

MINUTES OF THE MEETING  
OF THE BOARD OF DIRECTORS  
OF  
NEW YORK CITY LAND DEVELOPMENT CORPORATION  
August 9, 2012

A special meeting of the Board of Directors of New York City Land Development Corporation ("LDC") was held on Thursday, August 9, 2012, at 260 Broadway, New York, New York.

The following members of the Board of Directors were present:

Robert Goldrich  
Jeffrey Mandel  
Betty Woo

Also present were members of the staff of New York City Economic Development Corporation ("NYCEDC").

The meeting was called to order at 10:10 a.m. Notice of the meeting has been duly waived by the Directors. Mark Silversmith, Secretary of LDC, served as secretary of the meeting.

1. Approval of the Minutes of the May 24, 2012 and June 21, 2012 Meetings of the Board of Directors

There were no questions or comments with respect to the minutes of the May 24, 2012 Board of Directors meeting, as submitted. A motion to approve such minutes, as submitted, was made, seconded and unanimously adopted.

There were also no questions or comments with respect to the minutes of the June 21, 2012 Board of Directors meeting, as submitted. A motion to approve such minutes, as submitted, was made, seconded and unanimously adopted.

2. Property Sale to "Toys "R" Us" - Delaware, Inc. and Property Sale to Bical Development, Inc.

Mr. Silversmith then summarized a proposed property sale to New York City Economic Growth Corporation ("EGC") and the proposed related property sale to Toys "R" Us – Delaware, Inc. or an affiliated entity ("Toys") by EGC and a proposed property sale to EGC and the proposed related property sale to Bical Development, Inc. or an affiliated entity ("Bical") by EGC, and other related transactions and matters including LDC's acquisition of those properties from the City, substantially as described in Exhibits A and B hereto. In response to a question from Mr. Goldrich, there was a discussion of the reasons for the transactions to Toys and Bical being undertaken on a sole source basis.

A motion was made to approve the matters set forth for approval in the Proposed Resolution sections of Exhibits A and B hereto. Such motion was seconded and unanimously approved. In addition, the Board of Directors resolved that there is no reasonable alternative to the proposed transfer to EGC and the related transfer to Toys that will achieve the same purpose as those transfers, and that there is no reasonable alternative to the proposed transfers to EGC related to the Bical transaction that will achieve the same purpose as those transfers.

3. NYU Applied Sciences Project Lease.

Mr. Silversmith presented a proposed lease from the City and assignment of the lease to New York University or an affiliated entity, and related matters, on substantially the terms set forth in Exhibit C hereto.

A motion was made to approve the matters set forth for approval in the Proposed Resolution section of Exhibit C hereto. Such motion was seconded and unanimously approved.


4. Legal Retainer Amendment: Caplin & Drysdale, Chartered

Mr. Silversmith stated that NYCEDC had retained Caplin & Drysdale, Chartered ("Caplin") for legal services primarily on tax and corporate matters related to the restructuring of NYCEDC. It had been determined that a portion of Caplin's fees for services in Fiscal Year 2012 should be paid by LDC and by EGC. NYCEDC was providing both those corporations with a grant to pay their share of the costs of Caplin's services in Fiscal Year 2012. LDC's Board was asked to approve the acceptance of the grant to it and its expenditure to pay for a portion of the costs of Caplin's services in Fiscal Year 2012.

A motion was then made to approve the matters set forth for approval in the Proposed Resolution section of Exhibit D hereto. Such motion was seconded and unanimously approved.

5. Adjournment

There being no further business to come before the meeting, pursuant to a motion made, seconded and unanimously approved, the meeting of the Board of Directors was adjourned at 10.25 a.m.

  
Secretary

Dated: August 15, 2012  
New York, New York

Exhibit A

NEW YORK CITY LAND DEVELOPMENT CORPORATION

**PROPERTY SALE TO TOYS "R" US—DELAWARE, INC.  
Board of Directors Meeting  
August 2012**

**OVERVIEW:**

After the merger of New York City Economic Development Corporation ("NYCEDC") into New York City Economic Growth Corporation ("EGC" or "Seller"), the City proposes to sell the Site (defined below), and possibly easements, to New York City Land Development Corporation ("LDC") to enable (1) LDC to sell the Site, and possibly easements, to EGC, then known as New York City Economic Development Corporation, and (2) EGC to sell the Site, and possibly easements, to Toys "R" Us – Delaware, Inc. or an affiliated entity (the "Purchaser"). LDC is obligated by the City to transfer the Site and easements it acquires to EGC. The purpose of these acquisitions and dispositions is to permit the project described below to be undertaken by the Purchaser for the purposes described below. The benefits to the public of the transfers to LDC and EGC are those that will result from the project undertaken by the Purchaser. LDC will purchase the Site, and possibly easements, from the City for \$1 and will sell the Site, and possibly easements, to EGC for \$1.

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

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

**PURCHASER:**

The Purchaser (Toys "R" Us—Delaware, Inc. or an affiliated entity)  
One Geoffrey Way  
Wayne, NJ 07470

Toys "R" Us—Delaware, Inc. ("Toys") is a privately held corporation and a worldwide retailer of toys and juvenile products.

**SITE AND PARKING**

**EASEMENT LOCATION:** Block 8591, part of Lot 125 (the "Site"), and Lot 100 (the "Parking Easement Site")

**SITE DESCRIPTION:** The Site is located in the Mill Basin neighborhood and contains approximately 130,000 square feet of land. It is currently improved with a building measuring approximately 46,000 square feet. The Site will be subject to access and storm water easements in favor of an adjacent City property, and its owners and users, that is being sold to Bical Development, Inc. or an affiliated entity ("Bical"). The Parking Easement Site neighbors the Site and is approximately 27,000 square feet.

**PROJECT DESCRIPTION:** In November 1996, NYCEDC issued an RFP for the development of an approximately 375,000 square foot parcel adjacent to the Site. In 2000, NYCEDC designated a developer to develop such parcel; however, at present such parcel is not currently planned for development. Shortly, after issuance of the RFP, Purchaser expressed strong interest in purchasing the Site. Toys had been leasing the Site from the City along with a portion of the adjacent parcel which is being sold to Bical, and Toys currently holds an occupancy permit for those premises. Purchaser has been in negotiations to purchase the Site for many years.

Purchaser seeks to acquire the Site to maintain the existing Toys "R" Us store at the Site and to obtain an easement on the Parking Easement Site for parking (the "Parking Easement") since current parking space is being lost due to the sale to Bical of a portion of the premises for which Toys currently holds an occupancy permit.

As part of the project, Purchaser will be receiving additional easements for access and a storm sewer system that will benefit the Site and will grant Sea Travelers Realty, Inc., which leases other property from the City, an access easement through a portion of the Site. In addition, Purchaser and Bical will be entering into an operating agreement setting forth rights and responsibilities of a shared access way.

It is possible that the storm sewer system easements through the Site and for the benefit of the Site will not be needed, in which event they may not be created and granted.

A site plan approximately showing easements and property lines is attached as Exhibit A.

The deed for the Site will contain a restriction that the Site shall be used as a toys or baby goods store for a period of twenty years. It is anticipated that the Brooklyn Borough Board will require such a restriction (the "Deed Restriction").

**RE-SALE CONDITIONS:** Purchaser will be permitted at any time to transfer the Site to an affiliate of Toys or Purchaser or to another entity in connection with a change in the form of Toys or the Purchaser or the successors and assigns of such entity (each a "Permitted Transferee"). Sales to others prior to the fifth anniversary of the closing date shall be permitted at the discretion of EGC, the seller of the Site to Purchaser.

Purchaser (or the then owner) may sell the Site after the fifth anniversary of the closing date to a person or entity other than a Permitted Transferee, provided that if (i) the use restriction is no longer in effect or will be no longer in effect as a result of the sale of the Site; and (ii) the Purchaser (or the then owner of the Site) sells the Site to an entity that is not a Permitted Transferee; and (iii) the gross purchase price for the Site paid to the Purchaser (or the then owner of the Site) exceeds \$13,000,000 then Seller and Purchaser (or the then owner of the Site) shall share the excess of the resale purchase price over \$13,000,000. The percentage of the excess to be shared by Seller shall vary depending on when the resale occurs as follows:

Sale Date Between Below Anniversaries		Percent of Excess over \$13,000,000 to be Paid to Seller
5 <sup>th</sup> anniversary and	8 <sup>th</sup> anniversary	70%
8 <sup>th</sup> anniversary and	11 <sup>th</sup> anniversary	60%
11 <sup>th</sup> anniversary and	14 <sup>th</sup> anniversary	50%
14 <sup>th</sup> anniversary and	17 <sup>th</sup> anniversary	40%
17 <sup>th</sup> anniversary and	19 <sup>th</sup> anniversary	30%

Seller will receive no percentage of excess for sales after the 19th anniversary.

**PURCHASE PRICE/  
APPRAISED VALUE:**

Purchaser's purchase price for the Site, Parking Lot Easement and other easements to be obtained is \$13,000,000 (all cash). An appraisal dated July 10, 2012,

determined that the Site, benefitted by the Parking Lot Easement and other easements, was determined to have an appraised value of \$9,500,000 with the Deed Restriction and an appraised value of \$23,000,000 without the Deed Restriction.

**PURPOSE OF AND  
BENEFITS OF  
THE TRANSFER:**

A negotiated disposition is appropriate for this project given Purchaser's long history at the Site. The sale of the Site to Purchaser will place the Site on the tax rolls and retain the jobs that exist at the Site. Purchaser employs between 60 and 170 persons at the Site in a retail capacity. The positions vary from entry-level to managerial positions.

As described above, Purchaser will pay \$13,000,000 in cash compared to the appraised value of \$9,500,000 with the Deed Restriction and \$23,000,000 without the Deed Restriction. The sale of the Site for the specified price is appropriate due to a number of factors. First, NYCEDC and Purchaser negotiated the purchase price several years ago. The actual sale of the Site has been delayed on a number of occasions for reasons beyond either party's control. Second, the twenty year restriction on the use of the Site as a toys or baby goods store as well as the sharing of proceeds described above have an impact on the value of the Site. Third, Purchaser is required to construct, at its sole cost and expense, a new parking area adjacent to the Site due to the sale of a portion of its current premises to Bical. The cost of such construction is estimated to be approximately \$220,000. Lastly, as described in the following paragraph, Purchaser is responsible for half of the costs of certain infrastructure improvements that are also required due to the sale of the adjacent parcel to Bical.

Purchaser is required to undertake certain infrastructure work related to the Site prior to the closing of its purchase. Seller will reimburse Purchaser, through a credit against the purchase price payable by Purchaser, for half of the costs associated with such work. First, Purchaser will remove and relocate a sanitary basin—this work is estimated to cost \$41,893. Second, Purchaser will construct a storm sewer system—this work is estimated to cost \$70,509. Provided Purchaser performs such work in accordance with the timeframes set forth in the contract of sale and provides proof of the actual costs to Seller, an amount constituting

half of the actual costs of such work will be applied to the purchase price. In the event the actual costs are higher than the estimates set forth above, Seller will reimburse Purchaser for 50% of the excess through a credit against the purchase price provided that such revised costs have been approved by an authorized signatory of Seller.

**EMPLOYMENT:** The sale of the Site is expected to retain over 60 permanent jobs.

**ZONING:** The Site is located in a C8-1 zoning district.

**PUBLIC APPROVALS:** A ULURP application for the disposition and rezoning of the Site was approved on May 15, 2012. On June 20, 2012, Community Board No. 18 recommended that the Brooklyn Borough Board approve the sale of the Site. It is anticipated that the Brooklyn Borough Board will approve the proposed sale pursuant to Section 384(b)(4) of the New York City Charter at its August meeting.

**Following are the Proposed Resolutions of LDC's Board of Directors:**

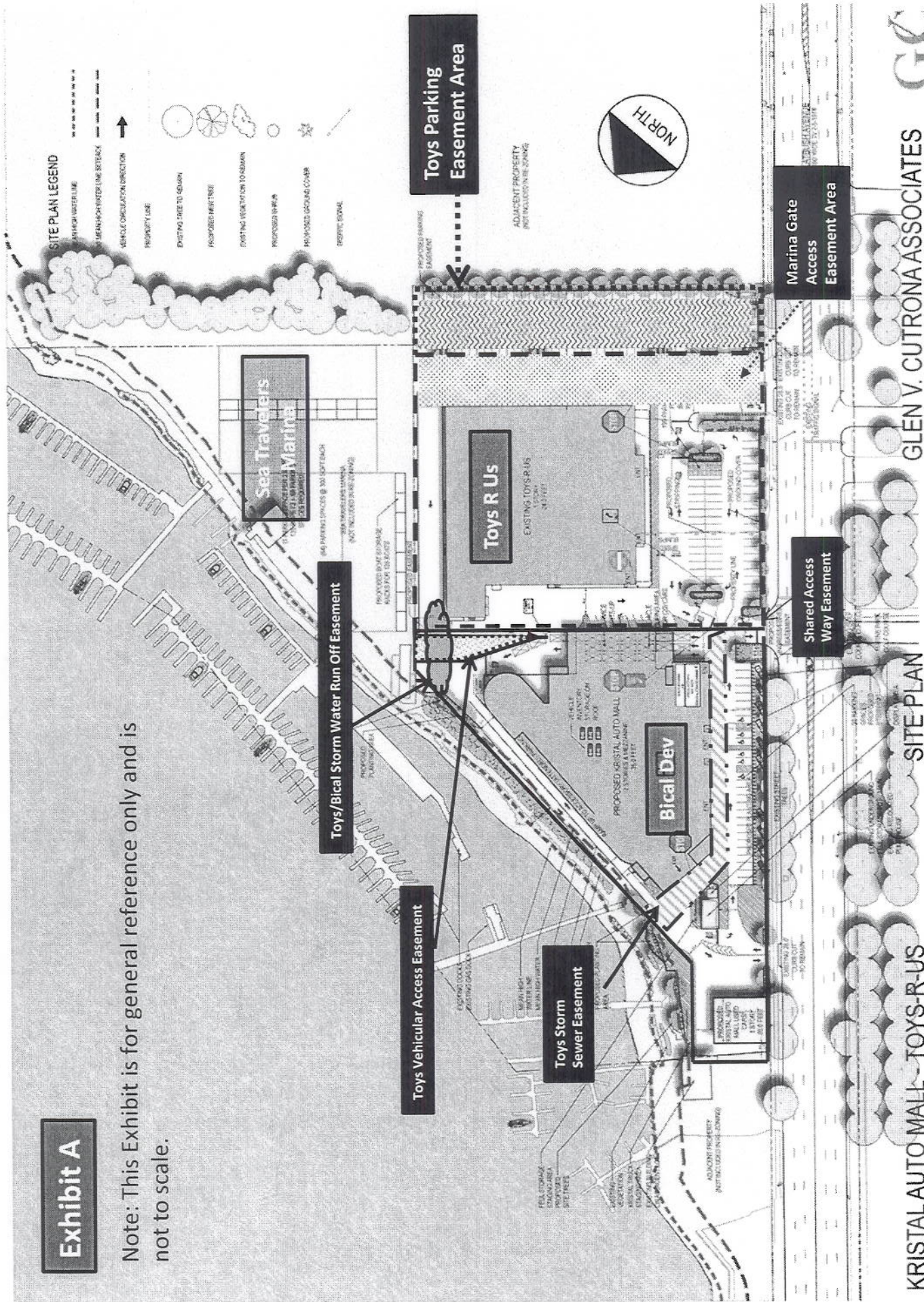
**PROPOSED RESOLUTIONS:** The approval (1) of LDC's purchase of the Site and the Parking Easement from the City for \$1, (2) of the sale by LDC to EGC for \$1 of the Site and the Parking Easement, (3) if the easements to benefit the Site substantially as described above are not in place at the time of the sale of the Site and Parking Easement to LDC, of the purchase by LDC from the City and the sale to EGC of those easements for no consideration other than that paid by LDC to the City and EGC to LDC in connection with LDC's and EGC's purchase of the Site and the Parking Easement, and (4) of LDC entering into any agreements and taking any actions necessary for transactions substantially as described above to take place.

The Board of Directors further resolves that there is no reasonable alternative to the proposed transfers to EGC and Purchaser that will achieve the same purpose as the transfers.

**PROJECT CODE:** 257

# Exhibit A

Note: This Exhibit is for general reference only and is not to scale.



KRISTAL AUTO MALL - TOYS-R-US

SITE PLAN

GLEN V. CUTRONA ASSOCIATES



6326 AMBOY ROAD - STATEN ISLAND, NEW YORK 10309  
ARCHITECTURE - INTERIOR DESIGN - SPACE PLANNING

FLATBUSH AVENUE - BROOKLYN, NEW YORK 11234

OCTOBER 07, 2011



Exhibit B

NEW YORK CITY LAND DEVELOPMENT CORPORATION

**PROPERTY SALE TO BICAL DEVELOPMENT, INC.  
Board of Directors Meeting  
August 2012**

**OVERVIEW:**

After the merger of New York City Economic Development Corporation ("NYCEDC") into New York City Economic Growth Corporation ("EGC"), the City proposes to sell the Site (defined below), and possibly easements, to New York City Land Development Corporation ("LDC") to enable (1) LDC to sell the Site, and possibly easements, to EGC, then known as New York City Economic Development Corporation, and (2) EGC to sell the Site, and possibly easements, to Bical Development, Inc. or an affiliated entity (the "Purchaser"). LDC is obligated by the City to transfer the Site and easements it acquires to EGC. The purpose of these acquisitions and dispositions is to permit the project described below to be undertaken by the Purchaser for the purposes described below. The benefits to the public of the transfers to LDC and EGC are those that will result from the project undertaken by the Purchaser. LDC will purchase the Site, and possibly easements, from the City for \$1 and will sell the Site, and possibly easements, to EGC for \$1.

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

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

**PURCHASER:**

The Purchaser (Bical Development, Inc. or an affiliated entity)  
1589 East 54<sup>th</sup> Street  
Brooklyn, New York 11234

Bical Development, Inc. is a corporation wholly owned by Sammy Bical. Mr. Bical is also the sole owner of Kristal Auto Mall Corp. ("Kristal"), which is the intended user of the purchased site.

**SITE LOCATION:**

Block 8591, part of Lots 125 and 175 (the "Site")  
Borough of Brooklyn  
Community Board No. 18

**SITE DESCRIPTION:**

The Site is located in the Mill Basin neighborhood and contains approximately 110,000 square feet of vacant land. A portion of the Site is currently used primarily for parking by a Toys “R” Us store. The Site will be subject to access and storm sewer system easements to benefit property being purchased by Toys “R” Us – Delaware, Inc. or an affiliated entity (“Toys”), and to a gas dock shed easement in favor of property leased by the City to Sea Travelers Realty, Inc. (“Sea Travelers”).

**PROJECT DESCRIPTION/PURPOSE OF TRANSFER:**

In November 1996, NYCEDC issued an RFP for the development of an approximately 375,000 square foot parcel near the Site. Purchaser submitted a proposal for the purchase and development of such parcel. Purchaser’s proposal, however, was smaller than the scale of development envisioned for the parcel. Working with local stakeholders, NYCEDC crafted a plan to sell the Site to Purchaser, which, in part, is a portion of City-owned property formerly leased to Toys “R” Us – Delaware, Inc. (“Delaware Toys”) and for which Delaware Toys currently holds an occupancy permit. The remaining portion of Delaware Toys’ premises is being sold to Toys. The 375,000 square foot parcel is not currently planned for development.

The Purchaser seeks to acquire the Site for the development of an automobile dealership, repair center, inventory storage space and related office space. The Purchaser is required to construct a new building of a minimum of 100,000 square feet.

The Site is adjacent to an existing Toys “R” Us store which is being sold to Toys. Certain easements for access and a storm sewer system through a portion of the property being sold to Toys will be granted to Purchaser. As more fully described below, as part of the project, Purchaser will construct boat racks for use by Sea Travelers on the premises leased by Sea Travelers. Sea Travelers is surrendering a portion of its currently leased premises so that the portion can become part of Purchaser’s Site. In addition, Purchaser will grant certain access easements on a portion of the Site to benefit the user of the premises leased by Sea Travelers and enter into an operating agreement with Toys setting forth rights and responsibilities regarding a shared access way.

It is possible that the storm sewer system easements through the Site and for the benefit of the Site will not be needed, in which event they may not be created and granted.

A site plan approximately showing easements and property lines is attached as Exhibit A.

**PURCHASE PRICE/  
APPRAISED VALUE/  
REIMBURSEMENT  
FROM PURCHASE  
PRICE:**

Purchaser's purchase price for the Site and the easements to be obtained is \$4,200,000 (all cash). The Site was determined to have an appraised value of \$4,400,000 pursuant to an appraisal dated July 11, 2012.

At NYCEDC's request, Purchaser shall install three boat racks and all required footings for use by Sea Travelers on Sea Travelers' premises. The cost for such work was estimated to be approximately \$794,000 in July 2009, which estimate increases annually based on increases in the Consumer Price Index ("Boat Rack Costs"). As set forth in its contract of sale for the Site, Purchaser will be reimbursed for one half of the actual cost of the boat rack and footings installation. At the closing, Purchaser and the seller to Purchaser will each place an amount equal to half of the above estimated Boat Rack Costs, or a revised estimate that has been agreed to, into an account administered by the seller (the "Boat Rack Account"). As construction progresses Purchaser will have the opportunity to draw down funds periodically from the Boat Rack Account, upon presentation of documentation evidencing Purchaser's costs. Any amounts held in the Boat Rack Account not drawn down for such expenses within 2 years after the closing, may be drawn down and retained by the seller and Purchaser, proportionate to their respective contributions to the Boat Rack Account.

**PURPOSE AND  
BENEFITS OF THE**

**TRANSFER:**

A negotiated disposition is appropriate given the long-standing commitment to sell the Site to Purchaser. Over the past several years, General Motors has pressured Kristal to purchase premises (such as the Site) and build a state-of-the-art facility thereon that is more visible from a major street and has threatened to revoke Kristal's franchise if this does not occur. If this revocation happened, Kristal would be forced to shut down its operations. Kristal has been part of the local community for decades and the purchase of the Site will allow it to expand and create new jobs. The sale of the Site will allow Kristal's new facility to be built and the creation of approximately 100 construction jobs and the creation or retention of approximately 80 permanent jobs. The permanent job positions include auto salespeople, clerical staff, and mechanic/service people.

The sale of the Site to Purchaser at a price below fair market value is appropriate given the length of time that has transpired since the sale was negotiated. The delay in consummating the sale has been outside the control of Purchaser and NYCEDC. In addition, Purchaser must pay for half of the boat rack installation for a City tenant and burden its property with easements for the benefit of Toys and Sea Travelers.

**ZONING:**

The Site is located in a C8-1 zoning district.

**PUBLIC APPROVALS:**

A ULURP application for the disposition and rezoning of the Site was approved on May 15, 2012. On June 20, 2012, Community Board No. 18 recommended that the Brooklyn Borough Board approve the sale. It is anticipated that the Brooklyn Borough Board will approve the proposed sale pursuant to Section 384(b)(4) of the New York City Charter at its August meeting.

**Following are the Proposed Resolutions of LDC's Board of Directors:**

**PROPOSED RESOLUTIONS:**

The approval of (1) LDC's purchase of the Site from the City for \$1, (2) the sale of the Site by LDC to EGC for \$1, (3) if the easements to benefit the Site substantially as described above are not in place at the time of the sale of the Site to LDC, the purchase of those easements by LDC from the City and the sale of those easements by LDC to EGC for no consideration other than that paid by LDC to the City and EGC to LDC in connection with its purchase of the Site, and

(4) LDC entering into any agreements and taking any actions necessary for transactions substantially as described above to take place.

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

**PROJECT CODE:** 1129

# Exhibit A

Note: This Exhibit is for general reference only and is not to scale.

**SITE PLAN LEGEND**

- WATER RETENTION
- CURB/PAVING UNDERLINE SETBACK
- VEHICLE CIRCULATION DIRECTION
- PROPOSED TREE
- EXISTING TREE TO REMAIN
- PROPOSED PLANT TREE
- EXISTING VEGETATION TO REMAIN
- PROPOSED BIENNE
- PROPOSED GRASSING COVER
- TRAFFIC SIGNAL

**Sea Travelers Marina**

**New Boat Racks**

**Toys/Bical Storm Water Run Off Easement**

**Toys Vehicular Access Easement**

**Toys R Us**  
EXISTING TOYS R US  
15,300 SF  
30 FEET

**Marina Pedestrian Access**

**Bical Dav**  
PROPOSED CRISTAL AUTO MALL  
15,300 SF LARGE FRAME  
30 FEET

**Marina Gas Dock Shed**

**Toys Storm Sewer Easement**

**Shared Access Way Easement**



**KRISTAL AUTO MALL - TOYS-R-US**

**SITE PLAN**

**GLEN V. CUTRONA ASSOCIATES**

6326 AMBOY ROAD - STATEN ISLAND, NEW YORK 10309  
ARCHITECTURE - INTERIOR DESIGN - SPACE PLANNING

OCTOBER 07, 2011

FLATBUSH AVENUE - BROOKLYN, NEW YORK 11234

Exhibit C

NEW YORK CITY LAND DEVELOPMENT CORPORATION

**NEW YORK UNIVERSITY APPLIED SCIENCES PROJECT LEASE  
Board of Directors Meeting  
August 2012**

**LESSOR:** The City of New York

**LESSEE/LEASE ASSIGNOR:** New York City Land Development Corporation ("LDC")

**LEASE ASSIGNEE:** New York University or an affiliated entity ("NYU")

**USER/OPERATOR:** New York University will lead a consortium of academic institutions and companies to redevelop 370 Jay Street in Brooklyn for use as the Center for Urban Science and Progress ("CUSP"). The consortium includes Polytechnic Institute of New York University ("NYU-Poly"), City University of New York, Carnegie Mellon University, University of Toronto, University of Warwick and Indian Institute of Technology Bombay as well as non-academic entities such as International Business Machines Corporation and Cisco Systems, Incorporated.

**SITE:** Block 140, Lot 111 (the "Site")  
370 Jay Street  
Borough of Brooklyn  
Community Board No. 2

The Site is located on the northwest corner of Jay Street and Willoughby Street in Downtown Brooklyn.

**SITE DESCRIPTION:** The Site is improved with the former New York City Transit Authority headquarters building, a 14-story plus penthouse Class C office building containing approximately 460,000 square feet of above grade gross building area and three below grade levels totaling approximately 57,000 square feet. The building is located above the Jay Street-Metrotech subway station and subway tracks, which will continue to operate. The Site will be leased subject to various easements related to MTA operations.

The Site is now substantially vacant except for certain MTA subway-related equipment and New York Police Department ("NYPD") communications equipment.

**ZONING:**

C5-4; Restricted Central Commercial District within the Special Downtown Brooklyn District.

**USE/PROJECT DESCRIPTION:**

CUSP is a consortium of institutions led by New York University focused on the research and development of technology to address the critical challenges facing cities, including infrastructure, tech integration, energy efficiency, transportation, congestion, public safety and public health. New York University and CUSP were selected as part of the Applied Sciences Facility in New York City Request for Proposals (the "Applied Sciences RFP"). The Applied Sciences RFP solicited proposals from academic institutions that wished to build and operate a new applied sciences facility, or to materially expand an existing facility. Institutions could propose use of City-owned or controlled sites. The Site was proposed by NYU as part of its Applied Sciences RFP response.

Subject to the results of a 6-month due diligence period (subject to certain extensions), NYU plans to redevelop the Site for use as the CUSP campus under a ground lease (the "Lease"). Structural elements of the Site will be retained, but the building will otherwise be substantially rebuilt and renovated. NYU will be required to redevelop approximately 190,000 square feet of the building for CUSP-related uses, of which up to 40,000 square feet may be programmed for the creation of incubators for businesses spun off by CUSP and CUSP-related research. The remaining building space may be used for the future expansion of CUSP, other academic uses or commercial tenants who are seeking to locate near CUSP. If, after the due diligence period, NYU determines that redeveloping the 370 Jay Street site is not feasible, it will establish CUSP operations in alternate space in Downtown Brooklyn.

Assuming a successful due diligence period, it is expected that NYU will enter into the Lease and begin construction by June 2014. Construction is expected to be complete by June 2017. Classes at the Site are planned to commence in September 2017. Both the MTA and NYPD facilities would be relocated as part of the overall redevelopment plan. MTA relocation is expected to begin in Fall 2012 and is expected to be complete by Spring 2016. NYPD relocation is anticipated to begin in Fall 2012 and is expected to be complete by Spring 2014.



Because of the time required to redevelop the Site, NYU also plans to have an interim CUSP program located elsewhere in Downtown Brooklyn. The interim program is expected to begin in September 2013.

As part of CUSP, NYU will also start the i2e (Invention, Innovation and Entrepreneurship) Learning Center, which is expected to encourage and support high school student participation in City, State and regional competitions, establish a summer program for high school students and train public school teachers.

**EMPLOYMENT AND STUDENTS:**

At full operation, CUSP anticipates that it will employ approximately 50 full-time faculty and researchers, 30 post-doctoral researchers, 20 senior researchers, and support staff. CUSP expects to have approximately 530 Masters and Doctoral students at full operation.

**PROJECT-RELATED AGREEMENTS:**

In connection with the project, NYU and New York City Economic Development Corporation ("NYCEDC") have entered into a development, use and operation agreement (the "DUO") pursuant to which NYU agreed to undertake the development of CUSP in Downtown Brooklyn. In the DUO, NYU has agreed to certain development and on-going program commitments with respect to CUSP. In connection with these project commitments, NYCEDC has agreed to work with NYU to identify benefits having an aggregate value to NYU of \$15,000,000 if the 370 Jay Street project is undertaken or \$10,000,000 if the project is undertaken at an alternative site in Downtown Brooklyn. Such benefits may include energy, tax and other benefits, that may require subsequent approvals from various entities. The DUO may be amended to provide that LDC is a party thereto and that the Lease will be assigned to NYU by LDC, not NYCEDC.

Simultaneously with entering into the DUO, NYU entered into a relocation agreement with each of the MTA and NYPD. Per the MTA Relocation Agreement, NYU agreed to pay the MTA \$50,000,000 in exchange for the MTA agreeing to relocate its equipment in the building on the Site to below-grade space in the building and surrendering the Site (subject to certain easements) to the City. In the NYPD Relocation Agreement, NYU agreed to pay the NYPD up to

\$10,000,000 in exchange for the NYPD agreeing to relocate its equipment from the Site.

**LEASE TERM AND RENT:**

Ground lease, for nominal consideration (annual rent of \$1), until the date that is 99 years from the DUO. At the end of the term of the Lease, or if the City earlier decides to sell the Site, NYU has the right to purchase the Site for \$1, subject to a deed that includes certain use restrictions included in the Lease (e.g. dedicated academic use in perpetuity)

**PILOT:**

NYU will pay PILOT with regard to the Site at a rate equal to full taxes that would be payable if not for ownership by the City, taking into account abatements or exemptions (as-of-right or otherwise agreed to), but excluding such portions of the Site, if any, that would be exempt from real estate taxes if owned directly by NYU (taking into account the actual uses at such portions of the Site).

**APPRAISED VALUE:**

An appraisal for the Site as of March 23, 2012 valued the Site, at highest and best use, at \$30,000,000. The appraisal did not consider a ground lease valuation or the cost to relocate the NYPD or MTA. The transaction is considered to be above appraised value because NYU's aggregate payments to relocate the MTA and NYPD are in excess of the Site's appraised value.

**PUBLIC APPROVALS:**

ULURP disposition authority was granted in 2004 as part of the Downtown Brooklyn Plan.

**PROPOSED LDC RESOLUTION:**

The approval of LDC (i) entering into the Lease to lease the Site from the City and assigning the Lease to NYU, which Lease will be on substantially the above described terms; (2) possibly entering into an amendment to the DUO primarily to provide that LDC is a party thereto and that the Lease will be assigned to NYU by LDC, not NYCEDC; and (3) the approval of LDC entering into any agreements and taking any actions necessary for transactions substantially as described above to take place.

**PROJECT CODE:**

4793

370 Jay Street  
Applied Sciences  
NYU - CUSP

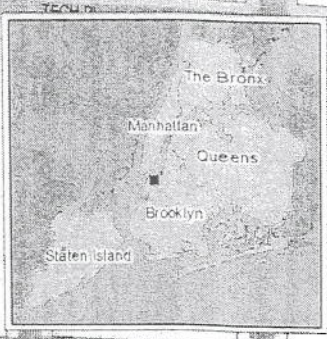


Exhibit D

NEW YORK CITY LAND DEVELOPMENT CORPORATION

**LEGAL RETAINER AMENDMENT: CAPLIN & DRYSDALE, CHARTERED  
Board of Directors Meeting  
August 2012**

**OVERVIEW:** On August 2, 2012, the Executive Committee of New York City Economic Development Corporation ("NYCEDC") approved the provision by NYCEDC to New York City Land Development Corporation ("LDC") of funds to pay LDC's share of the cost of fees of Caplin & Drysdale, Chartered ("Caplin") for Fiscal Year 2012 legal services primarily on tax and corporate matters. Approval is now needed from LDC's Board for the acceptance of that grant and its expenditure to pay for a portion of the cost for Caplin's services in Fiscal Year 2012.

**PROPOSED  
RESOLUTION:** The Board approves the acceptance by LDC of a grant of \$50,294.89 from NYCEDC, and its expenditure, to pay for a portion of the cost for Caplin's services in Fiscal Year 2012.