

Empire State Development**FOR CONSIDERATION**

August 30, 2007

TO: The Directors

FROM: Patrick Foye
Daniel Gundersen

SUBJECT: New York (Bronx County) – Yankee Stadium Redevelopment Civic Project

REQUEST FOR: Approval of Modified General Project Plan; Authorization to Enter into Funding Agreement; Authorization to Take Related Actions

Project Summary**Stadium Developer:**

Yankee Stadium Company LLC, and/or other affiliates of New York Yankees Partnership, owner of the New York Yankees Baseball Franchise

Garage Developer:

Bronx Parking Development Company LLC, a not-for-profit corporation

Project Site:

The Project Site is in the Concourse Village neighborhood of the Bronx in the immediate vicinity of the existing Yankee Stadium

Empire State Development Corporation

633 Third Avenue, New York, New York 10017-6754 Tel 212 803 3100

Overall Project Description:

The design, development, construction, financing and operation of a new, open-air, approximately 53,000 seating capacity state-of-the-art stadium (the "Stadium") to serve as the home field of the New York Yankees professional baseball team and for other appropriate events and the construction of certain related improvements, including the construction of three new garages (the "Garages") and various park and recreation improvements (collectively the "Project").

Garage Component:

The Garages component of the Project includes the development of three new Garages in the vicinity of the Stadium; Garage A, having a capacity for approximately 1700 cars; Garage B, having a capacity for approximately 790 cars; and Garage C, having a capacity for approximately 1,120 cars; and improvements to existing garages that provide parking for Yankee Stadium.

Garages – Budget (est.):

Garage A	\$ 129,000,000
Garage B	45,000,000
Garage C	59,000,000
Existing Garages	<u>6,000,000</u>
Total	\$ 239,000,000

Anticipated Funding Sources - Garages:

New York City IDA (bond proceeds)	\$ 169,000,000
ESDC	<u>70,000,000</u>
Total Garage Financing	\$ 239,000,000

(IDA bonds will be repaid from revenues generated from existing and new Garages. Additional City funds will be used for park improvements and infrastructure improvements including a retaining wall for 161st Street park/Garage)

Background:

On January 18, 2006, the Directors made Civic Project Findings, adopted a General Project Plan and authorized the holding of a public hearing with respect to the development and construction of the Project. On March 23, 2006, the Directors affirmed the General Project Plan and authorized the Corporation to enter into various agreements, including a Funding Agreement for the Garages, whereby the Corporation would provide up to \$70 million dollars.

Although the new Yankee Stadium is well under construction, the parking program for the Project has changed. These changes were made primarily for two reasons. First, based on available funding sources, it was not feasible to develop all four garages. Second, the Metropolitan Transportation Authority has committed to build a new Metro North station to service Yankee Stadium. The new station is expected to be used by approximately 5,000 customers per game, thereby reducing the need for additional parking capacity in the vicinity of Yankee stadium.

Accordingly, in lieu of the development of four new garages with an aggregate of 4,735 spaces, as originally envisioned, there will only be three new garages and an aggregate of 3,610 new spaces created. Garage D, as described in the original GPP, has been eliminated and the capacity of Garage B has been reduced by 176 spaces.

The City of New York, acting through the New York City Economic Development Corporation, solicited proposals for garage developers to develop and operate the Garages. As a result of that process, the City has designated a joint venture of Prismatic Development Corporation and Hunter Roberts Construction Group as developer/builder of the garages. The Garages will be operated by Standard Parking.

The City will own the land for the Garages and lease the same back to the New York City Economic Development Corporation. The leases will be assigned to Bronx Development Company LLC. Bronx Development Company LLC will contract with the joint venture for the development of the Garages. Pursuant to a lump-sum contract, the joint venture will build the new Garages and renovate certain existing parking structures. The New York City IDA will issue bonds to provide financing that, along with ESDC funds, is expected to be sufficient to complete the Garages.

ESDC's role in the Project is limited to providing funds and overseeing construction of the Garages. ESDC will have no ownership interest or operational responsibilities.

Modifications to the GPP

It is proposed that the GPP be modified to reflect the following changes to the Project.

1. The elimination of Parking Garage D (originally programmed for 949 spaces to be located at 151st street between River and Gerard Avenues). This site currently contains surface parking.

2. A reduction of 1,131 total parking spaces. This reduction includes the spaces lost due to the elimination of Parking Garage D, a redesign of Garage B (with a reduction of capacity from 966 cars to 790 cars) and the redesign of an existing surface lot referred to as 13c (resulting in the loss of 6 spaces).
3. Elimination of one of the two access ramps to Parking Garage C.

Environmental Review

The New York City Department of Parks & Recreation (NYCDPR or Lead Agency), acting as Lead Agency pursuant to the requirements of the State Environmental Quality Review Act (SEQRA) and the City Environmental Quality Review and the implementing regulations of the New York State Department of Environmental Conservation issued a Final Environmental Impact Statement ("FEIS") on February 13, 2006 and a Statement of Findings on March 6, 2006. ESDC, as an Involved Agency pursuant to SEQRA participated in the preparation and review of the FEIS and issued its own Statement of Findings on March 23, 2006.

Due to the Project changes involving the elimination of Garage D and other design changes, NYCDPR had a Technical Memorandum prepared by its environmental consultants that analyzed those changes. On the basis of that analysis, NYCDPR as the Lead Agency determined that the changes would not result in any significant impacts not previously identified in the FEIS. ESDC staff have reviewed the Technical Memo and concur with the Lead Agency's determination. Therefore, no further environmental review is needed in connection with the GPP modifications.

Design and Construction Review

Design & Construction (D&C) staff was involved in the request for proposal process for the Garage developer and has been reviewing design drawings and cost estimates related to the Garages.

D&C staff will review and approve schematic and construction documents and will generally review the design of the Garages. The Garages will be constructed in accordance with the New York City Building code and overseen by the New York City Department of Buildings.

Affirmative Action

ESDC's Non-Discrimination and Affirmative Action policy will apply to construction of the Garages. The Affirmative Action department has set a goal of 20% for participation by minorities and women in the business opportunities generated in connection with construction of the Garages.

Funding Agreement

ESDC expects to enter into a Funding Agreement with the New York City Economic Development Corporation and Bronx Parking Development Company LLC. ESDC funds will be made available on a pro rata basis with IDA funds.

ESDC will not disburse any funds for the Garages unless adequate funding commitments are in place to complete the Garages.

Requested Actions

The Directors are being requested to: (i) approve the Modified General Project Plan (ii) Authorize the Corporation to Enter into a Funding Agreement, (iii) Authorize the Corporation to Take all Related Actions.

Attachments

Resolutions
General Project Plan

August 30, 2007

New York (Bronx) – Yankee Stadium Redevelopment Civic Project - Approval of Modified General Project Plan; Authorization to Enter into Funding Agreement; Authorization to Take Related Actions

RESOLVED, that, the Corporation does hereby approve the Modified General Project Plan for the Yankee Stadium Redevelopment Civic Project (the "Project") in accordance with the materials presented to this meeting, a copy of which is ordered filed with the records of the Corporation; and be it further

RESOLVED, in accordance with the materials presented to this meeting, that the Corporation hereby authorizes the President and Chief Operating Officer, or other proper officers of the Corporation, to enter into a the Funding Agreement with Bronx Parking Development Company, LLC and the New York City Economic Development Corporation and to provide funds in an amount not to exceed seventy million dollars (\$70,000,000) on such terms and conditions as such officer deems necessary or appropriate; and be it further

RESOLVED, that the President and Chief Operating Officer, or other proper officer of the Corporation be, and each of them hereby is, authorized and directed, in the name and on behalf of the Corporation, to execute and deliver any and all documents and to take any and all such actions as may be necessary or appropriate to effectuate the foregoing resolutions with respect to the Project.

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