



BOARD OF DIRECTORS MEETING

March 23, 2017

4:00 PM

NFE 2107

AGENDA

1. Call to order
2. Approval of February 22, 2017 FRMC meeting minutes
3. Chair's Report:
 - Resolution 140 – Appointment of Interim Contracting Officer
 - Approval of Amendment to Certificate of Incorporation
4. Finance Committee Report:
 - Resolution 141– Approval of resolution authorizing President to enter into an agreement to execute real estate transaction
 - Approval of lease transactions and related expenses
5. New Business
6. Public Comment
7. Next quarterly Board of Directors meeting: TBD
8. Adjournment

Fuller Road Management Corporation
Meeting of the Board of Directors
February 22, 2017 NFE Conference Room 2107

Directors present: Michael Frame, Robert Samson, Joan McDonald, Megan Daly, Michael Breslin, Franklin Hecht, and Kenneth Tompkins

Staff: Cheryl Casey-Rose, Pat Bucklin

Guests: Howard Zemsky (ESD), Kevin Younis (ESD), Robert Megna, Emily Kunchala (RF SUNY), Martin Dunbar (KPMG)

1. Call to Order

- The meeting of the Board of Directors of Fuller Road Management Corporation (FRMC) was called to order at: 3:34 PM by Michael Frame

2. Introduction of Board of Directors

3. Minutes: Chair Mike Frame presented the minutes of the August 3, 2016 FRMC Board of Directors meeting for acceptance. Robert Samson moved that the minutes be accepted as presented and Michael Breslin seconded the motion. Ayes: 7, Nays: 0, Abstention: 0. The minutes were accepted as presented.

4. Howard Zemsky, President and CEO of Empire State Development (ESD) presented an overview of the role of ESD with respect to FRMC.

5. Governance Reform - Chair Michael Frame:

- The revised FRMC Bylaws provide for 11 directors; 4 appointed by RF SUNY, 4 appointed by SUNY Poly Foundation, and 3 independent appointments recommended by ESD. ESD also recommends 1 of the 4 for each of the RF and SUNY Poly Foundation Appointments for a total representation of 5. In addition, Howard Zemsky will act as a non-voting director on the Board.
- Audit Committee is comprised of three independent directors within the meaning of not-for-profit corporation laws
- Adopted voluntary compliance with key provisions of the Open Meetings Laws: meetings webcast and open to the public. Board agenda and materials posted to the website prior to the meeting.
- Adopted voluntary compliance with FOIL.
- Addition of Compliance Officer to oversee and implement policies and procedures required by new bylaws.

6. Resolution 130 – Adoption of Audit Committee Charter and Committee Appointments. Chair Frame asked for a motion to adopt Resolution 130. Joan McDonald moved that the Audit Committee Charter and Committee Appointments be adopted. Michael Breslin seconded the motion. Chair Frame asked for discussion. There was no discussion. Chair stated that new bylaws provide that the committee be comprised of no less than three (3) independent directors and four (4) have volunteered to serve on the committee: Michael Breslin, Kristin Proud, Robert Samson and Kenneth Tompkins. Chair asked for a vote: ayes - 7, nays - 0, abstentions - 0. The motion to adopt Resolution 130 passed.

7. Resolution 131 – Appointment of Finance Committee. Chair Frame asked for a motion to adopt Resolution 131 with committee members Robert Blackman, Franklin Hecht, Brad Johnson, and Michael Frame. Megan Daly moved to adopt Resolution 131, Franklin Hecht seconded the motion. Chair asked for discussion. There was no discussion. Chair asked for a vote: ayes - 7, nays - 0, abstention - 0. The motion to adopt Resolution 131 passed.

8. Resolution 132 – Appointment of Robert Megna as President of Fuller Road Management Corporation. Chair Frame asked for a motion to introduce the resolution. Robert Samson moved to introduce the resolution. Megan Daly seconded the motion. Chair Frame introduced Mr. Megna and spoke about his current position as Senior Vice President at Stonybrook University, his wealth of knowledge and experience in state government, including former Executive Director of the New York State Thruway Authority, 5 years as State Budget Director, former Commissioner of NYS Department of Tax and Finance, Deputy Director of Fiscal Studies for the New York State Assembly Ways and Means Committee. Chair Frame stated that the bylaws require that compensation for officers be fixed by the Audit Committee and deferred to Audit Committee member Robert Samson. Mr. Samson stated the Audit Committee met to discuss proposed compensation at 200K split in half for half his time will be split between Fuller Road and Fort Schuyler and SUNY Stonybrook. Chair Frame opened the floor for any additional discussion. There being no discussion Chair asked for a vote to approve Resolution 132: ayes – 7, nays – 0, abstentions – 0. The motion to approve Resolution 132 passed.

9. President’s Report – Adoption of Policy Resolutions

Resolution 133 – Acquisition and Disposition of Real Property:

- Robert Samson motioned to adopt, Michael Breslin seconded. No discussion. Chair Frame asked for a vote: ayes – 7, nays – 0, abstention – 0. The motion to adopt Resolution 133 passed.

Resolution 134 – Conflict of Interest Policy and Related Party Transaction:

- Chair asked for a motion to approve Resolution 134. Ken Tompkins moved to approved and Franklin Hecht seconded the motion. Discussion: none. Chair asked for a vote: ayes – 7, nays – 0, abstention – 0. The motion to adopt Resolution 134 passed.

Resolution 135 – Procurement Guidelines Policy:

- Chair asked for a motion to approve Resolution 135. Michael Breslin moved to approve Resolution 135. Megan Daly seconded. Chair asked for a vote: ayes – 7, nays – 0, abstention – 0. The motion to adopt Resolution 135 passed.

Resolution 136 - Records Access Policy:

- Chair asked for a motion to approve Resolution 136. Michael Breslin moved to approve Resolution 136, Robert Samson seconded the motion. Chair asked for a vote: ayes – 7, nays – 0, abstention – 0. The motion to adopt Resolution 136 passed.

Resolution 137 – Whistleblower Policy:

- Chair asked for a motion to approve Resolution 137, Michael Breslin moved to approve Resolution 137. Joan McDonald seconded the motion. Chair asked for a vote: ayes- 7, nays- 0, abstention – 0. The motion to adopt Resolution 137 passed.

Resolution 138 – Risk Management and Insurance Policy:

- Chair asked for a motion to approve Resolution 138. Discussion: Franklin Hecht asked if the Board maintains insurance for directors and officer. Chair Frame responded yes. Ken Tompkins motioned to approve Resolution 138. Michael Breslin seconded the motion. Chair asked for a vote: ayes – 7, nays – 0, abstentions – 0. The motion to adopt Resolution 138 passed.

Resolution 139 – Debt Management Policy:

- Chair asked for a motion to approve Resolution 139. Robert Samson motioned to approve Resolution 139. Franklin Hecht seconded the motion. Chair asked for a vote: ayes – 7, nays – 0, abstentions – 0. The motion to adopt Resolution 139 passed.

10. Audit Committee Report – Robert Samson

- KPMG performed an independent audit for the fiscal year that closed June 30th 2016 in accordance with generally accepted auditing standards. FRMC Audit Committee met with KPMG auditors last month to review the report and the auditors issued a clean opinion and indicated they received the full cooperation of management. One takeaway from the meeting was to ensure that sufficient financial reporting staff is in place. Steps have already been taken to address this area in FRMC operations and it is a priority of the Audit Committee and the Board that this is properly resourced going forward.
- Mr. Samson introduced Marty Dunbar of KPMG to address the Board. Mr. Dunbar discussed some highlights of the audit. KPMG issued an unmodified or clean audit opinion of the financial statements as of June 30, 2016. The objective of the audit is to determine if the financial statements as prepared with oversight of the Audit Committee and the Board are presented fairly in all material respects of generally accepted accounting principles.
- Chair Frame asked for a motion to approve the audit. Franklin Hecht motioned to approve the audit, Joan McDonald seconded the motion. Chair asked for a vote to approve the audit: ayes – 7, nays – 0, abstentions – 0. The motion to approve the audit passed.

11. New Business – Chair Frame

No new business was brought before the Board.

12. Public Comment

No public comments were made.

13. Next Meeting – Chair Frame

Notice of the next meeting will be posted as soon as the date is determined. It is anticipated that in addition to quarterly meetings, monthly meetings will be held if there is business to be considered.

14. Adjournment – Chair Frame

Michael Breslin motioned to adjourn the meeting, Robert Samson seconded the motion and the meeting was adjourned at 4:10 PM.

RESOLUTION OF THE BOARD OF DIRECTORS OF
FULLER ROAD MANAGEMENT CORPORATION

March 23, 2017

RESOLUTION NO: 140

APPOINTMENT OF INTERIM CONTRACTING OFFICER FOR THE CORPORATION

WHEREAS, Article V, Section 1 of the Bylaws of Fuller Road Management Corporation (“the Corporation”), authorizes the Board of Directors to appoint such additional officers as the Board may deem desirable, all of whom shall serve at their pleasure and exercise such powers and duties as usually pertain to their respective offices or as are properly delegated or assigned to them from time to time by the Board of Directors; and

WHEREAS, the Board desires to appoint an Interim Contracting Officer to fulfill the duties set forth in the Acquisition and Disposition of Real Property Policy adopted by Board pursuant to Resolution No. 133 on February 22, 2017;

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

SECTION 1: Scott Bateman is hereby appointed as Interim Contracting Officer of the Corporation, effective immediately, to perform the duties set forth in the Acquisition and Disposition of Real Property Policy adopted by the Board in Resolution No. 133 on February 22, 2017.

SECTION 2: EFFECTIVE DATE. This Resolution takes effect immediately.

CERTIFICATION

FULLER ROAD MANAGEMENT CORPORATION
RESOLUTION NO: 140

The undersigned, being a duly elected and qualifying officer of Fuller Road Management Corporation ("Corporation"), DOES HEREBY CERTIFY that the attached resolution constitutes a true and correct copy of a resolution adopted by the Board of Directors of the Corporation on _____, 2017, as it appears in the records of the Corporation in my possession as of the date hereof.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have signed this Certification on this ___ day of _____, 2017.

Name:

Title:

**RESTATED CERTIFICATE OF INCORPORATION
OF
FULLER ROAD MANAGEMENT CORPORATION**

UNDER SECTION 805 OF THE NOT-FOR-PROFIT CORPORATION LAW

Pursuant to the provisions of Section 805 of the Not-for-Profit Corporation Law of the State of New York, the undersigned, being the President of Fuller Road Management Corporation, does hereby certify as follows:

1. The name of the Corporation is: FULLER ROAD MANAGEMENT CORPORATION (the "Corporation").
2. The Corporation's certificate of incorporation was filed by the Department of State of the State of New York on September 27, 1993 under Section 402 of the Not-for-Profit Corporation Law of the State of New York.
3. A certificate of amendment of the certificate of incorporation of the Corporation was filed by the Department of State of the State of New York on May 19, 2005 under Section 803 of the Not-for-Profit Corporation Law of the State of New York.

~~4. A certificate of amendment of the certificate of incorporation of the Corporation was filed by the Department of State of the State of New York on January 29, 2016 under section 805 of the Not-for-Profit Corporation Law of the State of New York, as amended, is further amended to effect certain amendments authorized by the Not for Profit Corporation Law of the State of New York, specifically to (a) specify the current members of the Corporation, as set forth in paragraph SECOND, (b) to amend provisions regarding the regulation and conduct of the affairs of the Corporation, as set forth in paragraph SIXTH, (c) to clarify that the Corporation is a charitable corporation, as set forth in paragraph SEVENTH, and (d) to change the post office address to which the Secretary of State shall mail a copy of any process against the Corporation served upon him, as set forth in paragraph NINTH. This restated certificate of incorporation does not change or eliminate a purpose or power enumerated in the Corporation's certificate of incorporation, as amended, or add a power or purpose not enumerated therein.~~

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~~4.5. The certificate of incorporation of the Corporation, as amended, is further amended to clarify that the Corporation will work in cooperation with the New York Urban Development Corporation d/b/a Empire State Development in furtherance of Empire State Development's economic development mission.~~ The text of the certificate of incorporation, as amended heretofore, is hereby restated as further amended to read as follows:

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"FIRST: The name of the Corporation is: FULLER ROAD MANAGEMENT CORPORATION.

SECOND: The Corporation is a corporation comprised of the following members: The Research Foundation for the State University of New York (mailing address: P.O. Box 9, Albany, New York 12201), and SUNY Polytechnic Institute Foundation, Inc. (mailing address: 100 Seymour Road, Utica, New York 13502).

THIRD: The corporation is formed and shall be operated exclusively for the purpose of holding title to real estate, collecting income therefrom and turning the entire amount thereof, less expenses, to its member organizations, each of which is of the Internal Revenue Code of 1986, as amended (the "Code") No new organization shall become a member without the consent of all members

In furtherance of its purpose, the corporation shall have the following powers

(a) To the extent permitted under Section 501(c)(25) of the Code, to purchase, acquire, own, hold, sell, transfer, lease, mortgage, use, excavate, improve and develop lands, buildings and other real property improvements

(b) To the extent permitted under Section 501(c)(25) of the Code, to incur debt in the form of a mortgage, loan or other instrument to purchase, acquire, own, hold, sell, transfer, lease, mortgage, use, excavate, improve and develop lands, buildings and other real property improvements

In furtherance of its corporate purposes, to the extent permitted under Section 501(c)(25) of the Internal Revenue Code of 1986, the corporation shall have all powers enumerated in Section 202 of the Not-for-Profit Corporation Law.

FOURTH: Consistent with the purposes described in paragraph 3, above, the Corporation will work in cooperation with the New York State Urban Development Corporation d/b/a Empire State Development in furtherance of Empire State Development's economic development mission.

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FIFTH: The By-Laws of the Corporation shall be adopted, repealed or amended only by the vote of both Members of the Corporation.

FIFTHSIXTH: The Corporation is a corporation as defined in subparagraph (a)(5) of

Section 102 of the Not-for-Profit Corporation Law.

SIXTHSEVENTH: The following provisions are inserted for the regulation and conduct of the affairs of the Corporation:

(A) The Corporation shall not have any power, nor shall it engage in any activity, that would prevent the Corporation from qualifying (and continuing to qualify) as a corporation described in Section 501(c)(25) of the Code.

(B) The Corporation shall have no more than thirty-five (35) members, and each member must be an organization described in Section 501(c)(25)(C) of the Code.

(C) The Corporation shall never be operated for the purpose of carrying on a trade or business for profit. Neither the whole nor any part of the assets or net earnings of the Corporation shall ever be used, nor shall the Corporation ever be organized or operated, for purposes that are not exclusively within the meaning of Section 501(c)(25) of the Code.

(D) Except for distributions to members, no compensation or payment shall ever be paid or made to any officer, director, trustee, creator, organizer of or contributor to the Corporation except as a reasonable allowance for actual expenditures or services actually made or rendered to or for the Corporation.

(E) In the event of termination or dissolution of the Corporation, its remaining assets, if any, shall be distributed to (and only to) one or more organizations described in Section 501(c)(3) of the Code. In conformance with the foregoing, upon liquidation, preference for distribution of all assets remaining after paying or providing for creditors shall be given to The Research Foundation for the State University of New York for the benefit of SUNY Polytechnic Institute.

(F) Member(s) are permitted:

(1) to dismiss the Corporation's investment advisor(s), if any, upon a vote of the members holding a majority interest in the Corporation, and

(2) to terminate their interest in the Corporation by either:

(a) selling or exchanging their membership interests to another organization

described in section 501(c)(25)(C) of the Code, provided the sale does not result in an increase in the number of members above 35; or

(b) having their membership interest redeemed by the Corporation upon ninety (90) days' notice.

(G) Any references herein to any provision of the Internal Revenue Code of 1986 shall be deemed to mean such provision as now or hereafter existing, amended, or superseded, as the case may be.

SEVENTHEIGHTH: The Corporation is a charitable corporation under Section 201 of the Not-for-Profit Corporation Law.

~~Consistent~~

EIGHTHNINTH: -The principal office of the Corporation is to be located in the County of Albany, New York.

NINTHTENTH: The Secretary of State of the State of New York is designated as the agent of the Corporation, upon whom process against it may be served, and the post office address to which the Secretary of State shall mail a copy of any process is: c/o General Counsel, Fuller Road Management Corporation, 257 Fuller Road, Albany, New York 12203.”

~~5-6.~~ This restated certificate of incorporation was authorized by the unanimous written consent of the Corporation's members in accordance with Section 802 of the Not-for-Profit Corporation Law of the State of New York.

IN WITNESS WHEREOF, the Corporation, through its President, has executed this restated certificate of incorporation on March __, 2017.

Robert Megna, President

RESOLUTION OF THE BOARD OF DIRECTORS OF
FULLER ROAD MANAGEMENT CORPORATION

MARCH 23, 2017

RESOLUTION NO: 141

AUTHORIZATION TO ENTER INTO A REAL PROPERTY PURCHASE AGREEMENT
AND TAKE RELATED ACTIONS

WHEREAS, the Fuller Road Management Corporation (the "Corporation") was formed for the purpose of establishing the infrastructure to help facilitate research and economic development activities related to the research and educational mission of the State University of New York ("SUNY") and SUNY Polytechnic Institute ("SUNY Poly") by purchasing, selling, leasing, constructing, developing, and managing facilities; and

WHEREAS, the Corporation, in accordance with its mission and purpose, owns a parcel of land and improvements thereon in Canandaigua known as the Smart Systems Technology Center ("STC") at which one of the Corporation's members, the Research Foundation for the State University of New York (the "RF"), on behalf of SUNY Poly, operates a semiconductor- and wafer-manufacturing research and related foundry operation (the "Operation"); and

WHEREAS, the RF and Akoustis Technologies, Inc. ("Akoustis") have agreed to enter into an Asset Purchase Agreement (the "APA") pursuant to which the RF will agree to sell, transfer, assign, and convey tool, equipment, and other assets related to the Operation; and

WHEREAS, the Corporation, contemporaneously with and contingent upon the consummation of the APA, wishes to enter into a Definitive Real Property Purchase Agreement (the "RPA") with Akoustis, pursuant to which the Corporation would agree to sell STC to Akoustis at a price that is below the fair market value of the property after consideration of the appraisal and the significant factors justifying a sale below fair market value, including the preservation of current jobs and Akoustis' commitment to add or retain 220 jobs over a five year period, the continued use of the facility as a semiconductor facility, Akoustis' commitment to invest money into the facility for repairs and upgrades, the period of time that it would take to find another buyer; and

WHEREAS, the President and Chief Executive Officer of Empire State Development consents to the sale of the property to Akoustis on the terms and conditions set forth in the materials presented to the Board of Directors;

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

SECTION 1: The Board of Directors hereby determines that, based on the factors enumerated above, there is no reasonable alternative to the proposed transfer of the Property for below fair market value that would achieve the same purpose of such transfer.

SECTION 2: Accordingly, the Board of Directors hereby authorizes the Corporation to enter into the RPA with Akoustis substantially on the terms and conditions as set forth in the materials presented at this meeting.

SECTION 3: The Board of Directors hereby authorizes the President of the Corporation or his or her designee(s), in the name and on behalf of the Corporation, to execute and deliver the RPA and any and all related documents and to take all actions as he or she may in his or her discretion consider to be necessary or proper to effectuate the foregoing resolution.

SECTION 4: This Resolution shall take effect immediately.

CERTIFICATION

FULLER ROAD MANAGEMENT CORPORATION
RESOLUTION NO: 141

The undersigned, being a duly elected and qualifying officer of Fuller Road Management Corporation ("Corporation"), DOES HEREBY CERTIFY that the attached resolution constitutes a true and correct copy of a resolution adopted by the Board of Directors of the Corporation on _____, 2017, as it appears in the records of the Corporation in my possession as of the date hereof.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have signed this Certification on this ___ day of _____, 2017.

Name:

Title:

March 23, 2017

Mr. Michael Frame, Chair
Fuller Road Management Corporation
257 Fuller Road
Albany, New York 12203

Dear Mr. Frame:

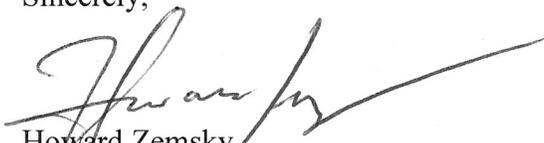
Pursuant to the Guidelines and Procedures for the Acquisition and Disposition of Real Property, the Fuller Road Management Corporation (“FRMC”) may not enter into a disposition of real property for less than fair market value without my consent.

The materials presented to this meeting (the “Materials”) describe a transaction (the “Transaction”) by which FRMC would sell a parcel of land and improvements thereon in Canandaigua, New York to Akoustis Technologies, Inc. for consideration that is below fair market value.

After reviewing the Materials, I believe that the purpose of the Transaction is within the purpose and mission of FRMC and that there is no reasonable alternative to the transaction that would achieve such a purpose.

Accordingly, I hereby consent to the Transaction.

Sincerely,


Howard Zemsky
President and CEO
Empire State Development



To: Fuller Road Management Corporation Board of Directors

Re: Sale of Smart Systems Technology Center

Background:

Fuller Road Management Corporation (“FRMC”) is the owner of a parcel of land and improvements thereon (the “Property”) located at 5440 and 5450 Campus Drive, Canandaigua, NY 14424. The Property includes a facility known as the Smart Systems Technology Center (“STC”). STC is approximately 120,000 square feet and includes over 26,000 square feet of cleanroom space and approximately 8,000 square feet dedicated to packaging. FRMC leases portions of STC to two tenants. The Research Foundation for the State University of New York (“RF”), on behalf of SUNY Polytechnic Institute (“SUNY Poly”), operates a semiconductor and wafer-manufacturing research and related foundry operation at STC and owns equipment, fixtures, supplies, and inventory located within (together, the “Equipment”). RF employs 31 people at STC.

FRMC and RF have reached an agreement to sell the Property and the Equipment to Akoustis Technologies, Inc. (“Akoustis”). Akoustis is a small public company located near Charlotte, North Carolina, and was founded in 2014 to develop single-crystal micro-electro-mechanical-systems-based Bulk Acoustic Wave resonators and Radio Frequency filter solutions for the mobile wireless and communications market. Akoustis plans to use STC, its first location in New York State, as a manufacturing facility. The sale will be structured as follows:

- RF will enter into an Asset Purchase Agreement (the “APA”) with Akoustis pursuant to which the RF will agree to sell, transfer, assign, and convey the Equipment for \$1 million.
- Contemporaneous with and contingent upon the consummation of the APA, FRMC will enter into a Definitive Real Property Purchase Agreement (the “RPA”) with Akoustis pursuant to which FRMC will sell the Property to Akoustis for \$1.75 million. Akoustis will face a penalty if it sells the property within three years of the date of purchase.

Should the transaction be approved, Akoustis plans on hiring all existing employees at STC and creating over 200 new jobs. Akoustis also plans to invest nearly \$20 million to improve the facility.

Compliance with Acquisition and Disposition of Real Property Policy:

The Acquisition and Disposition of Real Property Policy, adopted by the FRMC Board in Resolution No. 133 on February 22, 2017 requires that certain information be provided for the disposition of real property through a negotiation and for less than fair market value. This information is set forth below.



(1) Full Description of the Asset – The Property is a 57.4 acre parcel of land located at 5440 and 5450 Campus Drive in Canandaigua, New York which houses STC, a 122,425 square foot office and research and development facility.

(2) Appraisal of the Fair Market Value of the Asset – Based on an independent appraisal by Christopher J. Hall, President of the Appraisal Division at Binswanger, the appraised value of the Property is \$7.7 million. Mr. Hall indicated that, the appraised value would likely drop substantially if purchased for purposes other than as a semiconductor facility because of substantial renovation and equipment decommission costs.

(3) Description of the Transfer and a Reasonable Statement of the Kind and Amount of Benefit to the Public Resulting from the Transfer – The sale will allow Akoustis to use STC as a manufacturing facility for its product, thus continuing to use STC in a manner similar to its present use with the same resultant benefits to the community. Akoustis will hire all RF staff currently employed at STC and assume the two existing leases, thereby allowing the tenants to retain their staff. Further, Akoustis will commit to creating over 200 new jobs at STC and investing nearly \$20 million to improve the facility.

(4) Statement of the Value to be Received Compared to the Fair Market Value – FRMC will receive \$1 million in exchange for the Property. Additionally, Akoustis will commit to the creation and retention of jobs located at STC and capital improvements to the facility as described in these materials. It is clear that the benefits of the sale outweigh the costs of selling the Property and Equipment for below fair market value.

(5) Names of Private Parties Participating in the Transfer – Akoustis Technologies, Inc.

(6) Names of Private Parties who have made an Offer for such Asset – No other offer has been received.

(7) Statement of Disposal by Negotiation – Akoustis reached out to FRMC and a number of government agencies to express an interest in properties located in the Rochester area. FRMC chose to engage in negotiations that led to this proposed transfer.

(8) Approvals – FRMC President Robert Megna and Contracting Officer Scott Bateman approve this proposed sale. The FRMC Finance Committee also recommends approval of the proposed sale. In addition, Howard Zemsky, President and Chief Executive Officer of Empire State Development consents to the sale, finding that the purpose of the transfer is within the purpose or mission of FRMC and that there is no reasonable alternative to the proposed below market transfer that would achieve the same purpose of the transfer.

Requested Action:

The Board is being requested to approve a resolution authorizing the President to sell the Property to Akoustis for \$1.75 million and to take related actions to implement the resolution.



To: Fuller Road Management Corporation Board of Directors

Re: Proposed Lease Agreement- Norsk Titanium US. Inc.

- 1) **Description of Property:** 257 Fuller Road, Albany, NY; NanoFab East Building. Second Floor office space on rotunda. Room 2302.
- 2) **Tenant:** Norsk Titanium US Inc. 44 Martina Circle, Plattsburgh, New York 12901. Norsk Titanium US Inc. is a subsidiary of Norsk Titanium AS based in Oslo, Norway. Norsk is the world's pioneering supplier of aerospace-grade, additive manufactured, structural titanium components.
- 3) **Lease Term:** 407 sq. ft.; \$27.50/ sq.ft. Thirty-two (32) months including yearly CPI escalations
- 4) **Fair Market Value:** The proposed lease represents less than 0.2% of the total building therefor an appraisal of the fair market value of the asset is not practical. Staff has determined that lease meets fair market value based on other existing leases in the building and comparison to other local real estate.
- 5) **Associated Costs for Site Preparation:** None.
- 6) **Associated Costs of Lease:** Lease is all-inclusive of utilities and some janitorial services.
- 7) **Use of Space:** Norsk is in the process of developing a \$125 million facility to make aerospace-grade aviation components at their new Plattsburgh Demonstration & Qualification Center (PDQC). The PDQC facility is funded by a Norsk Titanium investment and Empire State Development. The office here at SUNY Poly will be a satellite office for a small number of employees in the Capital Region.
- 8) **Additional Information:** Norsk had previously signed a lease in ZEN for 2500 sq. ft. They had never finalized a design or commenced construction. At the same time the company's plans in Plattsburgh evolved allowing them to shrink their office needs here in Albany. We have been able to keep them on campus in a smaller space and recapture their previous space in ZEN for a larger tenant who has taken almost the entire 2nd floor of ZEN.
- 9) **Action Required:** We are requesting the Board to terminate the existing lease with Norsk in ZEN and approve the new lease in NFE.