



BOARD OF DIRECTORS MEETING*

NanoFab East, 4th Floor Boardroom

December 14, 2023

12:00 p.m.

AGENDA

1. Call to order
2. Approval of Minutes of October 19, 2023 Meeting
3. Audit Committee
 - NY CREATES Resolution No. 24, FRMC Resolution No. 191 and FSMC Resolution No. 209 – Approval of 2022-23 Annual Audit (NY CREATES, FRMC and FSMC)
4. Finance Committee
 - Lease Amendment with IBM (FRMC)
 - Lease Amendment with Lux Semiconductors, Inc. (FRMC)
 - Lease with Magnolia Optical Technologies, Inc. (FRMC)
 - Lease with Xallent, Inc., Pixels ATE Inc., and Sensory Biotech, Inc. (FRMC)
5. New Business
6. Public Comment
7. Next Board of Directors meeting: TBD
8. Adjournment

*This includes the joint meetings of the Board of Directors of the Fuller Road Management Corporation and Fort Schuyler Management Corporation.



**NY CREATES
Meeting of the Board of Directors
NanoFab East, 4th Floor Boardroom**

October 19, 2023

Minutes

Directors present: Kristin Proud (Vice Chair), Michael Abbott, Anita Brown, Christine Chung, Heather Hage and Dr. Meng-Ling Hsiao. Kenneth Tompkins was present for portions of the meeting.

Excused Absence: Doreen Harris and Joan McDonald

Staff: David Anderson – President, Patricia Arciero-Craig – Chief Administrative Officer and Acting General Counsel, Paul Kelly – Chief Operating Officer, Scott Bateman – Treasurer, Timothy Taylor – Chief Financial Officer, Patricia Bucklin – Board Secretary

Guests: Ryan Farrell and Peter Taubkin (Research Foundation for SUNY), Dr. Andrew Russell (SUNY Poly Foundation) and Ian Rosenblum (SUNY).

1. Call to order

Vice Chair Proud called the meeting of the Board of Directors of NY CREATES to order at 12:02 pm and introduced the directors and guests.

2. Conflict of Interest

Vice Chair Proud asked the Directors if they had any potential conflict of interest with respect to items on the Board agenda, and if so, to disclose it. There were none.

3. Minutes

Vice Chair Proud asked for a motion to approve the NY CREATES minutes of August 1, 2023.

Motion: Dr. Meng-Ling Hsiao
Second: Michael Abbott

Vote: Following a roll call vote, the minutes were approved with no changes.

4. Finance Committee Report

Vice Chair Proud, Chair of the Finance Committee, gave the Finance Committee Report.

A. Annual Plan (NY CREATES, FRMC and FSMC)

Vice Chair Proud asked for a motion to consider and adopt NY CREATES Resolution No. 21, FRMC Resolution No. 188 and FSMC Resolution No. 208 approving and authorizing the Annual Plan

Motion: Christine Chung
Second: Heather Hage

Staff advised that the Bylaws of NY CREATES, Fuller Road Management Corporation and Fort Schuyler Management Corporation provide that the President, with the recommendation of the Chief Financial Officer, shall present to the Board of Directors for its approval an Annual Plan which shall set forth all anticipated revenues and expenditures and include (a) the approved expenditure levels, including approved changes, and estimated income and expenditures for the current fiscal year; (b) the actual income and expenditures for the prior fiscal year; and (c) the estimated income and expenditures for the forthcoming fiscal year.

The 2023-24 Annual Plan was prepared and submitted to the Finance Committee upon the recommendation of management, the Chief Financial Officer and Finance staff.

The Finance Committee approved the resolutions described in the memorandum provided to the Board in advance of the meeting, including recommending that the Board approve the same actions.

Requested Action: Approve NY CREATES Resolution No. 21, FRMC Resolution No. 188 and FSMC Resolution No. 208.

Vote: Following a roll call vote, the motion was approved. There were no nays or abstentions.

B. Transfer of Funds (FRMC and NY CREATES)

Vice Chair Proud asked for a motion to consider and adopt resolutions approving the transfer of funds from FRMC to NY CREATES and from NY CREATES to FSMC.

Motion: Anita Brown
Second: Michael Abbott

Pursuant to its Certificate of Incorporation, FRMC was formed and is to be operated exclusively for the purpose of holding title to real estate, collecting income therefrom and transferring the entire amount thereof, less expenses, to its member, NY CREATES. In FRMC's 2023/2024 fiscal year, \$14MM has been identified as not being required for its operations and which therefore may be transferred to its sole member, NY CREATES, in accordance with FRMC's purposes.

NY CREATES identified and anticipates receipt of \$14MM from FRMC, its wholly owned subsidiary, during its 2023/2024 fiscal year and seeks to transfer \$5MM of those funds to FSMC for working capital during the 2023/2024 fiscal year at such times and in such amounts as determined by NY CREATES Chief Financial Officer.

The Finance Committee approved the resolutions described in the memorandum provided to the Board in advance of the meeting, including recommending that the Board approve the same actions.

Requested Action: Approve FRMC Resolution No. 190 and NY CREATES Resolution No. 23.

Vote: Following a roll call vote, the motion was approved. There were no nays or abstentions.

C. NanoFab Reflection (NY CREATES and FRMC)

Vice Chair Proud asks for a motion to consider and adopt NY CREATES Resolution No. 22 and FRMC Resolution No. 189 approving a Second Notice to Proceed and Related Actions for NanoFab Reflection.

Motion: Dr. Meng-Ling Hsiao
Second: Anita Brown

Pursuant to FRMC Resolution No. 187 adopted on August 1, 2023, FRMC entered into a Design and Construction Services Agreement with DPS|Gilbane ("Design Builder"), a contractual joint venture and partnership, for the design, construction, start-up/commission and related services associated with the construction of a new 50,000 square foot cleanroom facility to be called NanoFab Reflection.

Pursuant to a Notice to Proceed authorized by Resolution No. 187 and dated as of September 18, 2023, FRMC authorized, and the Design Builder agreed, to commence services under the agreement for the design of the project in an amount not to exceed \$22MM. During the pendency of the completion of the design phase, FRMC desires to authorize the Design Builder to acquire certain equipment and related items that require long lead times in order to maintain the established project construction schedule.

NY CREATES is in receipt of a \$5MM grant from The Research Foundation for, among other things, the expansion of cleanroom facilities at the Albany Nanotech Complex, and

NY CREATES and FRMC desire to have the RF SUNY grant funds transferred to FRMC to be utilized by FRMC for such long lead acquisitions required for the project. Furthermore, upon mutual agreement between FRMC and the Design Builder of the specific long lead items to be acquired, FRMC desires to issue the Design Builder a Notice to Proceed in an amount not to exceed \$5MM.

The Finance Committee approved the resolutions described in the memorandum provided to the Board in advance of the meeting, including recommending that the Board approve the same actions.

Requested Action: Approve FRMC Resolution No. 189 and NY CREATES Resolution No. 22.

Vote: Following a roll call vote, the motion was approved. There were no nays or abstentions.

D. Lease Amendment with Watlow Electric Manufacturing Company (“Watlow”) (FRMC)

Vice Chair Proud asks for a motion to consider and adopt a lease with Watlow.

Motion: Christine Chung
Second: Dr. Meng-Ling Hsiao

Watlow is a Missouri corporation that is a designer and manufacturer of complete thermal systems. It seeks to lease 120 square feet of office space in CESTM for a term commencing on November 1, 2023 and ending on October 31, 2024. The tenant will pay \$4,800 in rent for the term. The rent includes utilities and operating expenses.

The Finance Committee approved the resolution described in the memorandum provided to the Board in advance of the meeting, including recommending that the Board approve the same actions.

Requested Action: Approve a resolution approving and authorizing the Corporation to enter into a lease with Watlow as requested in the memorandum provided to the Board in advance of the meeting.

Vote: Following a roll call vote, the motion was approved. There were no nays or abstentions.

E. Lease Amendment with Menlo Microsystems, Inc. (“Menlo”) (FRMC)

Vice Chair Proud asks for a motion to consider and adopt a lease amendment with Menlo.

Motion: Anita Brown
Second: Kenneth Tompkins

Menlo, a manufacturer of enhanced electronic switches that can handle high temperature, high-stress conditions, currently leases 3,458 square feet of office space in NanoFab East. At its meeting on August 1, 2023, the Board authorized a lease amendment with Menlo for 910 square feet of lab space for a term commencing on October 1, 2023 for 22 months, with an option to extend the term for the lab space for up to two additional 24-month periods. The parties seek to (1) change the rent commencement date from October 1, 2023 to 60 days after the effective date, and (2) revise the option to extend the lease to also include the office space that Menlo currently leases.

The Finance Committee approved the resolution described in the memorandum provided to the Board in advance of the meeting, including recommending that the Board approve the same actions.

Requested Action: Approve a resolution approving and authorizing the Corporation to enter into a lease amendment with Menlo as requested in the memorandum provided to the Board in advance of the meeting.

Vote: Following a roll call vote, the motion was approved. There were no nays or abstentions.

5. New Business

Vice Chair Proud asked if there is any new business. There was none.

Vice Chair Proud stated that Ken Tompkins has advised that he will be stepping down from the Board effective after the meeting today. She said that she would like to take this opportunity to thank Ken for his valued service on the Board of NY CREATES since its inception in December 2019, as well as his service with the Fuller Road Management Company and Fort Schuyler Management Corporation since 2017. She stated that the directors and officers are most grateful to Ken for his dedication, commitment and significant contributions to the work of NY CREATES and its affiliate corporations.

In addition, Vice Chair Proud advised that Michael Frame has stepped down from his role as the member representative to the Board for the SUNY Poly Foundation. She thanked Mike for his dedicated service as an advisory representative as well as his previous service as a Board member of NY CREATES, FRMC and FSMC.

Finally, Vice Chair Proud welcomed Dr. Andrew Russell who has succeeded Mike Frame as the SUNY Poly Foundation member representative.

6. Public Comment

Vice Chair Proud asked if there is any comment from the public. There was none.

7. Schedule of Next Meeting

Vice Chair Proud advised that the date of the next meeting is to be determined and once finalized will be posted on the website.

8. Adjournment

With no further business to come before the Board, Vice Chair Proud asked for a motion to adjourn the meeting.

Motion: Michael Abbott

Second: Christine Chung

The motion was approved and the meeting was adjourned at 12:23 pm.

Respectfully Submitted,

Patricia K. Bucklin
Secretary of the Board

To: New York Center for Research, Economic Advancement, Technology, Engineering and Science Corporation (“NY CREATES”) Board of Directors

Re: Approval of Annual Audit (NY CREATES, FRMC and FSMC)

Background:

The Bylaws of NY CREATES, Fuller Road Management Corporation (“FRMC”) and Fort Schuyler Management Corporation (“FSMC”) (collectively, “the Corporations”) each provide that the financial statements of the Corporation shall be audited annually by a certified public accounting firm approved by the Board of Directors (NY CREATES Bylaws, Article VIII, Section 5; FRMC Bylaws Article VIII, Section 5; FSMC Bylaws Article VIII, Section 5). The Board authorized the Corporations to engage KPMG to conduct the Annual Audit for the year ending June 30, 2023.

KPMG has completed the Annual Audit for the year ending June 30, 2023. The audit has been prepared as a NY CREATES single consolidated audit with accompanying schedules for FRMC and FSMC as has been done in the past.

The Audit Committee approved resolutions for NY CREATES, FRMC and FSMC (1) approving the 2022-23 Annual Audit, subject to and conditional upon completion of the remaining administrative items discussed with the Audit Committee by management and the certified public accounting firm to the satisfaction of the Chair of the Audit Committee; (2) approving and authorizing the President, Treasurer and Chief Financial Officer, each of them without the other, on behalf of each Corporation, (i) to execute, acknowledge and deliver the documents and agreements associated with the 2022-23 Annual Audit with such changes, variations, omissions and insertions as the officer of such Corporation signing same shall approve, the execution thereof by such officer to constitute conclusive evidence of such approval, and (ii) and to take such actions as are necessary and appropriate, including the execution, acknowledgement and delivery of other documents and agreements as may be necessary or appropriate to implement and carry out the purposes and intents of this resolution; and (3) recommending that the Board approve the same actions.

Requested Action:

Approve NY CREATES Resolution No. 24, FRMC Resolution No. 191 and FSMC Resolution No. 209.

RESOLUTION OF THE BOARD OF DIRECTORS OF
THE NEW YORK CENTER FOR RESEARCH, ECONOMIC ADVANCEMENT,
TECHNOLOGY, ENGINEERING and SCIENCE CORPORATION (d/b/a "NY CREATES")

December 14, 2023

RESOLUTION NO.24

APPROVAL OF 2022-23 ANNUAL AUDIT

WHEREAS, the New York Center for Research, Economic Advancement, Technology, Engineering and Science Corporation (d/b/a "NY CREATES") (hereinafter the "Corporation") Board of Directors is charged with directing the management of the operations, property, affairs and concerns of the Corporation;

WHEREAS, pursuant to the Bylaws of the Corporation, the Corporation's financial statements shall be audited annually by a certified public accounting firm approved by the Board of Directors;

WHEREAS, a 2022-23 Annual Audit was conducted and prepared by a certified public accounting firm approved by the Board of Directors and a draft submitted to the Audit Committee of the Corporation;

WHEREAS, upon a motion duly made and seconded, the 2022-23 Annual Audit was approved by the Audit Committee, subject to and conditional upon completion of the remaining administrative items discussed with the Audit Committee by management and the certified public accounting firm to the satisfaction of the Chair of the Audit Committee, with a recommendation that the 2022-23 Annual Audit be approved by the Board of Directors with the same conditions;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CORPORATION, AS FOLLOWS:

SECTION 1: APPROVAL OF ANNUAL AUDIT. The Corporation's Board of Directors hereby approves the 2022-23 Annual Audit, subject to and conditional upon completion of the remaining administrative items discussed with the Audit Committee by management and the certified public accounting firm to the satisfaction of the Chair of the Audit Committee.

SECTION 2: DOCUMENTS AND CONTRACTS. The Board of Directors approves and authorizes the President, Treasurer and Chief Financial Officer, each of them without the other, on behalf of the Corporation, (1) to execute, acknowledge and deliver the documents and agreements associated with the 2022-23 Annual Audit with such changes, variations, omissions and insertions as the officer of the Corporation signing same shall approve, the execution thereof by such officer to constitute conclusive evidence of such approval, and (2) to take such actions as are necessary and appropriate, including the execution, acknowledgement

and delivery of other documents and agreements as may be necessary or appropriate to implement and carry out the purposes and intents of this Resolution.

SECTION 3: EFFECTIVE DATE. This Resolution shall take effect immediately.

RESOLUTION OF THE BOARD OF DIRECTORS OF
FULLER ROAD MANAGEMENT CORPORATION

December 14, 2023

RESOLUTION NO. 191

APPROVAL OF 2022-23 ANNUAL AUDIT

WHEREAS, the Fuller Road Management Corporation (the "Corporation") Board of Directors is charged with directing the management of the operations, property, affairs and concerns of the Corporation;

WHEREAS, pursuant to the Bylaws of the Corporation, the Corporation's financial statements shall be audited annually by a certified public accounting firm approved by the Board of Directors;

WHEREAS, a 2022-23 Annual Audit was conducted and prepared by a certified public accounting firm approved by the Board of Directors and a draft submitted to the Audit Committee of the Corporation;

WHEREAS, the Annual Audit was prepared as a consolidated audit of NY CREATES with accompanying schedules for the Corporation and the Fort Schuyler Management Corporation;

WHEREAS, upon a motion duly made and seconded, the 2022-23 Annual Audit was approved by the Audit Committee, subject to and conditional upon completion of the remaining administrative items discussed with the Audit Committee by management and the certified public accounting firm to the satisfaction of the Chair of the Audit Committee, with a recommendation that the 2022-23 Annual Audit be approved by the Board of Directors with the same conditions;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CORPORATION, AS FOLLOWS:

SECTION 1: APPROVAL OF ANNUAL AUDIT. The Corporation's Board of Directors hereby approves the 2022-23 Annual Audit, subject to and conditional upon completion of the remaining administrative items discussed with the Audit Committee by management and the certified public accounting firm to the satisfaction of the Chair of the Audit Committee.

SECTION 2: SECTION 2: DOCUMENTS AND CONTRACTS. The Board of Directors approves and authorizes the President, Treasurer and Chief Financial Officer, each of them without the other, on behalf of the Corporation, (1) to execute, acknowledge and deliver the documents and agreements associated with the 2022-23 Annual Audit with such changes, variations, omissions and insertions as the officer of the Corporation signing same shall approve, the execution thereof by such officer to constitute conclusive evidence of such approval, and (2)

to take such actions as are necessary and appropriate, including the execution, acknowledgement and delivery of other documents and agreements as may be necessary or appropriate to implement and carry out the purposes and intents of this Resolution.

SECTION 3: EFFECTIVE DATE. This Resolution shall take effect immediately.

RESOLUTION OF THE BOARD OF DIRECTORS OF
FORT SCHUYLER MANAGEMENT CORPORATION

December 14, 2022

RESOLUTION NO. 209

APPROVAL OF 2022-23 ANNUAL AUDIT

WHEREAS, the Fort Schuyler Management Corporation (the "Corporation") Board of Directors is charged with directing the management of the operations, property, affairs and concerns of the Corporation;

WHEREAS, pursuant to the Bylaws of the Corporation, the Corporation's financial statements shall be audited annually by a certified public accounting firm approved by the Board of Directors;

WHEREAS, a 2022-23 Annual Audit was conducted and prepared by a certified public accounting firm approved by the Board of Directors and a draft submitted to the Audit Committee of the Corporation;

WHEREAS, the Annual Audit was prepared as a consolidated audit of NY CREATES with accompanying schedules for the Corporation and the Fuller Road Management Corporation ("FRMC");

WHEREAS, upon a motion duly made and seconded, the 2022-23 Annual Audit was approved by the Audit Committee, subject to and conditional upon completion of the remaining administrative items discussed with the Audit Committee by management and the certified public accounting firm to the satisfaction of the Chair of the Audit Committee, with a recommendation that the 2022-23 Annual Audit be approved by the Board of Directors with the same conditions;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CORPORATION, AS FOLLOWS:

SECTION 1: APPROVAL OF ANNUAL AUDIT. The Corporation's Board of Directors hereby approves the 2022-23 Annual Audit, subject to and conditional upon completion of the remaining administrative items discussed with the Audit Committee by management and the certified public accounting firm to the satisfaction of the Chair of the Audit Committee.

SECTION 2: DOCUMENTS AND CONTRACTS. The Board of Directors approves and authorizes the President, Treasurer and Chief Financial Officer, each of them without the other, on behalf of the Corporation, (1) to execute, acknowledge and deliver the documents and agreements associated with the 2022-23 Annual Audit with such changes, variations, omissions and insertions as the officer of the Corporation signing same shall approve, the execution thereof by such officer to constitute conclusive evidence of such approval, and (2)

to take such actions as are necessary and appropriate, including the execution, acknowledgement and delivery of other documents and agreements as may be necessary or appropriate to implement and carry out the purposes and intents of this Resolution.

SECTION 3: EFFECTIVE DATE. This Resolution shall take effect immediately.

To: New York Center for Research, Economic Advancement, Technology, Engineering and Science Corporation (“NY CREATES”) Board of Directors

Re: Lease Amendment with International Business Machines Corporation (“IBM”) (FRMC)

- 1) **Description of Property:** NanoFab South (“NFS”), 255 Fuller Road, Albany, NY, and NanoFab East (“NFE”) 257 Fuller Road, Albany, NY, office and lab space.
- 2) **Tenant:** IBM is a multi-national company that provides information technology products and services.
- 3) **Lease Terms:** IBM currently leases 70,615.50 square feet of office and lab space in NFE and NFS for a term expiring on December 31, 2023. The parties seek to (i) extend the termination date for the space covered under the lease to December 31, 2024, and (ii) add approximately 866 square feet of lab space in NFE to the lease. As of the commencement date of January 1, 2024, the rent will be \$45.32 per square foot for 65,550.50 square feet of office space and \$94.53 per square foot for 5,931 square feet of lab space. The rent includes operating expenses and utilities.
- 4) **Fair Market Value:** Staff has determined that the lease meets fair market value based on other existing leases in the area. Given the availability of this other relevant market data, it is unnecessary and impractical to do an appraisal.
- 5) **Associated Costs for Site Preparation:** None.
- 6) **Associated Costs of Lease:** None.
- 7) **Finance Committee:** The Finance Committee approved a resolution (1) approving and authorizing the Corporation to enter into a lease amendment with IBM on the terms stated in the memorandum provided to the Committee in advance of the meeting; (2) approving and authorizing the President, Treasurer and Chief Financial Officer, each of them without the other, on behalf of the Corporation, (i) to execute, acknowledge and deliver the aforesaid lease with such changes, variations, omissions and insertions as the officer of the Corporation signing same shall approve, the execution thereof by such officer to constitute conclusive evidence of such approval, and (ii) to take such actions as are necessary or appropriate to implement and carry out the purposes and intent of this resolution, including without limitation the execution, acknowledgement and delivery of other documents and agreements; and (3) recommending that the Board approve the same actions.
- 8) **Action Requested:** Approve a resolution (1) approving and authorizing the Corporation to enter into a lease amendment with IBM on the terms stated above; and (2) approving and authorizing the President, Treasurer and Chief Financial Officer, each of them without the other, on behalf of the Corporation, (i) to execute, acknowledge and deliver the aforesaid lease with such changes, variations, omissions and insertions as the officer of the Corporation signing same shall approve, the execution thereof by such officer to constitute conclusive evidence of such approval, and (ii) to take such actions as are necessary or

appropriate to implement and carry out the purposes and intent of this resolution, including without limitation the execution, acknowledgement and delivery of other documents and agreements.

To: New York Center for Research, Economic Advancement, Technology, Engineering and Science Corporation (“NY CREATES”) Board of Directors

Re: Lease Amendment with Lux Semiconductors, Inc. (“Lux”) (FRMC)

- 1) **Description of Property:** 251 Fuller Road, Albany, NY; CESTM Building (“CESTM”), third floor office space.
- 2) **Tenant:** Lux is a microelectronics start-up that is involved in advance systems packaging.
- 3) **Lease Terms:** Lux currently leases approximately 521 square feet of space in CESTM. The lease term expired on February 8, 2023 and Lux exercised the first of two renewal term options under the lease to extend the term to February 8, 2024. Lux now seeks to amend the lease to extend the term for an additional 24-month period commencing on February 9, 2024, with an option to renew for one additional 12-month period. There will be 2% annual increases in the total base rent, with the first such increase commencing as of the February 9, 2024 through February 8, 2025 lease year.
- 4) **Fair Market Value:** Staff has determined that the lease meets fair market value based on other existing leases in the area. Given the availability of this other relevant market data, it is unnecessary and impractical to do an appraisal.
- 5) **Associated Costs for Site Preparation:** No additional costs will be incurred.
- 6) **Associated Costs of Lease:** None.
- 7) **Finance Committee:** The Finance Committee approved a resolution (1) approving and authorizing the Corporation to enter into a lease amendment with Lux on the terms stated above; (2) approving and authorizing the President, Treasurer and Chief Financial Officer, each of them without the other, on behalf of the Corporation, to execute, acknowledge and deliver the aforesaid lease amendment with such changes, variations, omissions and insertions as the officer of the Corporation signing same shall approve, the execution thereof by such officer to constitute conclusive evidence of such approval; (3) approving and authorizing the President, Treasurer and Chief Financial Officer, each of them without the other, on behalf of the Corporation, to take such actions as are necessary and appropriate, including the execution, acknowledgement and delivery of other documents and agreements as may be necessary or appropriate to implement and carry out the purposes and intents of the resolution; and (4) recommending that the Board approve the same actions.
- 8) **Action Required:** Approve a resolution (1) approving and authorizing the Corporation to enter into a lease amendment with Lux on the terms stated above; (2) approving and authorizing the President, Treasurer and Chief Financial Officer, each of them without the other, on behalf of the Corporation, to execute, acknowledge and deliver the aforesaid lease amendment with such changes, variations, omissions and insertions as the officer of the

Corporation signing same shall approve, the execution thereof by such officer to constitute conclusive evidence of such approval; and (3) approving and authorizing the President and Treasurer and Chief Financial Officer, each of them without the other, on behalf of the Corporation, to take such actions as are necessary and appropriate, including the execution, acknowledgement and delivery of other documents and agreements as may be necessary or appropriate to implement and carry out the purposes and intents of the resolution.

To: New York Center for Research, Economic Advancement, Technology, Engineering and Science Corporation (“NY CREATES”) Board of Directors

Re: Lease with Magnolia Optical Technologies, Inc. (FRMC)

- 1) **Description of Property:** 251 Fuller Road, Albany, NY, CESTM Building, first floor office space.
- 2) **Tenant:** Magnolia Optical Technologies, Inc. (“Magnolia”), a company that develops innovative optical technologies for defense, space and commercial applications, has leased space in CESTM since 2015. Its lease expired on October 31, 2023.
- 3) **Lease Terms:** Magnolia now seeks to lease approximately 181 square feet of office space in CESTM for a term commencing on the date of last execution of the lease and terminating on October 31, 2024. The tenant will have the option to extend the lease for one additional 12-month period. The tenant will pay a total initial annual base rent of \$7,200 (based on a rate of \$39.78 per square foot) through October 31, 2024 and an annualized amount of \$7,416 if the tenant elects to renew for the additional term. The rent includes utilities and operating expenses.
- 4) **Fair Market Value:** Staff has determined that the lease meets fair market value based on other existing leases in the area. Given the availability of this other relevant market data, it is unnecessary and impractical to do an appraisal.
- 5) **Associated Costs for Site Preparation:** No additional costs will be incurred.
- 6) **Associated Costs of Lease:** None.
- 7) **Finance Committee:** The Finance Committee approved a resolution (1) approving and authorizing the Corporation to enter into a lease with Magnolia on the terms stated above; (2) approving and authorizing the President, Treasurer and Chief Financial Officer, each of them without the other, on behalf of the Corporation, to execute, acknowledge and deliver the aforesaid lease with such changes, variations, omissions and insertions as the officer of the Corporation signing same shall approve, the execution thereof by such officer to constitute conclusive evidence of such approval; (3) approving and authorizing the President, Treasurer and Chief Financial Officer, each of them without the other, on behalf of the Corporation, to take such actions as are necessary and appropriate, including the execution, acknowledgement and delivery of other documents and agreements as may be necessary or appropriate to implement and carry out the purposes and intents of the resolution; and (4) recommending that the Board approve the same actions.
- 8) **Action Requested:** Approve a resolution (1) approving and authorizing the Corporation to enter into a lease with Magnolia on the terms stated above; (2) approving and authorizing the President, Treasurer and Chief Financial Officer, each of them without the other, on behalf of the Corporation, to execute, acknowledge and deliver the aforesaid lease

amendment with such changes, variations, omissions and insertions as the officer of the Corporation signing same shall approve, the execution thereof by such officer to constitute conclusive evidence of such approval; and (3) approving and authorizing the President and Treasurer and Chief Financial Officer, each of them without the other, on behalf of the Corporation, to take such actions as are necessary and appropriate, including the execution, acknowledgement and delivery of other documents and agreements as may be necessary or appropriate to implement and carry out the purposes and intents of the resolution.

To: New York Center for Research, Economic Advancement, Technology, Engineering and Science Corporation (“NY CREATES”) Board of Directors

Re: Lease with Xallent Inc. (“Xallent”), Pixels ATE Inc. (“Pixels”), and Sensory Biotech Inc. (“Sensory Biotech”) (Xallent, Pixels, and Sensory Biotech collectively referred to as the “Tenant”) (FRMC)

- 1) **Description of Property:** 251 Fuller Road, Albany, NY; CESTM Building, 3rd floor office and lab space.
- 2) **Tenant:** Xallent is a Delaware corporation that designs, develops, manufactures and markets hardware and software tools for micro and nanoscale probing instruments. Pixels ATE is a Delaware corporation that provides automatic test equipment (ATE) and advanced testing solutions to the semiconductor and display industries. Sensory Biotech is a Delaware corporation that develops diagnostic solutions to monitor people’s health conditions. These three entities are under common control and will be jointly and severally liable under the lease.
- 3) **Lease Terms:** The tenant seeks to lease approximately 121 square feet of office space and 421 square feet of lab space in CESTM for a term commencing on January 1, 2024 and ending on December 31, 2026. The tenant has an option to renew for two additional 12-month periods. The rent is \$25 per square foot for the office space and \$27 per square foot for the lab space for the first year of the lease. For the second and third lease years, there will be a 3% annual increase in the total base rent. If the tenant exercises its option to extend the lease, the rent will be in the annualized amount of \$15,726.50 and \$16,198.30, respectively, for the first and second years of the renewal term. The rent includes utilities and operating expenses.
- 4) **Fair Market Value:** Staff has determined that the lease meets fair market value based on other existing leases in the area. Given the availability of this other relevant market data, it is unnecessary and impractical to do an appraisal.
- 5) **Associated Costs for Site Preparation:** None.
- 6) **Associated Costs of Lease:** None.
- 7) **Finance Committee:** The Finance Committee approved a resolution (1) authorizing approval of a lease with Xallent, Pixels, and Sensory Biotech on the terms stated in the memorandum provided to the Committee in advance of the meeting; (2) approving and authorizing the President, Treasurer, and Chief Financial Officer, each of them without the other, on behalf of each Corporation, (i) to execute, acknowledge and deliver the documents and agreements associated with the lease with such changes, variations, omissions and insertions as the officer of such Corporation signing same shall approve, the execution thereof by such officer to constitute conclusive evidence of such approval, and (ii) and to take such actions as are necessary or appropriate, to implement and carry out the purposes and intent of this resolution, including without limitation the execution,

acknowledgement and delivery of other documents and agreements; and (3) recommending that the Board approve the same actions.

- 8) **Action Requested:** Approve a resolution (1) authorizing approval of a lease with Xallent, Pixels, and Sensory Biotech under the terms described above; and (2) approving and authorizing the President, Treasurer, and Chief Financial Officer, each of them without the other, on behalf of each Corporation, (i) to execute, acknowledge and deliver the aforesaid lease with such changes, variations, omissions and insertions as the officer of the Corporation signing same shall approve, the execution thereof by such officer to constitute conclusive evidence of such approval, and (ii) to take such actions as are necessary or appropriate to implement and carry out the purposes and intent of this resolution, including without limitation the execution, acknowledgement and delivery of other documents and agreements.