

AMENDED AND RESTATED
MEMORANDUM OF UNDERSTANDING
BETWEEN
BROOKLYN PUBLIC LIBRARY AND THE CITY OF NEW YORK
REGARDING FUNDING FOR THE BROOKLYN PUBLIC LIBRARY'S POTENTIAL DISPOSITIONS

THIS MEMORANDUM OF UNDERSTANDING (“MOU”) dated the 16 day of June 2017, between Brooklyn Public Library (“BPL”) and The City of New York (“City”), acting by and through its Office of Management and Budget (“OMB”), sets forth the mutual understanding of the parties for the purposes of potential site dispositions (“Potential Dispositions”).

WHEREAS, BPL and the City previously entered into a Memorandum of Understanding, dated May 21, 2013 (the “2013 MOU”), which provided a general framework for the funding associated with Potential Dispositions; and

WHEREAS, BPL and the City believe that the 2013 MOU should be updated to reflect the parties’ current understanding with respect to Potential Dispositions; and

WHEREAS, it is the City’s intention to provide BPL with 100% of the Proceeds from the disposition of any City-owned library building in the Borough of Brooklyn.

NOW, THEREFORE, the Parties hereby agree as follows:

1. **Prior Drafts:** The 2013 MOU is hereby replaced and superseded by this MOU.
2. **Approvals:** BPL will consult with and obtain approval from OMB, and other necessary agencies as required, prior to any actual dispositions.
3. **City Rules and Consents:** BPL will follow City rules and regulations with respect to the disposition of all City-owned real property. Prior to any disposition of any such property, the City and BPL will have obtained all necessary consents and legal opinions confirming the legality of such disposition.
4. **Approved Uses of Funds:** The parties agree that the Potential Dispositions are designed to help reduce BPL’s deferred capital maintenance costs and operating costs related to BPL’s real estate needs. As a result, any proceeds from any such disposition (“Proceeds”) will be used to improve the physical plant and infrastructure of BPL’s buildings and to reimburse BPL for direct expenses incurred by BPL directly related to the dispositions including, but not limited to, real estate consulting services, assessments, environmental studies, and legal fees, provided that such expenses have been approved by OMB.
5. **Mechanisms for the Transfer of Funds:** All dispositions of Proceeds shall be made according one of the following mechanisms:
 - (a) For proceeds received by the City, in one of the following ways, as determined by the City:
 - i. As an allocation of City expense funding, subject to appropriation.
 - ii. As an allocation of City capital funding, subject to appropriation. At its discretion, OMB may authorize, subject to appropriation, an advance of anticipated funding to BPL prior to the City’s receipt of Proceeds for any particular disposition. In that event, such funding shall be designated in writing as a funding advance on the disposition Proceeds.
 - (b) At the direction of the City, a portion of the Proceeds may be paid directly or otherwise contributed to BPL by the New York City Economic Development Corporation or the purchaser of the property.

6. **Segregation of Funds:**

- (a) BPL will hold any Proceeds received separate and apart from its main operating funds.
- (b) OMB will establish a separate budget line (LB-0101) within the Mayor's proposed Capital Budget for BPL for any capital funding the City is to provide.

7. **Reporting:** BPL agrees to provide OMB with an annual report delineating the commitment and expenditure of the Proceeds received pursuant to this MOU at the close of each fiscal year. In addition, BPL agrees to provide OMB with quarterly reports showing (i) the current schedule for completion of the projects to be paid for with the Proceeds and with funds provided by the City pursuant hereto, and (ii) the current budget for the projects to be paid for with the Proceeds and funds provided by the City pursuant hereto, in each case in a format approved by OMB highlighting any changes from previously submitted reports.

8. **Initial Sites at Time of Execution of this MOU:** Two initial sites to be disposed of, the Brooklyn Heights Branch and the Sunset Park Branch, are memorialized in Appendix A and Appendix B hereto. Future specific sites to be disposed of and the proportional allocation of Proceeds between cash and capital funds, if any, will be memorialized in future appendices to this MOU in the form attached hereto as Exhibit I, which shall be executed by BPL and by OMB.

IN WITNESS WHEREOF, the parties hereto have duly executed this MOU as of the day and year first written above.

BROOKLYN PUBLIC LIBRARY

By: 
Name: Brett D. Robinson
Title: Executive Vice President, Finance and Administration

THE CITY OF NEW YORK
OFFICE OF MANAGEMENT AND BUDGET

By: 
Name: Dean Fuleihan
Title: Director

Form of Appendix to Memorandum of Understanding, dated _____ 20__, between Brooklyn Public Library and The City of New York, acting by and through its Office of Management and Budget

1. Disposition Location:
2. Form of Distribution to BPL:
3. Purposes for which Proceeds to BPL will be used:

BROOKLYN PUBLIC LIBRARY

By: _____
Name:
Title:

THE CITY OF NEW YORK
OFFICE OF MANAGEMENT AND BUDGET

By: _____
Name:
Title:

Appendix A to Memorandum of Understanding, dated 6/16 2017, between Brooklyn Public Library and The City of New York, acting by and through its Office of Management and Budget

Brooklyn Heights

1. Disposition Location: The Brooklyn Heights Library, having its address at 280 Cadman Plaza, Brooklyn, NY 11201
2. Form of Distribution to BPL:
 - \$22 million as a payment from the New York City Economic Development Corporation;
 - \$30 million as a capital appropriation from the City.
3. Eligible Projects for which the \$22 million in Proceeds to BPL referred to above will be used:
 - Interior fit-out of the Brooklyn Heights branch, including soft costs and initial outfitting
 - Interior fit-out of the Sunset Park branch, including soft costs, initial outfitting, and swing space
 - Other branch library projects, as mutually agreed between OMB and BPL

Appendix B to Memorandum of Understanding, dated 6/16 2017, between Brooklyn Public Library and
The City of New York, acting by and through its Office of Management and Budget

Sunset Park

1. Disposition Location: Sunset Park Library, having its address at 5108 4th Avenue, Brooklyn, NY 11220
2. Form of Distribution to BPL:
None; the developer is contributing building services equivalent to the Fair Market Value of the development rights, which will result in a 20,755 square foot, fit-out ready core and shell at no cost to the Library.
3. Eligible Projects for which Proceeds to BPL will be used:
None; see above.