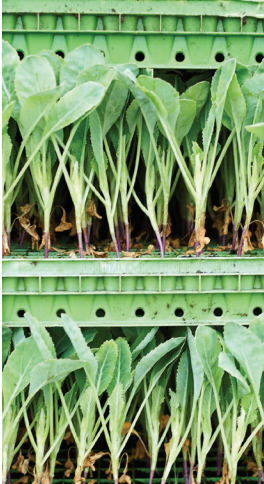


INDUSTRIAL DEVELOPMENT LOAN FUND

APPLICATION



NYCEDC
STRATEGIC INVESTMENTS GROUP

To Whom It May Concern,

The New York City Economic Development Corporation (“NYCEDC”), on behalf of the City of New York (“NYC” or the “City”), is pleased to provide a funding opportunity to organizations interested in acquiring, constructing, and/or renovating space for industrial use across the five boroughs of NYC. The opportunity is open to mission-aligned non-profit and for-profit developers, and industrial businesses either currently owning and occupying industrial real estate or seeking to expand or relocate in the City.

The industrial sector is a stabilizing force in the preservation and creation of accessible, middle-income jobs. In 2015, the City unveiled a ten-point action plan to modernize NYC’s industrial policy (the “Industrial Action Plan”). As part of this initiative, NYCEDC created the Industrial Development Loan Fund (“IDLF” or the “Program”) to provide strategic debt capital to industrial real estate development and renovation projects with the goal of promoting and growing a more robust and resilient industrial ecosystem in the City.

Projects eligible for the IDLF must create and/or preserve industrial real estate property and demonstrate the ability to create and/or retain permanent, quality industrial jobs. Use of proceeds may be applied towards the acquisition of land, properties and/or equipment for industrial facilities and for construction and/or renovation related to industrial facilities.

NYCEDC created an open application process for the IDLF. Organizations interested in the Program are required to apply via the attached application form, which is also available at NYCEDC’s website at <https://www.nycedc.com/program/nyc-industrial-developer-loan-fund>. NYCEDC’s IDLF Credit Committee will evaluate each application, assessing both project and borrower eligibility. It will consider, among other factors, the nature and location of the project, the financial condition of the applicant, sources and uses of capital, the total jobs estimate and the use and tenancing of the proposed project. NYCEDC and the IDLF Credit Committee staff may request additional information or clarification at any time.

Following a preliminary review and assessment, NYCEDC will notify the applicant if NYCEDC proposes to proceed to a full due diligence and underwriting process regarding the project. The final decision to award IDLF funding will be determined on a case-by-case basis at the sole discretion of the NYCEDC President and IDLF Credit Committee.

Thank you for taking the time to apply to the Industrial Development Loan Fund.

We look forward to reviewing your application!

Sincerely,
NYCEDC, Strategic Investments Group

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IDL Application

PROJECT NAME:			
Applicant Information			
1.	Applicant Name:		
2.	Jurisdiction of Organization:		
3.	Applicant Background: Provide a brief overview of the Applicant, including description, when founded, nature of business/operations, primary services, market served and number of employees in NYC and elsewhere.		
	Website Address:		
4.	Applicant Address:		
5.	Primary Contact:	Name:	
		Phone Number:	
		Address (if different):	
		Email Address:	
6.	Organization Type: <i>Please check (✓) one that best describes your organization.</i>	Non-Profit Developer	Industrial Business
		For-Profit Developer	Property Owner
7.	Organizational Structure: <i>Please check (✓) one that best describes your organization.</i>	501(c)(3)	Business Corporation
		General Partnership	Limited Liability Company
		Limited Partnership	S Corporation
		Sole Partnership	Other:
	Please attach the following documents with respect to the applicant and, if different, the proposed borrower entity: (i) operating agreement, (ii) organization capitalization, (iii) principal, officer and project lead biographies/resumes, (iv) track record of industrial real estate development experience, (v) audited financials and (vi) credit report.		
8.	Ownership Structure:	Please attach a legal entity chart depicting the applicant's ownership structure, including the percentage interest for each entity and/or individual. Indicate if the organization is a parent, subsidiary and/or affiliate of another organization.	
9.	Affiliate/Parent Information:	If the project will have affiliates or parent entities outside of the applicant entity, please provide the information required under question #7, above, with respect to the company(s) and any other person or entity making up the entire ownership structure, or which otherwise controls or has the right to control the applicant, including CPA-audited financial statements for the past three years (balance sheet, income statement and cash flow statement). If CPA-audited statements are more than six months old, please provide internally prepared year-to-date financials certified as true and correct by a company officer. If CPA-audited financial statements are not available, please submit a review or compilation of your financials certified as true and correct by a company officer, together with signed federal and state tax returns, for the past three years.	
Site Information			
10.	Site Address:		

11.	Site Details:	Lot Size (SF):			
		Current Building(s) Size:	GSF I RBA:		
			No. of Stories:		
		Current Zoning:			
	IBZ (if applicable):				
12.	Site Description: <i>Please describe the current activity, use and occupants at the site. If available, please provide copies of leases and/or lease details and an appraisal and survey of the site.</i>				
13.	Current Activity at Site: <i>If applicable, please indicate the percentage of space dedicated to listed uses.</i>	Manufacturing/Light Industrial:			
		Warehousing/Distribution:			
		Office Space:			
		Other:			
		Total:			
14.	Employment at the Site:	No. of people currently employed at the site:			
15.	Site Ownership:	Site Secured:	Yes	No	
		Current Owner: (N/A if "Yes" above)			
16.	Site Acquisition Status, Timeline and Terms: <i>If applicable based on question #15, include a contract of sale or letter of intent from the owner, if available. If owned, provide documentation of deed or ground lease.</i>				
17.	Environmental Status and Proposed Remediation Plan: <i>If applicable, please include an environmental study(ies), a remediation plan, and environmental reliance letters, if available.</i>				
18.	Does, or will, the applicant own the property/properties or have a lease specifying the organization will pay the property taxes to the taxing jurisdiction for this project location(s)?	Yes	No		
19.	Indicate current annual real property taxes or payment in lieu of taxes (PILOT):				
20.	Is a zoning variance or special permit required to proceed at the site?:	Yes	No		
21.	Is the project subject to any other city, state, or federal approvals?:	Yes	No		
22.	Is the site a designated historical landmark or in a designated historic district?:	Yes	No		
23.	Is the project site within the NYC Coastal Zone Boundary?:	Yes	No		

Project Information

24.	Project Description: Provide a detailed description of the project, including (i) a narrative of the intended use(s) of the site, including breakdown of the use of space, (ii) pictures of the site and/or exterior and interior of the building and, to the extent available, contemplated renovation and/or new construction work planned for the site, (iii) a description of contemplated work planned for the site, including anticipated project timeline and construction schedule, and (iv) an assessment of any anticipated hurdles/obstacles associated with the project. Please attach project plans, design schematics/renderings, development and management agreements and title searches of existing mortgages and liens on the property, if available.													
25.	<table border="1"> <tr> <td data-bbox="162 394 565 688" rowspan="6"> Project Scope: <i>Please check (✓) all that apply.</i> </td> <td data-bbox="565 394 1133 447">Land Acquisition:</td> <td data-bbox="1133 394 1529 447"></td> </tr> <tr> <td data-bbox="565 447 1133 499">Demolition:</td> <td data-bbox="1133 447 1529 499"></td> </tr> <tr> <td data-bbox="565 499 1133 552">Renovation/Retrofitting:</td> <td data-bbox="1133 499 1529 552"></td> </tr> <tr> <td data-bbox="565 552 1133 604">New Construction:</td> <td data-bbox="1133 552 1529 604"></td> </tr> <tr> <td data-bbox="565 604 1133 657">Furnishing, Fixtures & Equipment (FF&E):</td> <td data-bbox="1133 604 1529 657"></td> </tr> <tr> <td data-bbox="565 657 1133 688">Other:</td> <td data-bbox="1133 657 1529 688"></td> </tr> </table>	Project Scope: <i>Please check (✓) all that apply.</i>	Land Acquisition:		Demolition:		Renovation/Retrofitting:		New Construction:		Furnishing, Fixtures & Equipment (FF&E):		Other:	
Project Scope: <i>Please check (✓) all that apply.</i>	Land Acquisition:													
	Demolition:													
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	New Construction:													
	Furnishing, Fixtures & Equipment (FF&E):													
	Other:													
26.	<table border="1"> <tr> <td data-bbox="162 688 565 741">Project Size:</td> <td data-bbox="565 688 1133 741">GSF RBA:</td> <td data-bbox="1133 688 1529 741"></td> </tr> <tr> <td></td> <td data-bbox="565 741 1133 783">No. of Stories:</td> <td data-bbox="1133 741 1529 783"></td> </tr> </table>	Project Size:	GSF RBA:			No. of Stories:								
Project Size:	GSF RBA:													
	No. of Stories:													
27.	Market Study and Community Description: Provide a general description of the community in which the project is located, including a brief history of the neighborhood, market fundamentals and current building uses in the area, a review of zoning in the area and a review of the community demographics with attention to poverty, unemployment and area median family income statistics. Please provide a description of how the project will benefit the community (e.g. through the creation of goods and services, the remediation of a derelict or undeveloped site, and/or the catalytic effect of the project on additional development projects). Additionally, please provide a description and status of community outreach for the project, including dialogue with local community organizations, community boards, local government officials and/or other community stakeholders.													
28.	<table border="1"> <tr> <td data-bbox="162 1035 662 1182" rowspan="3">Project Timeline:</td> <td data-bbox="662 1035 1133 1087">Estimated Acquisition Date:</td> <td data-bbox="1133 1035 1529 1087"></td> </tr> <tr> <td data-bbox="662 1087 1133 1140">Estimated Construction Start Date:</td> <td data-bbox="1133 1087 1529 1140"></td> </tr> <tr> <td data-bbox="662 1140 1133 1182">Estimated Completion Date:</td> <td data-bbox="1133 1140 1529 1182"></td> </tr> <tr> <td colspan="2" data-bbox="162 1182 1133 1245">What is the first project month/year? (i.e. when the acquisition/construction expenditures are expected to be made and/or equipment will be ordered)</td> <td data-bbox="1133 1182 1529 1245"></td> </tr> </table>	Project Timeline:	Estimated Acquisition Date:		Estimated Construction Start Date:		Estimated Completion Date:		What is the first project month/year? (i.e. when the acquisition/construction expenditures are expected to be made and/or equipment will be ordered)					
Project Timeline:	Estimated Acquisition Date:													
	Estimated Construction Start Date:													
	Estimated Completion Date:													
What is the first project month/year? (i.e. when the acquisition/construction expenditures are expected to be made and/or equipment will be ordered)														
29.	<table border="1"> <tr> <td data-bbox="162 1245 1133 1323">Has a General Contractor (GC) been selected?: Please provide GC Agreement, GC Financials, and Performance/Completion Bonds, as applicable.</td> <td data-bbox="1133 1245 1328 1323">Yes</td> <td data-bbox="1328 1245 1529 1323">No</td> </tr> </table>	Has a General Contractor (GC) been selected?: Please provide GC Agreement, GC Financials, and Performance/Completion Bonds, as applicable.	Yes	No										
Has a General Contractor (GC) been selected?: Please provide GC Agreement, GC Financials, and Performance/Completion Bonds, as applicable.	Yes	No												

Project Financing & Statement of Need

30.	Please detail the current budget and financing sources for the project.			
Uses		Sources		
Land Acquisition		Senior Debt		
Building Acquisition		IDLF Loan		
Hard Costs		Debt:		
Soft Costs		NMTC		
FF&E		Other Tax Credits		
Other:		Grants		
Other:		Equity/Cash		
Other:		Other:		
Total Uses		Total Sources		

31.	Requested IDLF Assistance:	Requested Loan Amount:		
	<i>Please provide commitment letters and term sheet (if available) for all financing sources, a proforma project model forecasted to a minimum of ten (10) years, detailed project capitalization and two (2) subordinate debt quotes.</i>	Provide a brief summary explaining the project budget, financing sources and explain the rationale for the funding gap:		
32.	Are incentives from other New York State or NYC or Federal entities being sought for this project?	Yes	No	
	If "Yes" above, please describe the other incentive(s) being sought.			
Use of Space/Tenancing Proposal				
33.	Usage/Tenancing Overview: Detail the intended/proposed industrial usage of space, including any changes resulting from the project. If applicable, provide a description of current status of tenancing, including square footage of pre-committed space, pipeline of potential tenants and outreach and marketing efforts to secure tenants.			
34.	Usage/Tenant Composition: <i>Please check (✓) all that apply with respect to the anticipated tenancing and/or intended usage of the project site and provide the percentage of space dedicated to listed uses.</i>	Light Manufacturing:		
		Food Production:		
		Urban Agriculture:		
		Recycling/Disposal:		
		Wholesale Trade:		
		Repair/Maintenance:		
		Metal/Wood Fabrication:		
		Packaging:		
		Media/Production:		
		Industrial Laundry:		
		Medical Device Manufacturing:		
		Other:		
		Other:		
Other:				
Total:				
35.	Provide primary NAICS Code of pre-committed tenants, if applicable. <i>Please provide at least the three-digit code (six-digit code is preferable).</i>			
36.	Real Estate Classification of Site:	Manufacturing/Light Industrial:		
		Warehousing/Distribution:		
		Office Space:		
		Retail:		
		Other:		
		Total:		

Economic Impact & Jobs Plan

37.	Economic Impact: Provide a description of the potential broader economic impact of the project, including details on ancillary jobs and businesses that the project may create and/support in the surrounding area.					
38.	Projected Job Plan: Please indicate in the table below, the number of jobs that will be retained/created at the existing or expanded site from both tenanting and building operation/management. Please attach any additional sheets and/or supporting materials, as needed.					
			Year 1	Year 2	Year 3	Long-term
Existing/Retained	Full-Time					
	Part-Time					
Net Created	Full-Time					
	Part-Time					
Total Jobs Retained/Created						
Anticipated Average Job Salary:						
Construction Job: <i>Please describe jobs to be generated through the development of the project (e.g. part-time, full-time, third-party).</i>						

M/WBE Participation & Other

39.	<p>M/WBE Participation: Please submit a plan to address Minority and Women Owned Business Enterprises (“M/WBE”) participation in the project, including in both the construction and operation phases of the project.</p> <p>M/WBE Participation Proposal should include, but not be limited to:</p> <ul style="list-style-type: none"> ▪ Participation goal for Department Small Business Services (“DSBS”)-certified MBEs or WBEs on this project ▪ A narrative related to the implementation of the proposed Participation Goal, including strategies and methods that will facilitate participation by M/WBE firms as contractor(s), subcontractors or suppliers, as well as methods for identification of M/WBE firms seeking work in connection with the services of the project ▪ Administrative procedures for implementation, monitoring and reporting of M/WBE participation <p><i>See Appendix II for further details.</i></p>
40.	<p>Alignment with Additional City Goals: Provide any additional information that you feel would be helpful in evaluating your application, including how the project’s impact expands beyond IDLF’s primary mandate of creating and retaining both industrial real estate and jobs. Other factors include affordable housing, low income community development and/or any unique economic sectoral advancement.</p>

Required Diligence Information Checklist

Applicant Information

Applicant Background	#3	Background information as outlined in question #3
Organizational Structure	#7	Operating agreement
		Organization capitalization
		Principal, officer and project lead biographies/resumes
		Track record of industrial real estate development experience, including location, size, cost and number/types of tenants, as applicable
		Audited financials and tax returns: last three (3) fiscal years
		Audited or unaudited financials: year-to-date for current fiscal year
Ownership Structure	#8	Legal entity chart
Affiliate/Parent Information	#9	Audited financials and tax returns: last three (3) fiscal years
		Audited or unaudited financials: year-to-date for current fiscal year

Site Information

Site Description	#12	Copies of leases and/or lease details, if available
		Appraisal
		Survey & surveyors certificate
		Sales and leasing comparables
Site Acquisition Status, Timeline and Terms	#16	Contract of sale or letter of intent from owner, if applicable
		Deed or ground lease, if applicable
Environmental Status and Proposed Remediation Plan	#17	Environmental study(ies)
		Remediation plan
		Environmental reliance letters

Project Information

Project Description	#24	Detailed project narrative as outlined in question #24
		Development and management agreements
		Title search of existing mortgages and liens
Market Study and Community Description	#27	Detailed overview as outlined in question #27
		Market study
		Local redevelopment plan/impact statement
		Economic impact and environment comps, as applicable
General Contractor	#29	GC agreement
		GC financials
		Payment, performance and/or completion bond

Project Financing & Statement of Need

Project Budget	#30	Detailed cost budget (including split of hard and soft costs)
Requested IDLF Assistance (<i>Underwriting Documents</i>)	#31	Proforma projection model (at least 10-year) and detailed capitalization
		Commitment letters – Senior debt and all other lending sources
		Commitment letters – NMTC, Historic Tax Credits, other credits
		Commitment letters – Other public subsidies (e.g. capital grants, etc.)
		Details on sources and structure of equity financing
		Two (2) market comparables of subordinate debt interest rates

Use of Space/Tenancing Proposal

Usage/Tenancing Overview	#33	Detailed proposal/narrative as outlined in question #33
		Letters of intent from prospective tenants, as applicable/available

Economic Impact & Jobs Plan

Economic Impact	#37	Detailed narrative as outlined in question #37
Projected Job Plan	#38	Supplemental discussion, analyses, etc. around jobs plan

M/WBE Participation & Other

M/WBE Participation	#39	<i>See Appendix II for additional details</i>
Alignment with Additional City Goals	#40	Detailed overview as outlined in Question #40
Insurance Requirements	—	<i>See Appendix III for additional details</i>

Certification

I, the undersigned officer/member/partner of Applicant, on behalf of Applicant and its Affiliates, hereby request, represent, certify, understand, acknowledge and agree as follows:

I request that this Application, together with all materials and data submitted in support of this Application (collectively, these "Application Materials"), be submitted for review to NYCEDC and the IDLF Credit Committee, in order to obtain from NYCEDC an expression of intent to provide the benefits requested herein for the Project.

I certify that I have the authority to sign these Application Materials on behalf of, and to bind, Applicant and its Affiliates.

I certify under penalty of perjury to the best of my knowledge and belief, after due investigation, that the information contained in these Application Materials is accurate, true and complete and does not contain a misstatement of a material fact or omit to state a material fact necessary to make the statements contained herein not misleading. I understand that an intentional misstatement of fact, or, whether intentional or not, a material misstatement of fact, or the providing of materially misleading information, or the omission of a material fact, may cause NYCEDC to reject the request made in the Application Materials.

I acknowledge that the submission of any knowingly false or misleading information may lead to the immediate termination of any financing and the reimbursement of an amount equal to all or part of any financing obtained from NYCEDC in relation to the project.

I understand the following: that Applicant and Principals will be subject to a background check and actual or proposed subtenants may be subject to a background check, and if such background check reveals negative information, Applicant consents to any actions that NYCEDC may take to investigate and verify such information; that NYCEDC may be required under SEQRA to make a determination as to the Project's environmental impact and that in the event NYCEDC determines that the Project will have an environmental impact, Applicant will be required to prepare, at its own expense, an environmental impact statement; that the decision of NYCEDC to approve or to reject the request made in the Application Materials is a discretionary decision; that under the New York State Freedom of Information Law ("FOIL"), NYCEDC may be required to disclose the Application Materials and the information contained therein (see the Disclosure Policy section of the Policies and Instructions document provided to Applicant and signed by Applicant on or about the date hereof (the "Policies and Instructions")); and that Applicant shall be entirely responsible and liable for the fees referred to in these Application Materials.

I further understand and agree as follows:

That notwithstanding submission of this Application, neither NYCEDC nor the IDLF Credit Committee nor any of their respective directors, officers, employees and agents shall be under any obligation to present Applicant's proposed Project to the IDLF Credit Committee for evaluation or to the President of NYCEDC for approval. If NYCEDC or the IDLF Credit Committee presents Applicant's proposed Project to the President of NYCEDC for approval, neither NYCEDC nor the IDLF Credit Committee guarantees that such approval will be obtained. If upon presenting Applicant's proposed Project to the President of NYCEDC, such approval is granted, such approval shall not constitute a guaranty from NYCEDC or the IDLF Credit Committee to Applicant that the Project transaction will close.

That preparation of this Application and any other actions taken in connection with the proposed Project shall be entirely at Applicant's sole cost and expense. Under all circumstances, the Application Fee is non-refundable, including but not limited to the circumstance where NYCEDC or the IDLF Credit Committee decides, in its sole discretion, not to present Applicant's proposed project to the President of NYCEDC for approval.

That each of Applicant and each of its Affiliates (collectively, the "Indemnitors") hereby releases NYCEDC and the IDLF Credit Committee and their respective directors, officers, employees and agents (collectively, the "Indemnitees") from and against any and all claims that any Indemnitor has or could assert and which arise out of, or are related to, any Application Materials, any actions taken in connection therewith or any other actions taken in connection with the proposed Project (collectively, the "Actions"). Each Indemnitor hereby indemnifies and holds harmless each of the Indemnitees from and against any and all claims and damages brought or asserted by third parties, including reasonable attorneys' fees, arising from or in connection with the Actions. As referred to herein, "third parties" shall include, but shall not be limited to, Affiliates.

That in the event NYCEDC discloses the Application Materials in response to a request made pursuant to FOIL, Applicant hereby authorizes NYCEDC to make such disclosure and hereby releases NYCEDC from any claim or action that Applicant may have or might bring against NYCEDC and its directors, officers, agents, employees and attorneys, by reason of such disclosure; and that Applicant agrees to defend, indemnify and hold NYCEDC and its directors, officers, agents, employees and attorneys harmless (including without limitation for the cost of reasonable attorneys' fees) against claims arising out of such disclosure as such claims may be made by any party including Applicant, Affiliate, Owner or Principal, or by the officers, directors, employees and agents thereof.

That capitalized terms used but not defined in this Application have the respective meanings specified in the Policies and Instructions.

I acknowledge and agree that NYCEDC reserves its right in its sole and absolute discretion to request additional information, waive any requirements set forth herein, and/or amend the form of this Application, to the full extent permitted by applicable law. I certify that, using due care, I know of no misstatement of material fact in the Application Materials, and know of no material fact required to be stated in the Application Materials to make the statements made therein not misleading.

Certified by Preparer, Requested, Represented, Certified, Acknowledged, Understood and Agreed by Applicant,

This day of: _____

Name of Applicant: _____

Preparer eSignature: _____

Preparer Title: _____

Appendix I: Summary Loan Terms & Conditions

*** Selected terms and conditions ***

Borrower	Eligible non-profit or for-profit developers, industrial businesses (either owner-occupiers or businesses seeking to expand/relocate) or owners of industrial real estate
Recourse & Guarantees	<ul style="list-style-type: none"> ▪ Full recourse to the borrower ▪ Guarantee(s) to be determined on a case-by-case basis
Facility	Term loan
Loan Amount	5 to 20% of project amount, up to \$10,000,000
Use of Proceeds	Acquisition of properties for industrial facilities and/or equipment for industrial facilities and/or for construction related to industrial facilities
Interest Rate	Fixed or floating rate at a discount rate to current market rates for subordinate loans (Discount to be determined by NYCEDC)
Maturity	Preferred range of 18-120 months
Collateral	Second-priority mortgage on project borrower's fee interest in the property. Pledges of leases, the construction contract(s) and other contracts and other assets owned by the Borrower will also be required
Subordination	Project loan position will be subordinate to a senior loan facility
Borrower Equity	Required minimum of 5 to 10% of project cost, or an amount greater as determined by the NYCEDC; deferred developer fees shall not count toward required borrower equity
Payment Schedule	Amortizing, flexible or interest-only with balloon payment at maturity
Prepayment	Borrower may prepay the loan in whole or in part without premium or penalty
Default Interest	Minimum of 6.00%
Origination Fee	1.00% of loan amount payable at closing
Late Fee	1.00% of the overdue payment amount
Other Fees	All third-party charges incurred by the Lender, for the processing of the proposed financing including, without limitation, counsel fees, advisory fees, and other reasonable and documented third-party fees, as applicable
Contingencies	Minimum of 10% of total costs to be adjusted on a case-by-case basis
Representations & Warranties	Usual and customary for transactions of this type, including: (i) due organization, valid existence and good standing; (ii) due authorization and enforceability; (iii) correctness of financial statements and no material adverse change; (iv) binding effect and enforceability of loan documents; (v) no liens or encumbrances other than as disclosed; (vi) compliance with environmental laws; (vii) no material litigation; and (viii) payment of taxes
Covenants	Usual and customary for transactions of this type, to include restrictions on: <ul style="list-style-type: none"> (i) incurring additional debt; (ii) pledge or mortgage of assets; (iii) disposal of assets other than in ordinary course of business; (iv) changes in management or ownership; (v) advances to third parties; (vi) payment of dividends or distribution; (vii) guarantor covenants; (viii) operating restrictions; and, (ix) other restrictions as deemed necessary
Financial Covenants	Usual and customary for transactions of this type, including, without limitation: <ul style="list-style-type: none"> ▪ Maintenance of a Debt Service Coverage Ratio ("DSCR") of 1.20x at stabilization ▪ Borrower and/or guarantor, as applicable, minimum liquidity ▪ Borrower and/or guarantor, as applicable, minimum unrestricted net assets

Appendix I: Summary Loan Terms & Conditions (cont'd)

*** Selected terms and conditions ***

Events of Default	Usual and customary for transactions of this type, including: <ul style="list-style-type: none"> (i) non-payment of principal, interest, fees or other amounts; (ii) violation of covenants; (iii) inaccuracy of representations and warranties; (iv) cross-default to other material agreements and indebtedness; (v) bankruptcy and other insolvency events; (vi) creditor or forfeiting proceedings; (vii) actual or asserted invalidity of any loan document or security interests; (viii) material events affecting guarantor change; (ix) change in control; and (x) material adverse change
Reporting Requirements	Inclusive of and not restricted to: <ul style="list-style-type: none"> ▪ Annual audited financials within 120 days of fiscal year-end ▪ Quarterly financials within 30 to 45 days of fiscal quarter-end ▪ Quarterly update on project progress, with special attention to construction schedule ▪ Annual report of employment at project site within 120 days of fiscal year-end
Environmental Indemnification	At the closing of the Loan, Borrower shall execute an environmental indemnification agreement, jointly and severally indemnifying NYCEDC against any and all costs associated with any environmental issues arising in connection with the Property
Compliance with NYCEDC Provisions	<ul style="list-style-type: none"> ▪ Compliance with Living Wage EO and Prevailing Wage (if applicable)¹ ▪ Participation in HireNYC ▪ M/WBE Participation (as further described on Appendix II) ▪ Insurance requirements (as further described on Appendix III)
Labor	Prevailing wage is contingent on whether the borrower receives \$1,000,000 of “financial assistance” for a project that is larger than 100,000 square feet or tied to a project larger than 100 residential units ¹
Background Check	<p>Funding recipients must clear the City’s background check process, known as PASSPort, as well as complete and submit a Doing Business Data Form²</p> <p>Information pertaining to the background check process (PASSPort) and the Doing Business Data Form can be found at: https://www.nycedc.com/resources/vendor-resources</p>

¹ Per Local Law No. 27 of 2012, “Financial Assistance” refers to assistance that is (a) provided for the improvement or development of real property, economic development, job retention and growth, or other similar purposes, (b) provided either (i) directly by the City or (ii) indirectly by a City Economic Development Entity and that is paid in whole or in part by the City, (c) expected to have a total present financial value of \$1 million or more at the time the project agreement is entered into, (d) discretionary in nature and (e) negotiated or awarded by the City or City Economic Development Entity.

² Local Law 34 of 2007 (LL 34) requires the creation of a database containing information about entities that do business with the City as defined by the law, and principal officers, owners and senior managers of these entities. This information will be collected on Doing Business Data Forms that are distributed, collected and reviewed by agencies, and forwarded to the Doing Business Accountability Project (DBAP) at MOCS for processing. Collected data will be used to identify entities and people who are subject to LL 34’s limitations on campaign contributions in municipal elections. If you have any questions or concerns, please contact the Doing Business Accountability Project at 212-788-8104 or DoingBusiness@cityhall.nyc.gov.

Appendix II: M/WBE Participation

I. M/WBE Proposal Submission Forms – M/WBE Participation Proposal.

NYCEDC is dedicated to furthering the participation of minority and women-owned businesses (“M/WBE”) in its work. Respondents are required to submit a plan to address M/WBE participation in the project (“M/WBE Participation Proposal”).

M/WBE Participation Proposal should include, but not be limited to:

- Establishment of participation goal of DSBS certified MBEs or WBEs on this project;
- A narrative related to the Respondent’s implementation of the proposed Participation Goal, including but not limited to:
 - Statement that Respondent will make good faith efforts to meet the participation goal;
 - Strategies and methods that will facilitate participation by M/WBE firms as contractors, subcontractors or suppliers consistent with Section I above, such as carve-outs and/or unbundling bid packages;
 - Methods for identification of M/WBE firms seeking work in connection with the services of the proposed project; and
- Establishment of administrative procedures for implementation, monitoring and reporting of M/WBE participation.

II. M/WBE Participation Goal.

The Participation Goal represents a percentage of the hard costs and soft costs associated with the Work (the “Eligible Costs”) that will be paid to consultants, contractors, subcontractors and supplier firms certified with the New York City Department of Small Business Services (“DSBS”) as MBEs or WBEs. Respondents shall identify their Participation Goal in their M/WBE Participation Proposal. The Participation Goal may be calculated as follows:

- A. Consultants/Contractors: The total dollar amount that Respondent pays to contractors certified with DSBS as MBEs or WBEs for Eligible Costs shall be credited toward fulfillment of the Participation Goal, provided that the value of such a contractor’s participation shall be determined by subtracting from this total dollar amount any amounts that the contractor is obligated to pay to direct subcontractors or suppliers upon completion of such subcontractors or suppliers work or services.
- B. Direct Subcontractors and Subconsultants: The total dollar amount that a contractor pays to direct subcontractors certified with DSBS as MBEs or WBEs for Eligible Costs shall be credited toward fulfillment of the Participation Goal, provided that the value of such a direct subcontractor’s participation shall be determined by subtracting from this total dollar value any amounts that the direct subcontractor is obligated to pay to indirect subcontractors or suppliers upon completion of such subcontractors or suppliers work or services.
- C. Indirect Subcontractors and Subconsultants: The total dollar amount that a direct subcontractor pays to indirect subcontractors certified with DSBS as MBEs or WBEs for Eligible Costs shall be credited toward fulfillment of the Participation Goal.
- D. Suppliers: 60% of the dollar amount spent on materials or supplies for the design and construction components of the Proposal purchased by Respondent, contractors or direct subcontractors from suppliers certified with DSBS as MBEs or WBEs shall be credited toward fulfillment of the Participation Goal.

III. Minority- and Women-Owned Business Enterprises.

M/WBE firms must be certified by DSBS to credit such firms’ participation toward attainment of the Participation Goal. Such certification must occur prior to the firms’ commencement of work. A list of M/WBE firms may be obtained from the DSBS website at www.nyc.gov/buycertified.

Appendix III: Insurance Requirements

The types of insurance coverage and policy requirements below are representative of the insurance requirements that will be included in the loan agreement upon successful submission and acceptance of the borrower's loan application by the NYCEDC President and IDLF Credit Committee.

The borrower shall obtain at closing, and maintain during the term of the loan, the below list of insurance types as applicable based on the project scope. Additionally, the borrower shall contractually require and mandate that its contractors, subcontractors, vendors, etc. obtain and maintain similar coverage prior to any work commencing and/or any personnel or equipment being brought to the project site.

- Commercial General Liability
- Marine Protection & Indemnity (if applicable for vessel and/or barge usage)
- Workers' Compensation and Employers' Liability
- NYS Disability
- Auto Liability
- Site Pollution / Environmental Liability and/or Contractor's Liability
- Property Insurance (may also include builder's risk and boiler & machinery)
- Umbrella / Excess Insurance
- Professional / E&O Liability
- Crime / Fidelity Insurance
- Policy provisions that may apply to the policies listed above:
 - Additional insured and/or loss payee status
 - Waiver of subrogation
 - Primary & non-contributory
 - 30-day notice of cancellation
 - AM Best rating of at least A- VII
 - No self-insurance, however, self-insured retentions may be approved by the City on a case-by-case basis