

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
OF
NEW YORK CITY LAND DEVELOPMENT CORPORATION
February 5, 2015

A regular meeting of the Board of Directors of New York City Land Development Corporation ("NYCLDC") was held on Thursday, February 5, 2015, at 260 Broadway, New York, New York.

The following members of the Board of Directors were present:

Henry Berger
Elaine Braithwaite
Kim Vaccari
Betty Woo

Also present were Mark Silversmith, Secretary of NYCLDC, who served as secretary of the meeting, Meredith Jones, an Executive Vice President, General Counsel and Secretary of New York City Economic Development Corporation ("NYCEDC"), Charles Gans, an Executive Vice President of NYCEDC, and Christina DeRose, a Senior Vice President of NYCEDC. (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 November 13, 2014 Meeting of the Board of Directors

There were no questions or comments with respect to the minutes of the November 13, 2014 Board of Directors meeting, as submitted. A motion to approve such minutes, as submitted, was made, seconded and unanimously adopted.

2. Property Sale to MC 19 East Houston LLC

Ms. DeRose presented the proposed purchase by NYCLDC from the City of New York of Block 511, Lot 19 (the "Site") on the Tax Map of the Borough of Manhattan, 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. DeRose stated that title to 6-8 East 20th Street in Manhattan was being transferred by MC 19 East Houston LLC or an affiliated entity to New York City Transit Authority ("NYCTA") for storage of the Metropolitan Transportation Authority and/or NYCTA equipment that is currently being stored at the Site. NYCTA would not make a payment for this transfer.

A motion was made to approve the matters set forth for approval in the Proposed

Resolutions section in Exhibit A 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.

3. 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.

Mark Silverman
Secretary

Dated: February 10, 2015
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 Agreements.....	Any agreements 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.

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 MC 19 EAST HOUSTON LLC
Board of Directors Meeting
February 2015**

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 MC 19 East Houston 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 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
55 East 59th Street, 17th Floor
New York, New York 10022

MC 19 East Houston LLC is wholly owned by MC Jackson Soho LLC, which is owned 70% by Jackson Houston LLC, which controls major decisions; 20% by MC Soho Manager LLC, which controls day-to-day activities; and 10% by MC Soho Investor LLC.

MC Soho Manager LLC is controlled by Richard Wagman. The owners of at least a 10% interest in MC Soho Manager LLC are Mr. Wagman, J. Joseph Jacobson and The Related Companies. The owners of at least a 10% interest in Jackson Houston LLC are Gabriel, Isaac, Elliot and Ereuben Chehebar. The proposed owners of at least a 10% interest in MC Soho Investor LLC are Mr. Wagman, Zuckerberg

Investment Partners and The Related Companies but may change.

**SITE
LOCATION:**

Block 511, Lot 19 (the "Site")
Borough of Manhattan
Community District No. 2

**SITE
DESCRIPTION:**

Located at 19 East Houston Street in the SoHo neighborhood of Manhattan, the Site is an approximately 6,190 square foot triangular lot. The Site is owned by the City but leased to New York City Transit Authority ("NYCT") under a master lease, which provides that in the event any leased property is no longer required for transit-related operations, it will be surrendered to the City. The Site is currently occupied by an approximately 4,000 square foot parking lot containing Metropolitan Transportation Authority ("MTA") and/or NYCT off-street storage of equipment, including but not limited to three vacuum trucks, one backhoe with a trailer, one paint storage box, and several emergency generators.

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

The Purchaser is required to construct a building containing a minimum of 25,000 square feet of floor area (as defined by the Zoning Resolution) on the Site, with at least three floors dedicated to Use Group 6B (excluding veterinary medicine). The Purchaser anticipates that the cellar and first and second floors of the building will contain retail uses (approximately 11,900 gross square feet) while floors three through six of the building will contain office uses (approximately 17,600 gross square feet).

To improve pedestrian flow, the Purchaser is required to reposition and widen by 35-55% the entrance stairs to the Broadway-Lafayette subway station on the Site as well as widen the adjacent East Houston Street sidewalk from 12 to 15 feet while removing obstructions and curb cuts currently on the sidewalk. Subject to City DOT approval, the Purchaser will also fund and construct an extended sidewalk "bulb-out" for pedestrians on the southeast corner of East Houston Street and Broadway and explore installing a new

"bulb-out" at the southwest corner of East Houston and Crosby Street.

The proposed project will not contain any parking or loading docks, as none is required by the Zoning Resolution, and accessory off-street parking is specifically not permitted in Manhattan's Community District No. 2.

The project is anticipated to generate approximately 99 construction jobs and 74 permanent jobs. The Purchaser will work with NYCEDC and the community to implement HireNYC and M/WBE program goals and initiatives.

PURCHASE PRICE:

Purchaser will purchase the Site from NYCEDC and pay NYCEDC \$25,825,000, all cash, for such purchase. NYCEDC will transfer these funds to the City of New York, which will then transfer them to the MTA. In addition, the Purchaser is required to convey, at closing, 6-8 East 20th Street, Manhattan to NYCT to house MTA and/or NYCT equipment currently stored at the Site.

Separately, Purchaser paid NYCEDC a non-refundable administrative fee of \$308,250 at contract of sale execution.

APPRAISED VALUE:

Pursuant to an appraisal by Wm. Shubert & Co., Inc. dated April 9, 2014, the estimated fair market value of the fee simple interest of the Site, for its highest and best use, is \$15,435,000.

EXISTING ZONING:

The Site is situated within the boundaries of the SoHo-Cast Iron Historic District in an M1-5B zoning district.

PUBLIC APPROVALS:

Pursuant to Section 384(b)(4) of the City Charter, the Manhattan Borough Board approval of the proposed disposition by the City was received on December 18, 2014. Approval to surrender the Site by the MTA Board of Directors was received on July 24, 2013.

PROPOSED RESOLUTIONS:

The approval of (1) NYCLDC's purchase of the Site from the City for \$1 and (2) the sale of the Site by NYCLDC to NYCEDC for \$1, 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:** 4973

Figure 1: Site Location Map

