

MINUTES OF THE MEETING
OF THE BOARD OF DIRECTORS
OF
NEW YORK CITY LAND DEVELOPMENT CORPORATION
June 15, 2016

A meeting of the Board of Directors of New York City Land Development Corporation ("NYCLDC") was held on Wednesday, June 15, 2016, at 260 Broadway, New York, New York.

The following members of the Board of Directors were present:

Henry Berger
Elaine Braithwaite
James Patchett
Kim Vaccari
Betty Woo

Also present were Mark Silversmith, Secretary of NYCLDC, who served as secretary of the meeting, Charles Gans, an Executive Vice President of New York City Economic Development Corporation ("NYCEDC"), Susan Goldfinger, a Senior Vice President of NYCEDC, Gbenga Dawodu, an Assistant Vice President of NYCEDC and Rashi Puri, an Assistant Vice President of NYCEDC. The meeting was called to order at 3:10 p.m. (Attached hereto as Attachment 1 is a definition sheet that contains the definitions of certain frequently used terms contained in the Exhibits attached hereto.)

1. Approval of the Minutes of the May 5, 2016 Meeting of the Board of Directors

There were no questions or comments with respect to the minutes of the May 5, 2016 Board of Directors meeting, as submitted. A motion to approve such minutes, as submitted, was made, seconded and unanimously adopted.

2. Property Sale to The Joseph P. Addabbo Family Health Center, Inc.

Ms. Puri presented the proposed purchase by NYCLDC from The City of New York (the "City") of Block 16015, part of Lot 1 on the Tax Map of the Borough of Queens (the "Site"), and NYCLDC's proposed sale of the Site to NYCEDC, on substantially the terms set forth in Exhibit A hereto.

In answer to a question from Ms. Braithwaite, Ms. Goldfinger stated that a request for proposals for any use had been issued for the Site. In answer to a question from Mr. Patchett, Mr. Gans stated that although NYCEDC usually imposed a 5 year use restriction in Manhattan south of 96th Street and 10 years elsewhere, the length of the use restriction for this transaction was 30 years and was tied to the use restriction required by capital funding expected to be provided by New York City. Ms. Goldfinger

added that the 30 year use restriction would end at close to the end of the useful life of the building being constructed. In answer to a question from Mr. Berger as to the size of the reduction in the appraised value due to the use restriction, Mr. Gans stated that the reduction was determined by the appraiser. Mr. Patchett stated that the City was giving money to the purchaser from NYCEDC for this project and that there should be a permanent use restriction.

A motion was made (i) to approve the matters set forth for approval in the Proposed Resolutions section of Exhibit A hereto subject to the purchaser from NYCEDC agreeing that there be a permanent restriction that the Site be used by not-for-profit groups as a community healthcare and educational facility and (ii) to resolve that there is no reasonable alternative to the proposed transfer to NYCEDC that will achieve the same purpose as the transfer. Such motion was seconded and unanimously approved.

3. Property Sale to Bao Jia Holding LLC

Mr. Dawodu presented the proposed purchase by NYCLDC from the City of Block 4317, part of Lot 1 on the Tax Map of the Borough of Queens (the "City Parcel"), and NYCLDC's proposed sale of the City Parcel to NYCEDC, on substantially the terms set forth in Exhibit B hereto.

In answer to a question from Mr. Patchett, Mr. Dawodu stated that the proposed purchaser from NYCEDC had been the respondent that had submitted the highest price to a request for proposals for the City Parcel and a parcel owned by NYCEDC. Mr. Gans stated that the purchase price reflected a use restriction and a contaminated site. Ms. Goldfinger stated that the sale was approved through the Uniform Land Use Review Procedure in the summer of 2015 and, while Bao Jia Holding LLC ("Bao Jia") originally submitted a proposal for \$3 million, the price was raised to \$3.2 million after a re-appraisal. Ms. Goldfinger added that the purchaser selected resulted in the highest price, the best proposed project and better jobs than the other proposals.

In answer to a question from Mr. Patchett, Mr. Dawodu stated that the price to Bao Jia or an affiliated entity was comparable to other sales in the area. In answer to an additional question from Mr. Patchett, Ms. Goldfinger stated that Bao Jia's originally proposed price was not contingent on a specific use restriction duration but Bao Jia had been told that there would be a use restriction. Ms. Goldfinger further noted that the appraised value went down because of a long use restriction for a limited purpose.

A motion was made to approve the matters set forth for approval in the Proposed Resolution section of Exhibit B hereto and to resolve that there is no reasonable alternative to the proposed transfer to NYCEDC that will achieve the same purpose as the transfer. Such motion was seconded and unanimously approved.

4. Adjournment

There being no further business to come before the meeting, the meeting of the Board of Directors was adjourned at 3:43 p.m.

Mark Silversmith
Secretary

Dated: July 7, 2016
New York, New York

Attachment 1

DEFINITIONS

Apple.....	Apple Industrial Development Corp.
BAT.....	Brooklyn Army Terminal
Bovis	Bovis Lend Lease LMB, Inc.
CDBG.....	Federal Community Development Block Grant
CDBG-DR Funds	Federal Community Development Block Grant-Disaster Recovery Program funds
CEQR	City Environmental Quality Review process
City DEP.....	New York City Department of Environmental Protection
City DOT	New York City Department of Transportation
City Parks.....	New York City Department of Parks and Recreation
City Planning	New York City Department of City Planning or City Planning Commission
CM	A construction manager
CM Contract	A construction management contract
DCAS	New York City Department of Citywide Administrative Services
EIS	Environmental Impact Statement
ESDC	New York State Urban Development Corporation d/b/a Empire State Development Corporation
FEMA.....	Federal Emergency Management Agency
FM	A facilities manager
FM/CM Contract	A facilities management/construction management contract
Funding Source Agreement.....	Any agreement necessary to obtain funds for the Project, including IDA Agreements
HPD	New York City Department of Housing Preservation and Development
Hudson Meridian.....	Hudson Meridian Construction Group LLC
Hunter Roberts.....	Hunter Roberts Construction Group, L.L.C.
IDA.....	New York City Industrial Development Agency
IDA Agreement.....	Agreement with IDA pursuant to which IDA retains NYCEDC to accomplish all or part of the Project and reimburses NYCEDC for the costs of the work
LiRo.....	LiRo Program and Construction Management, PE P.C.
LMDC.....	Lower Manhattan Development Corporation
MOU.....	A memorandum of understanding
NYCEDC.....	New York City Economic Development Corporation, survivor of a November 1, 2012 merger of a local development corporation (the "LDC") named New York Economic Development Corporation with and into New York City Economic Growth Corporation. References to NYCEDC prior to such merger

are references to the LDC.

NYCHA.....	New York City Housing Authority
NYCLDC.....	New York City Land Development Corporation
OMB.....	New York City Office of Management and Budget
Port Authority....	The Port Authority of New York and New Jersey
RFP.....	Request for Proposals
Sanitation.....	New York City Department of Sanitation
SBS.....	New York City Department of Small Business Services
SEMO.....	New York State Emergency Management Office
SEQR.....	State Environmental Quality Review process
Skanska.....	Skanska USA Building Inc.
State DEC.....	New York State Department of Environmental Conservation
State DOS.....	New York State Department of State
State DOT.....	New York State Department of Transportation
State Parks.....	New York State Office of Parks, Recreation and Historic Preservation
Tishman.....	Tishman Construction Corporation of New York
Turner.....	Turner Construction Company
ULURP.....	Uniform Land Use Review Procedure

Exhibit A

NEW YORK CITY LAND DEVELOPMENT CORPORATION

**PROPERTY SALE TO THE JOSEPH P. ADDABBO FAMILY HEALTH CENTER, INC.
Board of Directors Meeting
June 15, 2016**

OVERVIEW:

The City proposes to sell the Site (defined below) to NYCLDC. NYCLDC will sell the Site to NYCEDC and NYCEDC will sell the Site to The Joseph P. Addabbo Family Health Center, Inc. or an affiliated entity (the "Purchaser"). NYCLDC is obligated by the City to transfer sites it acquires to NYCEDC or to another person or entity as directed by NYCEDC. The proposed acquisitions and dispositions will permit the project described below to be undertaken by the Purchaser for the purposes described below. The benefits to the public of the transfer to NYCEDC are those that will result from the project undertaken by the Purchaser. NYCLDC will purchase the Site from the City for \$1 and will sell the Site to NYCEDC for \$1.

A description of the Purchaser, the proposed project to be undertaken by the Purchaser, the amount being paid to NYCEDC and other matters related to the Site, dispositions and project are set forth below.

The terms of the proposed sale from NYCEDC to the Purchaser are substantially as follows:

PURCHASER:

The Purchaser
6200 Beach Channel Drive
Arverne, NY 11692

The Joseph P. Addabbo Family Health Center, Inc. ("Addabbo") is a non-profit Federally Qualified Health Center.

SITE LOCATION:

Block 16015, part of Lot 1 (the "Site")
Borough of Queens
Community Board No. 14
City Council District No. 31

SITE DESCRIPTION:

The Site is an approximately 20,500 square foot vacant parcel located on the northeast corner of Beach Channel Drive and Beach 63rd Street in the Arverne neighborhood in the Rockaway peninsula.

The Site is adjacent to an approximately 36,000 square foot medical services building on an approximately 33,500 square foot lot that was sold by NYCEDC to Addabbo in 2004.

**PROJECT
DESCRIPTION/
PURPOSE
OF TRANSFER:**

Purchaser is required to develop on the Site a building of a minimum of 18,000 square feet. It is anticipated that the building built will be approximately 20,500 square feet. For 30 years after completion of construction the building shall be used by not-for-profit groups as a community healthcare and educational facility of Addabbo and its affiliates. It is anticipated that it will serve as an expansion to Addabbo's existing medical services facility on the adjacent lot, which was completed in 2006. The construction will be funded with a combination of public and private sources, including City Capital Budget funds.

**BENEFIT TO THE
PUBLIC:**

This disposition will activate a vacant lot and support the expansion of an existing medical facility to meet a growing demand for services in the Rockaways, in part as a result of the closure of Penninsula Hospital. The project is anticipated to generate approximately 59 new full-time jobs and 97 construction jobs. Addabbo will participate in HireNYC and MWDBE programs.

**SELECTION OF
PURCHASER:**

In response to an RFP released by NYCEDC in 2013, NYCEDC selected Addabbo and entered into a contract of sale with Addabbo in November 2014. There were no other respondents to this RFP.

PURCHASE PRICE:

NYCLDC will purchase the Site from the City for \$1 and then sell the Site to NYCEDC for \$1. Purchaser will then purchase the Site from NYCEDC for \$533,000 on an all-cash basis.

APPRAISED VALUE:

Pursuant to an appraisal by Rosin & Associates, dated July 20, 2015, the estimated fair market "as is" value of the fee interest of the Site for highest and best use is \$1,065,000. Pursuant to the appraisal, the value of the Site is \$533,000 taking into account a restriction of the use of the Site to not-

for-profit groups as a community healthcare and educational facility for 30 years.

EXISTING ZONING: The Site is located in a R5D / C1-3 zoning district.

PUBLIC APPROVALS: Pursuant to Section 384(b)(4) of the City Charter, the Queens Borough Board approved the disposition by the City on May 16, 2016, conditional on the receipt of a Negative Declaration. CEQR is under review and it is anticipated that a Negative Declaration will be issued by the Lead Agency by mid-June 2016.

PROPOSED RESOLUTIONS: Approval for NYCLDC to purchase the Site from the City and sell it to NYCEDC on substantially the above-described terms

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

NYCEDC PROJECT CODE: 5157

SITE PLAN:



Exhibit B

NEW YORK CITY LAND DEVELOPMENT CORPORATION

PROPERTY SALE TO BAO JIA HOLDING LLC

Board of Directors Meeting

June 15, 2016

OVERVIEW:

The City proposes to sell the City Parcel (defined below) to NYCLDC. NYCLDC will sell the City Parcel to NYCEDC and NYCEDC will sell the City Parcel and the EDC Parcel (defined below) to Bao Jia Holding LLC or an affiliated entity (the "Purchaser"). NYCLDC is obligated by the City to transfer sites it acquires to NYCEDC or to another person or entity as directed by NYCEDC. The proposed acquisitions and dispositions will permit the project described below to be undertaken by the Purchaser for the purposes described below. The benefits to the public of the transfer to NYCEDC are those that will result from the project undertaken by the Purchaser. NYCLDC will purchase the City Parcel from the City for \$1 and will sell the City Parcel to NYCEDC for \$1.

A description of the Purchaser, the proposed project to be undertaken by the Purchaser, the amount being paid to NYCEDC and other matters related to the City Parcel and EDC Parcel, dispositions and project are set forth below.

The terms of the proposed sale from NYCEDC to the Purchaser are substantially as follows:

PURCHASER:

The Purchaser
28-11 120th Street
Queens NY 11354

Bao Jia Holding LLC ("Bao Jia") is a real estate holding company whose majority and controlling member is Jerry Wang.

USER:

S&L Aerospace Metals, LLC ("S&L" or the "User") is a manufacturer and supplier of metal parts for commercial and military jet and helicopter aircraft manufacturers. S&L was founded in Brooklyn, in 1947, and relocated to Queens in 1962, first to Maspeth and subsequently to College Point, where it has operated since 2007 on Block 4317, Lot 41 (the "Adjacent Property"), which is adjacent to the EDC Parcel (hereinafter described) proposed to be sold to Purchaser.

Bao Jia and S&L are affiliated entities, with Jerry Wang holding a majority and controlling membership in both entities.

SITE LOCATION: Block 4317, p/o Lot 1 (the "City Parcel") and p/o Lot 60 (the "EDC Parcel"), collectively the "Site"
Borough of Queens
Community Board No. 7

SITE DESCRIPTION: The Site is approximately 40,000 square feet of underutilized land, which is composed of the City Parcel and EDC Parcel. The City Parcel contains approximately 21,000 square feet of vacant land area and the EDC Parcel contains approximately 19,000 square feet of land area that is improved with a one-story building and shed containing in the aggregate approximately 10,000 square feet of gross building area.

PURCHASE PRICE: NYCLDC will purchase the City Parcel for \$1 from the City and then sell the City Parcel for \$1 to NYCEDC. Purchaser will then purchase the Site from NYCEDC for \$3,200,000 on an all-cash basis.

APPRAISED VALUE: An independent appraisal of the Site and the City Parcel, for highest and best use, dated May 27, 2016, determined the value of the Site and the City Parcel for highest and best use to be \$4,500,000 and \$2,100,000, respectively, and the restricted value of the Site to be \$3,200,000 and of the City Parcel to be \$1,500,000, taking into consideration the use restriction in the deed(s).

SELECTION OF PURCHASER: Purchaser was chosen pursuant to an RFP issued on June 25, 2012, with a final rolling submission deadline of June 13, 2013. Other respondents and their proposals are listed in Attachment B hereto.

PROJECT DESCRIPTION / PURPOSE OF TRANSFER/ BENEFITS TO THE PUBLIC:

The sale of the Site will enable Purchaser to expand the operations of S&L, from the Adjacent Property.

NYCEDC and Purchaser entered into a contract of sale on November 18, 2013 (as amended from time to time, the

"Contract"). Pursuant to the Contract, the deed(s) to the Site will require provisions substantially as follows:

- Commence within 6 months from the date of the deed, renovation of the existing building and shed on the EDC Parcel to allow Purchaser to connect to an existing building on, and expand User's operations from, the Adjacent Property (the "Renovation") and complete the Renovation within one year from commencement thereof.
- Commence within 18 months from the date of the deed, construction of a new building on the Site containing a minimum of 24,000 square feet and complete construction within one year from commencement thereof.
- 15 years post-construction use restriction limiting the use of the Site and the Adjacent Property to use in connection with the non-residential business operations and corporate purposes of User and possibly affiliated entities, primarily in connection with User's and possibly affiliated entities aerospace parts manufacturing business and for no other purposes, except with the prior written approval of NYCEDC.
- Five year post-construction transfer restriction of (i) the Site and the Adjacent Property, except as part of a bona fide sale of User's entire business, and (ii) membership interests in Purchaser.

The RFP for the Site was intended to support the retention and growth of industrial businesses and is consistent with the main goals of the Special College Point District, which seeks to maintain a high quality business campus environment and attract the kind of industry that will allow the City to successfully compete with other manufacturing centers.

This disposition will activate vacant and underutilized land and support the expansion of S&L's manufacturing facility by approximately 34,000 square feet. The project is anticipated to create 20 new, full-time, high-skilled, manufacturing jobs in addition to the retention of 84 current full-time positions.

ZONING:

The Site is zoned M2-1 and is in the Special College Point District.

PUBLIC APPROVALS: The City Parcel received ULURP approval in July 2015 and the Queens Borough Board approved the disposition of the City Parcel pursuant to Section 384(b)(4) of the City Charter, on May 16, 2016.

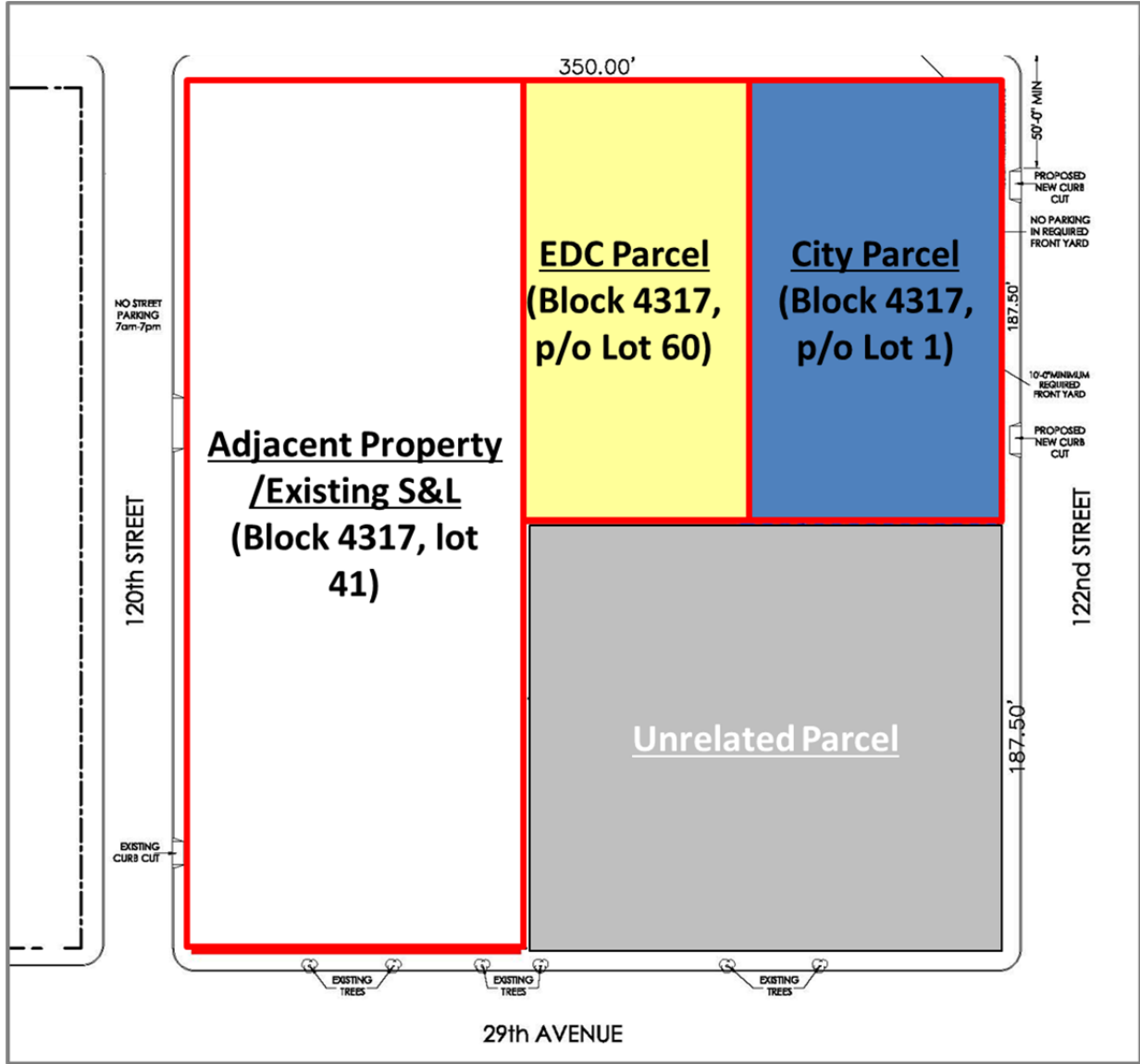
PROPOSED RESOLUTION: Approval for NYCLDC (i) to purchase the City Parcel from the City and (ii) to sell the City Parcel to NYCEDC, on substantially the above-described terms





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

NYCEDC PROJECT CODE: 5398

ATTACHMENT A

Map of Site Area



-  City Parcel
-  EDC Parcel
-  Adjacent Property / Existing S&L
-  Unrelated Parcel

ATTACHMENT B

Other Respondents		
Name	Price	Project
Greenpatch / JLJ IV Enterprises	\$2.8MM	Expansion of existing and adjacent asphalt operations and construction of new garment assembly building.
R.A.M.S. Mechanical Inc.	\$1.6MM	Construction of a HVAC fabrication facility and office space.
Tully Environmental Inc.	\$2MM (Withdraw)	Construction of a commercial kitchen grease recycling facility.