

MINUTES OF THE ANNUAL MEETING  
OF THE MEMBERS  
OF  
NEW YORK CITY LAND DEVELOPMENT CORPORATION  
November 10, 2021

The annual meeting of the Members of New York City Land Development Corporation ("NYCLDC") was held, pursuant to notice by the Secretary, on Wednesday, November 10, 2021, in Conference Room 14B, on the 14<sup>th</sup> Floor at the offices of New York City Economic Development Corporation ("NYCEDC") at One Liberty Plaza, New York, New York.

The following Members of NYCLDC were present:

Kim Bryan (by conference telephone)  
Jodi Callender (by conference telephone)  
Fred D'Ascoli  
Jenneh Kaikai (by conference telephone)  
Pedram Mahdavi (by conference telephone)

Mr. Mahdavi chaired the meeting. Also present were Mark Silversmith, Secretary of NYCLDC, who served as secretary of the duly constituted meeting, at which a quorum was present, Spencer Hobson, an Executive Vice President and Treasurer of NYCLDC, Amy Chan, an Assistant Treasurer of NYCLDC (by conference telephone), Elizabeth Verostek, an Executive Vice President of NYCEDC, Peter Ryan, an Assistant Vice President of NYCEDC, Leslie Escobar, an Assistant Treasurer of NYCEDC (by conference telephone), and Jaan Kangur, a Senior Paralegal of NYCEDC. The meeting was called to order at 2:05 p.m.

1. Approval of the Minutes of the June 24, 2021 Special Meeting of the Members

There were no questions or comments with respect to the minutes of the June 24, 2021 special Members meeting, as submitted. A motion to approve such minutes, as submitted, was made, seconded and unanimously adopted.

2. Election of Directors

Under NYCLDC's Bylaws NYCLDC's Members elect its Directors at the annual meeting of the Members. Directors must be Members at the time of their election.

A motion was made to elect the persons listed in Exhibit A hereto to be Directors of NYCLDC. Such motion was seconded and unanimously approved.

3. Annual Report of the Board of Directors of NYCLDC for the Fiscal Period Ended June 30, 2021

The Annual Report of the Board of Directors of New York City Land Development Corporation ("NYCLDC") for the Fiscal Period Ended June 30, 2021, attached hereto as Exhibit B, was submitted to the Members. Mr. Silversmith stated that the financials included in the report were substantially the same as those presented to the NYCLDC Board of Directors in September, though blank dates in the financials had been filled in and signatures added after the September meeting.

4. Adjournment

There being no further business to come before the meeting, pursuant to a motion made, seconded and unanimously approved, the meeting of the Members was adjourned.

Mark Silversmith  
Secretary

Dated: August 30, 2022  
New York, New York

**EXHIBIT A**

It is proposed that the following persons be elected Directors of NYCLDC:

Kim Bryan  
Jodi Callender  
Fred D'Ascoli  
Jenneh Kaikai  
Pedram Mahdavi

**EXHIBIT B**

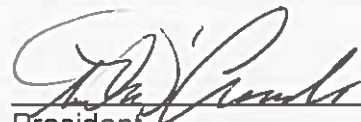
**Annual Report of the Board of Directors  
of New York City Land Development Corporation ("NYCLDC")  
for the Fiscal Period Ended June 30, 2021**

TO: The Members of NYCLDC

The Board of Directors of NYCLDC respectfully submits for your information the following report relating to NYCLDC. The report is for the fiscal period beginning on July 1, 2020, and ended June 30, 2021.

1. Attached hereto as Attachment A are the Financial Statements and Required Supplementary Information of NYCLDC for the years ended June 30, 2021 and 2020, which includes a Report of Independent Auditors Ernst & Young LLP and financial information required to be provided to the Members of NYCLDC pursuant to Section 519 of the New York State Not-for-Profit Corporation Law.
2. As of October 27, 2021, the number of Members of NYCLDC is 5.
3. The number of Members of NYCLDC was 4 on July 1, 2020, on which date there was one vacancy, and 5 on June 30, 2021, on which date there were no vacancies.
4. The names and addresses of the Members of NYCEDC as of October 27, 2021 may be found in the Members/Directors books of NYCLDC, which is kept at One Liberty Plaza, 13<sup>th</sup> Floor, New York, New York 10006.

Dated October 27, 2021  
New York, New York

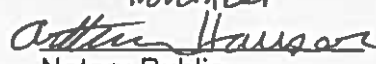
  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Executive Vice President and Treasurer

State of New York            )  
  ) ss.:  
County of New York         )

Fred D'Ascolii, being first duly sworn, deposes and says that he executed the foregoing report and is the President of New York City Land Development Corporation, that he has read the foregoing report and knows the contents thereof, and that the information provided in Sections 2-4 of the report is true.

  
\_\_\_\_\_  
Fred D'Ascoli

Sworn to before me this   2    
day of ~~October~~, 2021  
November  
  
Notary Public


**Arthur Hauser**  
Notary Public, State of New York  
NO. 01HA6276327  
Qualified in Kings County  
Certificate Filed in New York County  
Commission Expires 2/11/20 25



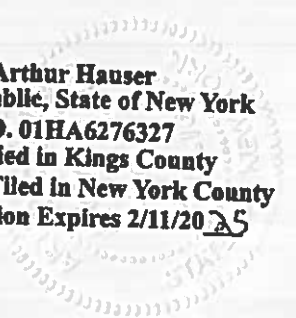
State of New York         )  
  ) ss.:  
County of New York         )

Spencer Hobson, being first duly sworn, deposes and says that he executed the foregoing report and is the Executive Vice President and Treasurer of New York City Land Development Corporation, that he has read the foregoing report and knows the contents thereof, and that the information provided in Sections 2-4 of the report is true.

  
\_\_\_\_\_  
Spencer Hobson

Sworn to before me this   1    
day of ~~October~~, 2021  
November  
  
Notary Public

**Arthur Hauser**  
Notary Public, State of New York  
NO. 01HA6276327  
Qualified in Kings County  
Certificate Filed in New York County  
Commission Expires 2/11/20 25



## Attachment A



**New York City Land Development Corporation**  
(a component unit of the City of New York)

**Financial Statements and Required  
Supplementary Information**

**Years Ended June 30, 2021 and 2020 With  
Reports of Independent Auditors**

**NYCLDC**

New York City Land Development Corporation

New York City Land Development Corporation  
(A Component Unit of the City of New York)

Financial Statements and Required Supplementary Information

Years Ended June 30, 2021 and 2020

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## I. Financial Section



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## Report of Independent Auditors

The Management and the Board of Directors  
New York City Land Development Corporation

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the New York City Land Development Corporation (NYCLDC), a component unit of The City of New York, as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the NYCLDC's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of NYCLDC as of June 30, 2021 and 2020, and the changes in financial position and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

### *Other Matter*

#### *Required Supplementary Information*

U.S. generally accepted accounting principles require that management's discussion and analysis, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also have issued our report dated September 30, 2021, on our consideration of NYCLDC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of NYCLDC's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering NYCLDC's internal control over financial reporting and compliance.

*Ernst + Young LLP*

September 30, 2021

New York City Land Development Corporation  
(A Component Unit of the City of New York)

Management's Discussion and Analysis

June 30, 2021 and 2020

This section of New York City Land Development Corporation's (NYCLDC or the Corporation) annual financial report presents our discussion and analysis of NYCLDC's financial performance during the fiscal years ended June 30, 2021 and 2020. Please read it in conjunction with the financial statements and accompanying notes.

**Overview of the Financial Statements**

This annual financial report consists of two parts: *management's discussion and analysis* (this section) and *basic financial statements and footnote disclosures*. NYCLDC is a local development corporation organized pursuant to section 1411 of the Not-for-Profit Corporation Law of the State of New York. NYCLDC is also a discretely presented component unit of the City of New York (the City). NYCLDC follows enterprise fund reporting; accordingly, the financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Enterprise fund statements offer short-term and long-term financial information about the activities and operations of the Corporation.

These statements are presented in a manner similar to a private business.

**Financial Analysis of the Corporation**

**Net Position**

The following table summarizes NYCLDC's financial position at June 30, 2021, 2020 and 2019 and the percentage change between June 30, 2021, 2020 and 2019:

	2021	2020	2019	% Change	
				2021-2020	2020-2019
Total assets	\$ 6,848	\$ 6,747	\$ 6,622	1%	2%
Total liabilities	1,849	1,748	1,623	6	8
Unrestricted net position	<u>\$ 4,999</u>	<u>\$ 4,999</u>	<u>\$ 4,999</u>	-	-

New York City Land Development Corporation  
(A Component Unit of the City of New York)

Management's Discussion and Analysis (continued)

At June 30, 2021 and 2020, total assets were \$6,848 and \$6,747, respectively. The overall change in assets was due to a grant agreement between the Corporation and New York City Economic Development Corporation (NYCEDC). The grant agreement provides NYCLDC with the necessary funding for its annual general and administrative expenses. As of June 30, 2021 and 2020, the total cash in bank was \$5,026 and \$5,043, respectively.

Total liabilities at June 30, 2021 and 2020 were \$1,849 and \$1,748, respectively, which primarily consisted of audit fees.

Net position at June 30, 2021 and 2020 remained unchanged at \$4,999.

**Operating Activities**

NYCLDC is engaged in economic development by means of assisting the City with the leasing and selling of certain properties. The Corporation encourages economic growth throughout the five boroughs of the City by acquiring City-owned property and disposing of it to strengthen the City's competitive position and facilitate investments that build capacity, create jobs, generate economic opportunity, and improve quality of life.

The following table summarizes NYCLDC's change in net position for the fiscal years ended June 30, 2021, 2020 and 2019 and the percentage changes between June 30, 2021, 2020 and 2019:

	2021		2020		2019		% Change	
							2021-2020	2020-2019
Operating revenues	\$	1,826	\$	1,725	\$	1,626	6%	6%
Operating expenses		(1,826)		(1,725)		(1,626)	6	6
Operating income		-		-		-	-	-
Non-operating revenues		4		21		32	(81)	(34)
Non-operating expenses		(4)		(21)		(32)	(81)	(34)
Total non-operating revenues		-		-		-	-	-
Change in net position		-		-		-	-	-
Total net position, beginning of year		4,999		4,999		4,999	-	-
Total net position, end of year	\$	4,999	\$	4,999	\$	4,999	-	-

**New York City Land Development Corporation**  
(A Component Unit of the City of New York)

**Management's Discussion and Analysis (continued)**

**Operating Activities (continued)**

Operating revenues for the fiscal year ended June 30, 2021 of \$1,826 were due to a grant from NYCEDC. The grant allows NYCLDC to meet its current general and administrative expense obligations.

The Corporation closed on one real estate transaction during fiscal year 2021 in which it purchased property from the City for \$1 in a negotiated transaction permitted by section 384(b)(4) of the City Charter. Under such section, land can be sold for a negotiated fee. Furthermore, under the terms of an agreement between NYCLDC and the City, NYCLDC was required to sell the property to NYCEDC or as directed by NYCEDC. NYCLDC sold the purchased property to NYCEDC for \$1 and NYCEDC then sold the property to a private party.

Operating expenses for the fiscal years ended June 30, 2021 and 2020 were \$1,826 and \$1,725, respectively, primarily due to fees related to audit services.

Correspondingly, no operating income was recognized for the fiscal year ended June 30, 2021.

**Contacting the Corporation's Financial Management**

This financial report is designed to provide our customers, clients, and creditors with a general overview of the Corporation's finances and to demonstrate the Corporation's accountability for the resources at its disposal. If you have any questions about this report or need additional financial information, contact New York City Land Development Corporation, One Liberty Plaza, New York, NY 10006.



New York City Land Development Corporation  
(A Component Unit of the City of New York)

Statements of Net Position

	June 30	
	2021	2020
<b>Assets</b>		
Current assets:		
Cash	\$ 5,026	\$ 5,043
Due from NYCEDC	1,822	1,704
Total current assets	<u>6,848</u>	<u>6,747</u>
<b>Liabilities and net position</b>		
Current liabilities:		
Accounts payable and accrued expenses	1,825	1,725
Due to the City	24	23
Total current liabilities	<u>1,849</u>	<u>1,748</u>
Unrestricted net position	<u>\$ 4,999</u>	<u>\$ 4,999</u>

*See accompanying notes.*

New York City Land Development Corporation  
(A Component Unit of the City of New York)

Statements of Revenues, Expenses, and Changes in Net Position

	Year Ended June 30	
	2021	2020
Operating revenues:		
Grants	\$ 1,825	\$ 1,725
Real estate sales	1	-
Total operating revenues	1,826	1,725
Operating expenses:		
Cost of property sold	1	-
Auditing fees	1,800	1,700
Miscellaneous expenses	25	25
Total operating expenses	1,826	1,725
Operating income	-	-
Non-operating revenues (expenses):		
Interest income	4	21
Other expense	(4)	(21)
Total non-operating revenues (expenses)	-	-
Change in net position	-	-
Unrestricted net position, beginning of year	4,999	4,999
Unrestricted net position, end of year	\$ 4,999	\$ 4,999

*See accompanying notes.*

New York City Land Development Corporation  
(A Component Unit of the City of New York)

Statements of Cash Flows

	Year Ended June 30	
	2021	2020
<b>Cash flows from operating activities</b>		
Grant receipts	\$ 1,708	\$ 3,134
Audit fees	(1,700)	(1,575)
Miscellaneous expenses	(25)	(25)
Net cash (used in) provided by operating activities	(17)	1,534
<b>Cash flows from investing activities</b>		
Interest income	4	21
Other expense	(4)	(21)
Net cash provided by investing activities	-	-
Net change in cash and cash equivalents	(17)	1,534
Cash and cash equivalents, beginning of year	5,043	3,509
Cash and cash equivalents, end of year	\$ 5,026	\$ 5,043
<b>Reconciliation of operating income to net cash (used in) provided by operating activities</b>		
Operating income	\$ -	\$ -
Adjustments to reconcile operating income to net cash (used in) provided by operating activities:		
Changes in operating assets and liabilities:		
Accounts payable and accrued expenses	100	125
Due to the City	1	-
Due from NYCEDC	(118)	1,409
Net cash (used in) provided by operating activities	\$ (17)	\$ 1,534

*See accompanying notes.*

New York City Land Development Corporation  
(A Component Unit of the City of New York)

Notes to Financial Statements

June 30, 2021 and 2020

**1. Background and Organization**

The accompanying financial statements include the assets, liabilities, net position and the financial activities of the New York City Land Development Corporation (NYCLDC or the Corporation).

On May 8, 2012, the City of New York (the City) formed the Corporation. NYCLDC is a local development corporation organized pursuant to section 1411 of the Not-for-Profit Corporation Law of the State of New York. NYCLDC is engaged in economic development activities by means of assisting the City with the leasing and selling of certain properties. As a local development corporation, NYCLDC is able to purchase or lease City-owned property outside of the auction process as provided by section 384(b)(4) of the City Charter. The mission of NYCLDC is to encourage economic growth throughout the five boroughs of the City by acquiring City-owned property and disposing of it to strengthen the City's competitive position and facilitate investments that build capacity, create jobs, generate economic opportunity, and improve the quality of life.

**2. Summary of Significant Accounting Policies**

**Basis of Accounting and Presentation**

NYCLDC follows enterprise fund reporting; accordingly, the accompanying financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. In its accounting and financial reporting, the Corporation follows the pronouncements of the Governmental Accounting Standards Board (GASB).

**Upcoming Accounting Pronouncements**

In May 2020, GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance* (GASB 95). The primary objective of this statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. The requirements of this statement are effective immediately. The Corporation has adopted this standard and will delay implementation of relevant GASB statements covered by GASB 95 until their new respective effective dates.

In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial

**New York City Land Development Corporation**  
(A Component Unit of the City of New York)

**Notes to Financial Statements (continued)**

**2. Summary of Significant Accounting Policies (continued)**

reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. With the adoption of GASB 95, provisions of this statement are effective for fiscal years beginning after June 15, 2021. The Corporation is evaluating the impact this standard will have on its financial statements.

**Revenue and Expense Classification**

NYCLDC distinguishes operating revenues and expenses from non-operating items in the preparation of its financial statements. Operating revenues and expenses are transactions that directly relate to the organization fulfilling its mission statement, including related administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**Tax Status**

The income of NYCLDC is excluded from gross income for federal income tax purposes under section 115 of the U.S. Internal Revenue Code (the Code).

**Other Related-Party Transactions – New York City Economic Development Corporation**

New York City Economic Development Corporation (NYCEDC) provides NYCLDC with grant funding for its general and administrative expenses. The Corporation does not have any employees. Administrative services are provided to the Corporation by NYCEDC pursuant to a services agreement and no management fees are charged for these services.

**3. Contract With the City of New York**

NYCLDC has a contract with the City, allowing for the sale and lease of City-owned land to NYCLDC. The contract provides that when the City sells or leases City-owned land to NYCLDC, NYCLDC must dispose of such land to NYCEDC or at the direction of NYCEDC.

During the year ended June 30, 2021, the Corporation closed on one real estate sales transaction and leased one city-owned property from the City, pursuant to section 384(b)(4) of the City Charter.

**New York City Land Development Corporation**  
(A Component Unit of the City of New York)

**Notes to Financial Statements (continued)**

**3. Contract With the City of New York (continued)**

The purchased property was sold to NYCEDC for \$1 and NYCEDC then sold the property to a private party. During the year ended June 30, 2020, the Corporation closed on zero real estate sales transactions and leased two city-owned properties from the City pursuant to section 384(b)(4) of the City Charter. During fiscal years 2021 and 2020, the Corporation assigned the leases to private parties at the direction of NYCEDC and the private parties assumed the leases. NYCLDC did not pay or receive any fees for leased property.

**4. Grants**

NYCLDC received operating grants from NYCEDC during the years ended June 30, 2021 and 2020. Grant revenues in the amount of \$1,825 and \$1,725 were provided during 2021 and 2020, respectively, to offset the Corporation's annual operating expenses. These amounts were recorded as operating revenue.

**5. Cash**

The bank balance was \$5,026 as of June 30, 2021. The full balance was covered by the Federal Deposit Insurance Corporation (FDIC).

**6. Risk Management**

NYCLDC, along with other parties, has been named a party in several personal injury claims and lawsuits. NYCLDC is covered as an additional insured with respect to all of the pending lawsuits and, as to the claims, NYCLDC is either covered as an additional named insured, or may rely upon contractual indemnification by the City. In management's opinion, the personal injury claims and litigation matters are not expected to have a materially adverse effect on the financial position of NYCLDC.

## II. *Government Auditing Standards* Section



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## Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

The Management and the Board of Directors  
New York City Land Development Corporation

We have audited, in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of New York City Land Development Corporation (NYCLDC), a component unit of The City of New York, which comprise the statement of net position as of June 30, 2021, and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 30, 2021.

### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered NYCLDC's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of NYCLDC's internal control. Accordingly, we do not express an opinion on the effectiveness of NYCLDC's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.





## Compliance and Other Matters

As part of obtaining reasonable assurance about whether NYCLDC's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Ernst + Young LLP*

September 30, 2021