective governance, management and operations of NYCIDA and reviews these annually.
- The Board sets clear and measurable performance goals for NYCIDA that contribute to accomplishing its mission.
- The decisions made by Board members are arrived at through independent judgment and deliberation, free of political influence, pressure or self-interest.
- Individual Board members communicate effectively with executive staff so as to be well informed on the status of all important issues.
- Board members are knowledgeable about NYCIDA's programs, financial statements, reporting requirements, and other transactions.
- The Board knows the statutory obligations of NYCIDA and if NYCIDA is in compliance with state law.
- Board and committee meetings facilitate open, deliberate and thorough discussion, and the active participation of members.
- Board members have sufficient opportunity to research, discuss, question and prepare before decisions are made and votes taken.
- Individual Board members feel empowered to delay votes, defer agenda items, or table actions if they feel additional information or discussion is required.
- The Board exercises appropriate oversight of the CEO and other executive staff, including setting performance expectations and reviewing performance annually.
- The Board has identified the areas of most risk to NYCIDA and works with management to implement risk mitigation strategies before problems occur.

**Exhibit I**

### Project Summary

Western Beef Retail, Inc. (the "Applicant"), a Delaware corporation engaged in the supermarket retail business, will operate a new full-service Western Beef Supermarket in a condominium unit that will be owned by a to-be-formed affiliated real estate holding company (the "Company"). The Company seeks financial assistance in connection with the furnishing and equipping of an existing newly constructed 15,708 square foot retail condominium and a 6,437 square foot parking lot, that will not be receiving NYCIDA benefits, (the "Project") located in an approximately 53,360 square foot mixed-use development on an approximately 19,907 square foot parcel of land in the Bronx (the "Facility"). The Project will be owned by the Company and operated by the Applicant as a FRESH Program Supermarket and full-service Western Beef Supermarket. The total Project cost is approximately \$10,985,000. Based on a review of the Project, Agency staff has concluded that the Project is likely to be completed within two years of the closing date.

### Project Location

3629 White Plains Road  
Bronx, NY 10467

### Actions Requested

- Inducement and Authorizing Resolution for a FRESH transaction
- Adopt a SEQRA determination that the proposed project is a Type II action and therefore no further environmental review is required

### Anticipated Closing

August 2018

### Impact Summary

Employment	
Jobs at Application:	0
Jobs to be Created at Project Location (Year 3):	94
<b>Total Jobs (full-time equivalents)</b>	<b>94</b>
<b>Projected Average Hourly Wage (excluding principals)</b>	<b>\$17.32</b>
<b>Highest/Lowest Hourly Wage</b>	<b>\$26.00/\$15.00</b>

Estimated City Tax Revenues	
Impact of Operations (NPV 10 years at 6.25%)	\$3,790,530
One-Time Impact of Renovation	300,831
<b>Total impact of operations and renovation</b>	<b>\$4,091,361</b>
<b>Additional benefit from jobs to be created</b>	<b>\$2,197,999</b>

Estimated Cost of Benefits Requested: New York City	
MRT Benefit	\$81,250
Sales Tax Exemption	\$180,900
Agency Financing Fee	(\$111,649)
<b>Total Cost to NYC Net of Financing Fee</b>	<b>\$150,501</b>
Available As-of-Right Benefits (ICAP)	\$3,212,864
Agency Benefits In Excess of As-of-Right Benefits	(\$3,062,363)

## Western Beef Retail, Inc

<b>Costs of Benefits Per Job</b>	
Estimated Net Cost of NYCIDA per Job	\$1,601
Estimated City Tax Revenue per Job	\$66,908

<b>Estimated Cost of Benefits Requested: New York State</b>	
MRT Benefit	\$43,750
Sales Tax Exemption	\$175,875
<b>Total Cost to NYS</b>	<b>\$219,625</b>

## Sources and Uses

Sources	Total Amount	Percent of Total Financing
Commercial Loans	\$5,000,000	46%
Equity	\$5,485,000	50%
Other <sup>1</sup>	\$500,000	4%
<b>Total</b>	<b>\$10,985,000</b>	<b>100%</b>

Uses	Total Amount	Percent of Total Costs
Land & Building Acquisition Costs	\$5,500,000	50%
Hard Costs	\$500,000	4.5%
Soft Costs	\$385,000	3.5%
Fixed Tenant Improvements	\$3,100,000	28%
Furnishings & Equipment	\$1,500,000	14%
<b>Total</b>	<b>\$10,985,000</b>	<b>100%</b>

## Fees

	Paid At Closing	On-Going Fees (NPV, 10 Years)
Agency Fee	\$111,649	
Project Counsel	\$35,000	
Annual Agency Fee	\$1,250	\$9,092
Total	\$147,899	\$9,092
<b>Total Fees</b>	<b>\$156,991</b>	

<sup>1</sup> Other funds will be provided by the property ownership partners, which are entities that are not affiliates of the Applicant. The non-affiliated owners will own 50% of the property and will contribute 50% of funds necessary for the property acquisition.

## **Western Beef Retail, Inc**

### **Financing and Benefits Summary**

The Company will finance the Project with a mortgage loan of \$5,000,000 from People's United Bank, \$500,000 from the non-affiliated partner in the Company for acquisition and \$5,485,000 in Company funds. Any costs in addition to the closing cost will be financed by Company equity. The financial assistance proposed to be conferred by the Agency will consist of a mortgage recording tax abatement, and exemption from City and State sales and use taxes. The loan will be secured by a first priority mortgage on the property, including any air rights, assignment of leases, rents, leasing agreements and security deposits associated with the property, assignment of the interest rate hedge and any other customary collateral for facilities of this size, type and nature. The debt service coverage ratio is anticipated to be 2.02x.

### **Company Performance and Projections**

The Applicant's parent, Cactus Holdings, Inc., demonstrates strong financial stability. Cactus Holdings, Inc. owns and operates 23 Western Beef supermarkets (16 of which are in New York City), five Junior's Food Outlets and a wholesale and distribution center in Ridgewood, Queens, which supplies food products to hundreds of supermarkets in the New York City metro area. The Facility will be the Applicant's 8<sup>th</sup> location in the Bronx, and its 18<sup>th</sup> location within the five boroughs. The Project will allow the Applicant to enhance total operations by hiring an additional 94 full-time equivalent employees.

### **Inducement**

- I. City policy, as set forth by the Food Retail Expansion to Support Health (FRESH) program, aims to promote the establishment and retention of neighborhood grocery stores in underserved communities
- II. Without the proposed financial assistance from the Agency, the Company would lease the retail space to a tenant who can afford to pay higher rent.

### **UTEP Considerations**

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

- The Project involves the grocery retail industry which the Agency seeks to retain and foster;
- The Applicant maintains that, through the Project, it will create 94 full-time equivalent jobs over the next three years;
- Financial assistance is required to induce the Project;
- The Project is likely to be completed in a timely manner.

### **Applicant Summary**

In 1973, the Applicant opened its first warehouse-style store in College Point, Queens. Over the past 43 years, the Applicant has steadily increased its retail operations and typically operates stores in culturally diverse, urban neighborhoods. The Applicant's slogan, "We Know the Neighborhood," reflects a corporate commitment to customize the products offered in each store to provide the highest quality product at the best value to meet customer needs. The Applicant operates 4 smaller-scale warehouse-style Junior's Food Outlet stores in New York City, which the Applicant plans to convert to full-service Western Beef Markets over the next two years. The Applicant currently operates 2 successful FRESH projects in the Bronx, one on Webster Avenue and the other on Bruckner Boulevard.

### **Peter Castellana III, President & Chief Executive Officer**

Peter Castellana III is President and Chief Executive Officer of Cactus Holdings, Inc. Mr. Castellana plans, coordinates, and controls daily operations of Cactus Holdings, Inc. and its subsidiaries through division directors and managers. He develops and establishes current and long-range goals, objectives, plans, and policies. Prior to his appointment as Chief Executive Officer, Mr. Castellana served as a consultant to Cactus Holdings, Inc. creating and implementing

## **Western Beef Retail, Inc**

protocols to streamline business operations. Prior to joining the Applicant, he was President and Chief Executive Officer of Gold Coast Semi-Conductor.

### **Benjamin Petrofsky, Vice President & Chief Legal Officer**

Mr. Petrofsky has served as Chief Legal Officer and Vice President since 2012. In this role he offers counsel, negotiates, writes and executes agreements and contracts for a variety of legal issues regarding construction, real estate, agency rules and regulations and risk management. From 2012 to 2013, he served as Chief Security Officer for the Applicant. Mr. Petrofsky previously served as a police officer in Washington D.C. and New York City. He holds a Juris Doctorate from the Jacobs D. Fuchsberg School of Law.

### **Employee Benefits**

Employee benefits will include health, dental and vision coverage, disability coverage, life insurance, a 401K plan, profit sharing, and on-the-job training. Depending on the role of the employee, some receive car, gas, tolls allowance and discretionary bonus.

### **Recapture**

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

### **SEQRA Determination**

Type II Action which, if implemented, will not result in significant adverse environmental impacts. The completed Environment Assessment Form for this project has been reviewed and signed by Agency staff.

### **Due Diligence**

The Agency is conducting a background investigation of the Company and its principals.

<b>Compliance Check:</b>	Satisfactory
<b>Living Wage:</b>	Exempt
<b>Paid Sick Leave:</b>	Compliant
<b>Affordable Care Act:</b>	ACA Coverage Offered
<b>Bank Account:</b>	Bank of America, People's United Bank
<b>Bank Check:</b>	Relationships are reported to be satisfactory
<b>Supplier Checks:</b>	Relationships are reported to be satisfactory
<b>Customer Checks:</b>	Not applicable
<b>Unions:</b>	Not applicable
<b>Vendex Check:</b>	Pending
<b>Attorney:</b>	Oleg Sabel Otterbourg P.C. 230 Park Avenue New York, NY 10169



**Western Beef Corporate Headquarters**  
47-05 Metropolitan Avenue Ridgewood, NY 11385  
Tel 718-417-3770 Fax 718-628-2388

April 17, 2018

New York City Economic Development Corp. Industrial Development Agency  
110 William Street, 3rd Floor  
New York, New York 10038

Re: FRESH Application Packet  
3629 White Plains Road, Bronx, NY 10467  
Block 4647, Lots 1002 & 1004

Dear Ms. Emily Marcus,  
Ms. Jenny Osman,

Enclosed please find the Core Application being submitted by Western Beef Retail, Inc. ("Western Beef") for financial benefits offered under the FRESH program for the above- referenced commercial and parking condominium.

Western Beef, through an affiliated entity with 100% common ownership as Western Beef, will be investing in the acquisition of this condominium and we are currently in the process of obtaining financing of \$4.5 million.

This property would be an ideal location for a FRESH retail supermarket. Therefore, in addition to being an owner of the property, Western Beef is eager to lease the premises and bring a full-service supermarket to the community. The new location will create 125 new jobs.

In order to open a supermarket at the currently vacant condominium an investment of roughly \$4 million in construction costs, and \$1.5 million in equipment is required. The investment involved in modernizing the existing building, creating an inviting environment for shoppers, establishing a stable employment base, purchasing and installing new energy efficient equipment, in addition to paying a high rent, make it a necessity for financial relief to be granted. Supermarkets operate on a very tight profit margin and this Western Beef project will not be able to move forward without these benefits. The only viable option if benefits are not available is to lease this location to another retail business.

We hope to continue our successful association with NYCEDC and the NYCIDA with this new location.

Yours Truly,

Dawn Addabbo  
Chief Administrative Office

DA/da

**Exhibit J**

Resolution inducing the financing of a commercial facility for Western Beef Retail, Inc. and a to-be-formed real estate holding company affiliate as a Straight-Lease Transaction and authorizing and approving the execution and delivery of agreements in connection therewith

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

WHEREAS, Western Beef Retail, Inc., a Delaware corporation (the “Applicant”) and a to-be-formed real estate holding company affiliate (the “Company”), have entered into negotiations with officials of the Agency for the furnishing and equipping of a commercial facility in the Bronx, New York (the “Facility”), consisting of a retail condominium unit (the “Condominium Unit”) containing 15,708 square feet located in an approximately 53,360 square foot mixed-use development on an approximately 19,907 square foot parcel of land at 3629 White Plains Road, Bronx, New York 10467, all for the use by the Applicant as a supermarket, for lease to the Agency by the Company, and sublease by the Agency to the Company for subsequent sub-sublease in whole to the Applicant, and having an approximate total project cost of approximately \$10,985,000 (the “Project”); and

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

WHEREAS, the Application sets forth certain information with respect to the Applicant and the Project, including the following: that the Applicant and the Project will meet all requirements of the City’s Food Retail Expansion to Support Health Program (“FRESH”); that the Applicant is currently located in The City of New York (the “City”) and expects to employ approximately 94 full time equivalent employees in the City within the three years following the completion of the Project; that the Applicant must obtain Agency financial assistance in the form of a straight-lease transaction to enable the Applicant to proceed with the Project and thereby establish and expand its operations in the City; and that, based upon the financial assistance provided through the Agency, the Applicant desires to proceed with the Project and establish and expand its operations in the City; and

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

WHEREAS, in order to finance a portion of the costs of the Project, People’s United Bank (such financial institution, or any other financial institution as may be approved by

a certificate of determination of an Agency officer, the “Lender”) has agreed to enter into a loan arrangement with the Company pursuant to which the Lender will lend up to approximately \$5,000,000 to the Company, and the Agency and the Company will grant a mortgage on the Facility to the Lender (the “Lender Mortgage”), with the remaining costs of the Project to be financed with funds consisting of equity in the Company, which will be owned in equal shares by owners of the Applicant and by an investor and their respective affiliates.; and

WHEREAS, for purposes of refinancing from time to time the indebtedness secured by the Lender Mortgage (the “Original Mortgage Indebtedness”) (whether such refinancing is in an amount equal to or greater than the outstanding principal balance of the Original Mortgage Indebtedness), the Applicant may from time to time desire to enter into new mortgage arrangements, including but not limited to consolidation with mortgages granted subsequent to the Lender Mortgage; and therefore the Applicant may request the Agency to enter into the mortgage instruments required for such new mortgage arrangements (“Refinancing Mortgage(s)”); and

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

(1) the project is located in a “highly distressed area,” defined in Section 854(18) of the Act, to include an area in which a census tract, or tracts or block numbering area or areas or such census tract or block numbering areas contiguous thereto, which, according to the most recent census data available has (i) a poverty rate of at least 20% for the year to which the data relates or at least 20% of households receiving public assistance and (ii) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates; and

(2) the Agency determines after a public hearing that undertaking the project will serve the public purposes of Article 18-A of the Act by increasing the overall number of permanent, private sector jobs in New York State; and

WHEREAS, the Agency has determined: that the Project is located in Census Tract 378 in the Bronx; that the poverty rate calculated from the most recent census data (American Community Survey 2012-2016 5-Year Estimate) for Census Tract 378 indicates that for the year to which the census data relates approximately 27.7% of the population was living below the poverty level; that the unemployment rate in Census Tract 378 for the year to which the census data relates was approximately 20.7%, while the statewide unemployment rate for such year was 4.8%; that 20.7% is greater than 1.25 times the statewide rate of 4.8%; and that, therefore, the proposed Project meets the statutory requirements of being located in a “highly distressed area”; and

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

WHEREAS, in order to provide financial assistance to the Applicant and the Company for the Project, the Agency intends to grant the Applicant and the Company financial assistance through a straight-lease transaction in the form of real property tax abatements, sales tax exemptions and mortgage recording tax deferrals all pursuant to the Act, provided that such financial assistance shall not apply to any parking facilities that are included in the Condominium Unit;

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

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

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

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

(c) the Project is located in a “highly distressed area” (as defined in Section 854(18) of the Act); and

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

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

Section 3. The Agency hereby authorizes the Applicant and the Company to proceed with the Project as herein authorized. The Applicant and the Company are authorized to proceed with the Project on behalf of the Agency as set forth in this Resolution; provided, however, that it is acknowledged and agreed by the Applicant and the Company that (i) nominal leasehold title to or other interest of the Agency in the Facility shall be in the Agency for purposes of granting financial assistance, and (ii) the Applicant and the Company are hereby constituted the agents for the Agency solely for the purpose of effecting the Project, and neither the Agency nor any of its members, directors, officers, employees, agents or servants shall have

any personal liability for any such action taken by the Applicant or the Company for such purpose.

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

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

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

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

Section 7. The officers of the Agency are hereby designated the authorized representatives of the Agency, and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution. The Agency recognizes that due to the unusual complexities of the transaction it may become necessary that certain of the terms approved hereby may require modifications which will not affect the intent and substance of the authorizations and approvals

by the Agency herein. The Agency hereby authorizes the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or General Counsel to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution. The approval of such modifications shall be evidenced by a certificate of determination of an Agency officer.

Section 8. Any expenses incurred by the Agency with respect to the Project shall be paid by the Applicant. By acceptance hereof, the Applicant agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the Project.

Section 9. This Resolution is subject to approval based on an investigative report with respect to the Applicant and the Company. The provisions of this Resolution shall continue to be effective for one year from the date hereof, whereupon the Agency may, at its option, terminate the effectiveness of this Resolution (except with respect to the matters contained in Section 8 hereof).

Section 10. The Agency, as lead agency, is issuing this determination pursuant to the State Environmental Quality Review Act ("SEQRA") (Article 8 of the Environmental Conservation Law) and implementing regulations contained in 6 N.Y.C.R.R. Part 617. This determination is based upon the Agency's review of information provided by the Applicant and such other information as the Agency has deemed necessary and appropriate to make this determination.

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

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

(1) The Applicant and the Company each acknowledge and agree that pursuant to General Municipal Law Section 875(3) the Agency shall have the right to recover, recapture, receive, or otherwise obtain from the Applicant and/or the Company New York State sales or use tax savings taken or purported to be taken by the Applicant or the Company, and any agent or any other person or entity acting on behalf of the Applicant or the Company, to which the Applicant or the Company is not entitled or which are in excess of the maximum sales or use tax exemption amount authorized in Section 12 of this Resolution or which are for property or services not authorized or taken in cases where the Applicant or the Company, or any agent or any other person or entity acting on behalf of the Applicant or the Company, failed to comply with a material term or condition to use property or services in the manner required by this Resolution or any agreements entered into among the Agency, the Applicant, the Company and/or any agent or any other person or entity acting on behalf of the Applicant or the Company.

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

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

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

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

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

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

Section 12. In connection with the Project, the Agency intends to grant the Applicant and the Company sales and use tax exemptions in an amount not to exceed \$356,775 and mortgage recording tax deferrals.

Section 13. This Resolution shall take effect immediately

ADOPTED: \_\_\_\_\_, 2018

Accepted: \_\_\_\_\_, 2018

WESTERN BEEF RETAIL, INC.

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

**Exhibit K**

### **PROJECT SUMMARY**

On December 20, 2012, Artex Inc. (the “Company”), entered into an industrial incentive with the New York City Industrial Agency for the acquisition, renovation, equipping and furnishing of a 70,846 square foot portion of an approximately 135,000 square foot industrial facility for the use of fine art storage, transportation, packing and handling (the “Artex Facility”). The Artex Facility is owned by North River I LLC and subleased to the Company. The facility is located at 33-20 48th Avenue in Long Island City, New York.

The Company is requesting approval to enter into a transaction to sell all of the assets of the Company to Iron Mountain Information Management (“IMIM”), a subsidiary of Iron Mountain Incorporated, the amendment of the project documents in connection therewith and the further sublease of the Artex Facility to Iron Mountain Information Management Services, Inc. Iron Mountain Incorporated (“Iron Mountain”), is a publicly traded company based out of Boston, Massachusetts. Iron Mountain is the global leader for storage and information management services. Iron Mountain’s solutions portfolio includes records management, data management, cloud services, document management, data centers, art storage and logistics. IMIM has passed Vendex, will assume all obligations under the IDA Agreement, and is committed to increasing the workforce at the facility.

No new benefits will be provided in connection with this Post-Closing Amendment request.

### **Project Locations**

33-20 48th Avenue in Long Island City, New York, 11101

### **Action Requested**

Approve amendments to the project documents needed for the asset sale.

### **Prior Actions**

No prior actions.

### **Fees Paid for Amendment**

A Post-Closing fee of \$2,500 has been paid.

### **Due Diligence**

A review of the Company’s compliance with project requirements revealed no outstanding issues.

### **Anticipated Closing**

June 2018

**Exhibit L**

RESOLUTION AUTHORIZING AND APPROVING THE  
EXECUTION AND DELIVERY OF DOCUMENTS AND  
AUTHORIZING CERTAIN MATTERS IN CONNECTION WITH  
THE 2012 ARTEX INC. PROJECT

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

WHEREAS, on December 20, 2012, the Agency entered into an industrial incentive transaction to provide North River I LLC (the “Company”) and Artex Inc. (the “Original Sublessee”) with financial assistance in connection with the acquisition of an approximately 135,918 square foot facility (the “Existing Building”) located on an approximately 60,000 square foot parcel of land at 33-20 48<sup>th</sup> Avenue, Long Island City, Queens, New York (the “Land”) (the “Facility”), the subleasing by the Lessee of approximately 70,846 square feet of the Existing Building to the Original Sublessee, the renovation, equipping and/or furnishing by the Original Sublessee of its leased premises and the acquisition and installation of machinery and equipment in connection therewith (the “Artex Facility”), for use by the Original Sublessee in its operations as a fine-art storage, transportation, packing and handling company (the “Original Project”); and

WHEREAS, in connection with the Original Project, (i) the Company leased the Facility to the Agency pursuant to a certain North River I Company Lease Agreement, dated as of December 1, 2012, between the Lessee and the Agency (the “Original Company Lease”), (ii) the Agency subleased its interest in the Facility to the Lessee pursuant to a North River I Agency Lease Agreement, dated as of December 1, 2012, between the Agency and the Lessee (the “Original Lease Agreement”), (iii) the Company sub-subleased its interest in the Artex Facility to the Original Sublessee pursuant to a Lease Agreement, dated as of November 12, 2012, as amended by the First Amendment to Lease, dated as of December 1, 2012 (collectively, the “Original Sublease Agreement”), (iv) the Original Sublessee subleased its interest in the Artex Facility to the Agency pursuant to an Artex Company Lease Agreement, dated as of December 1, 2012, between the Agency and the Original Sublessee (the “Original Artex Company Lease”), and (v) the Agency sub-subleased its interest in the Artex Facility to the Original Sublessee pursuant to an Artex Agency Lease Agreement, dated as of December 1, 2012, between the Agency and the Original Sublessee (the “Original Artex Lease Agreement”); and

WHEREAS, after the closing of the industrial incentive transaction, the Original Sublessee advised the Agency that the Original Sublessee and Iron Mountain Informaiton Management, LLC (the “New Sublessee”), have entered into an Asset Purchase Agreement, dated as of March 16, 2018, whereunder, among other things, the Original Sublessee has agreed to sell to the New Sublessee all of the assets of the Original Sublessee; and

WHEREAS, the Original Sublessee has requested that the Agency consent to (i) an assignment by the Original Sublessee of the Original Sublease Agreement to the New Sublessee pursuant to a Lease Assignment and Assumption Agreement (the “Assignment and Assumption of Sublease”), by which the Original Sublessee would assign all of its right, title and interest in and to the Original Sublease Agreement to the New Sublessee, and the New Sublessee would assume all of the payments, obligations, covenants and agreements imposed from the Commencement Date upon the Original Sublessee pursuant to the Original Sublease Agreement; (ii) an assignment by the Original Sublessee of the Original Artex Company Lease to the New Sublessee pursuant to an Assignment, Assumption and Amendment of Artex Company Lease Agreement (the “Assignment of Artex Company Lease”), by which the Original Sublessee would assign all of its right, title and interest in and to the Original Artex Company Lease to the New Sublessee, and the New Sublessee would assume all of the payments, obligations, covenants and agreements imposed from the Commencement Date upon the Original Sublessee pursuant to the Original Artex Company Lease Agreement; and (iii) an assignment by the Original Sublessee of the Original Artex Lease Agreement to the New Sublessee pursuant to an Assignment, Assumption and Amendment of Artex Lease Agreement (the “Assignment of Artex Lease”), by which the Original Sublessee would assign all of its right, title and interest in and to the Original Artex Lease Agreement to the New Sublessee, and the New Sublessee would assume all of the payments, obligations, covenants and agreements imposed from the Commencement Date upon the Original Sublessee pursuant to the Original Artex Lease Agreement (the Assignment and Assumption of Sublease, the Assignment of Artex Company Lease, and the Assignment of Artex Lease are collectively, the “Assignment Documents”); and

WHEREAS, the Agency deems it advisable to authorize the execution and delivery of the Assignment Documents, the recording of the Assignment Documents and the execution of closing documents (collectively, the “Agency Documents”).

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

The Agency hereby authorizes the execution and delivery of the Agency Documents, each being substantially in the form approved by the Agency for prior transactions, with such changes as the Chairman, the Vice Chairperson, the Executive Director, the Deputy Executive Director or General Counsel of the Agency shall deem advisable. The Chairman, the Vice Chairperson, the Executive Director, the Deputy Executive Director and the General Counsel of the Agency are each hereby authorized to execute, acknowledge and deliver each such Agency Document. The execution and delivery of each such Agency Document by one of said officers shall be conclusive evidence of due authorization and approval. The Agency further recognizes that due to the unusual complexities of the transaction it may become necessary that certain of the terms approved hereby may require modifications or the execution of additional documents which will not affect the intent and substance of the authorizations and approvals by the Agency herein. The Agency hereby authorizes the Chairman, Vice Chairman, Executive Director, Deputy Executive Director or General Counsel to approve modifications to the terms approved hereby which do not affect the intent and substance of this Resolution. The approval of such modifications or execution of additional documents shall be evidenced by a certificate of determination of an Agency officer.

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

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

The Chairman, the Vice Chairperson, the Executive Director, the Deputy Executive Director and the General Counsel of the Agency, and any member of the Agency, are hereby designated the authorized representatives of the Agency and each of them is hereby authorized and directed to execute and deliver any and all papers, instruments, agreements, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this Resolution and any of the instruments, agreements or other documents authorized hereby.

This Resolution shall take effect immediately.

ADOPTED:            June 12, 2018

**Exhibit M**

## **NEW YORK CITY INDUSTRIAL DEVELOPMENT AGENCY GUIDELINES FOR THE FUNDING OF SPECIAL PROJECTS**

### **Introduction**

New York City Industrial Development Agency (the “Agency”), pursuant to various Board approved agreements between the Agency and the New York City Economic Development Corporation (“EDC”) is committed to fund various projects being performed by EDC related to the City’s Economic and Industrial Development (“Project” or “Projects”). The Agency will consider the criteria below when evaluating future projects seeking Agency funding. Preference will be given to Projects that satisfy a preponderance of the criteria stated below.

### **Criteria for Projects Seeking Agency Funding**

1. Whether Projects are aligned with the Agency’s mission of encouraging economic development throughout the five boroughs, assisting in the retention of existing jobs, supporting industrial businesses, and creating additional jobs.
2. A clear thesis describing the need for the Project and how their proposal will address the current issue and/or gap in the market. Theses must be supported by qualitative and quantitative evidence from outside sources.
3. A description of key performance indicators, metrics, and other measurements to be used to evaluate effectiveness. In addition, Projects should demonstrate a plan for gathering and incorporating quantitative and qualitative measurements throughout the Project along with a description of tasks, milestones, and deliverables required to achieve completion.
4. Projects seeking funding must include the following in their proposal:
  - A description of the experience and qualifications of contractors and subcontractors performing work on the Project.
  - A description of additional sources of funding including funding from governmental and/or private entities.
  - A plan for future sustainability beyond initial funding, including a description of funding sources, partnerships, and scalability.

### **Consideration of Budgetary Impact**

The Agency will consider the impact of Project funding on the Agency’s budget. The Agency intends to restrict funding of special projects if such spending will reduce the Agency’s unrestricted net assets to less than four times the Agency’s annual operating expenses.