



State of New York
Franchise Oversight Board
State Capitol
Albany, NY 12224

MINUTES

Franchise Oversight Board Meeting
August 30, 2012
Conference Room 131, State Capitol, Albany, New York

I. The meeting was called to order at 1:16 PM by the Chair, Mr. Megna.

Members Present:

Robert Megna, Chair

Robert Williams, Member

John Crotty, Member (participated via videoconference)

Board, Executive Chamber, and Budget Division Staff in attendance:

Steven Lowenstein

Mark Massaroni

Brad Allen

Rich Geist

Morris Peters

Empire State Development Staff in attendance:

Joe Chan

Richard Dorado (participated via
videoconference)

Andrew Moelis

Rachel Shatz (participated via
videoconference)

Mehul Patel

Public in attendance:

Betty Flood

Scott Wexler

II. APPROVAL OF BOARD MEETING MINUTES FOR August 14, 2012

ON A MOTION BY: Mr. Williams

SECONDED BY: Mr. Crotty

APPROVED: 3-0

III. CONSIDERATION OF RESOLUTION 12-03– APPROVAL OF A MEMORANDUM OF UNDERSTANDING BETWEEN THE FRANCHISE OVERSIGHT BOARD AND THE EMPIRE STATE DEVELOPMENT CORPORATION TO CONDUCT A REQUEST FOR PROPOSALS FOR THE DEVELOPMENT OF UNDER-UTILIZED REAL ESTATE DEVELOPMENT PARCELS LOCATED AT BELMONT PARK AS DEFINED BY THE FRANCHISE AGREEMENT AND BELMONT GROUND LEASE.

AND CONSIDERATION OF RESOLUTION 12-04– APPROVAL OF A REQUEST FOR PROPOSALS TO BE ISSUED BY THE EMPIRE STATE DEVELOPMENT CORPORATION FOR THE DEVELOPMENT OF UNDER-UTILIZED REAL ESTATE DEVELOPMENT PARCELS LOCATED AT BELMONT PARK AS DEFINED BY THE FRANCHISE AGREEMENT AND BELMONT GROUND LEASE.

Mr. Allen provided a summary of the two resolutions that approve a memorandum of understanding between the Board and Empire State Development Corporation (EDC) to issue a Request for Proposals (RFP) for the Redevelopment Parcels at Belmont Park and the RFP itself. Mr. Allen explained that the ground lease between the Board and NYRA had contemplated the redevelopment of the two underutilized parcels by a third party developer, that the State had the right under the ground lease release these parcels from the ground lease for the purpose of redevelopment, and that section 212 of the Racing Law gives the Board the authority to approve a competitive processes for the development of these parcels. Mr. Allen also clarified that this is only a first step and the Board will have to provide unanimous approval of any actual development.

Mr. Chen and Mr. Patel provided additional details regarding the RFP, which is modeled after the standard real estate prospective issued by ESD. The RFP would be released on September 5th and would be posted in the New York State Contract Reporter. A site visit is scheduled for September 27th and responses are due on October 17th.

Mr. Patel described site A as an 8 acre parcel adjacent to the Belmont Park Clubhouse and site B as a 28 acre parcel located across the Hempstead Turnpike from the racetrack. The ground lease restricts the use of site A to use for lodging, resort or spa facility or a use complementary to racing. Site B may be used for a broader range of uses including but not limited to retail, office space or institutional uses. The RFP prohibits residential development on either site.

In response to questions from the Board, Mr. Chen responded that the lots are currently used for overflow parking on Belmont Stakes day and considerations will be made to provide continued overflow parking on the parcels. He also stated that ESD will provide the Board with a summary of the responses, provide analysis, comments and a recommendation. The Board will need to provide unanimous approval of any selection.

ON A MOTION BY: Mr. Williams
SECONDED BY: Mr. Crotty
APPROVED: 3-0

VII. NEW BUSINESS/OLD BUSINESS

None.

VIII. CHAIR'S REPORT

The Chair announced that the next meeting of the Board was preliminarily scheduled to be held around October 16, 2012. The Chair stated that the Secretary would work with the Members to set the date of the next meeting.

IX. The Chair adjourned the meeting at 1:28 PM.