

# City of Albany Industrial Development Agency

21 Lodge Street  
Albany, New York 12207  
Telephone: (518) 434-2532  
Fax: (518) 434-9846

Tracy Metzger, *Chair*  
Susan Pedo, *Vice Chair*  
Darius Shahinfar, *Treasurer*  
C. Anthony Owens, *Secretary*  
Lee Eck  
Dominick Calsolaro  
Robert Schofield

Sarah Reginelli, *Chief Executive Officer*  
Mark Opalka, *Chief Financial Officer*  
William Kelly, *Agency Counsel*

To: Anthony Owens  
Darius Shahinfar  
Susan Pedo  
Tracy Metzger  
Lee Eck

Cc: Robert Schofield  
Dominick Calsolaro

Sarah Reginelli  
Mark Opalka  
John Reilly  
Joe Scott  
Joe Landy  
Andy Corcione  
Chantel Burnash

Date: January 13, 2017

## IDA FINANCE COMMITTEE AGENDA

PLEASE NOTE THAT A PUBLIC HEARING CONCERNING THE FOLLOWING PROJECT(S) WILL BE HELD AT  
12:00pm on Wednesday, January 18<sup>th</sup>, 2017 at 21 Lodge St, Albany, NY 12207  
ValuSpace Albany, LLC

**A meeting of the Finance Committee of the City of Albany Industrial Development Agency will be held on Wednesday, January 18<sup>th</sup> at 12:15 PM at 21 Lodge Street, Albany, NY 12207 (Large Conference Room).**

### Roll Call

**Reading of Minutes of the Finance Committee Meeting of December 7, 2016**

**Approval of Minutes of the Finance Committee Meeting of December 7, 2016**

### Report of Chief Financial Officer

A. Quarterly Budget Report

### Unfinished Business

- A. ValuSpace Albany, LLC (40 N Russell Rd)
- Discussion
  - Positive/Negative Recommendation to Board

### New Business

- A. Property Acquisition/Disposition Report
- B. Annual Investment Report

### Other Business

A. Agency Update

### Adjournment

The next regularly scheduled Finance Committee meeting will be held Wednesday, February 8, 2017 at 21 Lodge Street, Albany, NY. Please check the website [www.albanyida.com](http://www.albanyida.com) for updated meeting information.

# Albany Industrial Development Agency

21 Lodge Street  
Albany, New York 12207  
Telephone: (518) 434-2532  
Fax: (518) 434-9846

Tracy Metzger, *Chair*  
Susan Pedo, *Vice Chair*  
Darius Shahinfar, *Treasurer*  
C. Anthony Owens, *Secretary*  
Lee Eck  
Dominick Calsolaro  
Robert Schofield

Sarah Reginelli, *Chief Executive Officer*  
Mark Opalka, *Chief Financial Officer*  
John Reilly, *Agency Counsel*

## IDA MINUTES OF FINANCE COMMITTEE MEETING Wednesday, December 7, 2016

Attending: Tracy Metzger, Lee Eck and Darius Shahinfar

Absent: C. Anthony Owens and Susan Pedo

Also Present: Dominick Calsolaro, Nadene Ziegler, John Reilly, Sarah Reginelli, Brad Chevalier, Mark Opalka, Andy Corcione, Mike Bohne, and Chantel Burnash

Acting Chair Tracy Metzger called the Finance Committee meeting of the IDA to order at 12:20 PM.

### Roll Call

Acting Chair Tracy Metzger reported that all Committee members were present, with the exception of C. Anthony Owens and Susan Pedo.

### Reading of Minutes of the November 9, 2016 Finance Committee Meeting

Since the minutes of the previous meeting had been distributed to Committee members in advance for review, Acting Chair Tracy Metzger made a proposal to dispense with the reading of the minutes.

### Approval of Minutes of the November 9, 2016 Finance Committee Meeting

Acting Chair Tracy Metzger proposed to approve the minutes of the Finance Committee meeting of November 9, 2016. Darius Shahinfar moved, seconded by Lee Eck, to accept the minutes as presented. The Members voted unanimously in favor and the motion carried.

### Unfinished Business

None.

### New Business

#### ValuSpace Albany, LLC (40 N Russell Road) – Project Introduction and Positive/Negative Recommendation for Public Hearing

Staff advised the Committee that ValuSpace Albany, LLC is seeking sales tax exemption and mortgage recording tax exemption. The Applicant was present to provide an introduction of the proposed project at 40 North Russell Road, which includes the construction of a 90,000 square foot storage facility. The project consists of a three-story, temperature controlled self-storage facility with a rental office and retail

space for the sale of moving and packing supplies. The site will be landscaped, fenced and gated to control access. The Applicant does not expect the project to have an impact on traffic volume. The Applicant plans to partner with developers to market the storage units to residential tenants.

A motion to move the project to the next full Board meeting with positive recommendation for consideration of a public hearing resolution was made by Darius Shahinfar and seconded by Lee Eck. A vote being taken, the motion passed unanimously.

The Committee raised concerns relating to the assistance sought by ValuSpace Albany LLC. The Committee discussed such concerns at length and expected further discussion on the matter at the next Board meeting.

Albany Medical Science Research LLC – Post Closing Administrative Request

Staff informed the Committee that Albany Medical Science Research, LLC is requesting the consent of the Agency to lease to a sub-tenant that specializes as a medical services provider. Staff advised the Committee that this is an administrative matter. A representative for Albany Medical Science Research, LLC was present to discuss the request and the activities of the proposed tenant.

A motion to approve the request for consent of the new sub-tenant was made by Lee Eck and seconded by Darius Shahinfar. A vote being taken, the motion passed unanimously.

**Other Business**

Contract for Services 2016 CRC – Review

Staff informed the Committee that after review of the current City of Albany IDA and City of Albany CRC contract for services agreement, the current amount the CRC is projected to pay exceeds the cost of administering the CRC. The Committee reviewed the fee owed to the Agency for 2016 and expressed a desire to more accurately reflect cost of services. The Committee proposed to reconcile the agreement for services rendered that should be considered by Board at next meeting.

Agency Update

Staff will begin to draft an RFP to establish a qualified pool of consultants to analyze project applicants that do not qualify within the Project Evaluation and Assistance Framework.

Staff updated the Committee on the Public Information Session on City of Albany Industrial Development Agency Project Evaluation and Assistance Framework held the previous day. Staff informed the Committee that it was well attended and there was positive feedback on the predictability of the framework.

There being no further business, Acting Chair Tracy Metzger adjourned the meeting at 12:56 PM.

Respectfully submitted,

---

C. Anthony Owens, Secretary

**City of Albany Industrial Development Agency  
Statement of Revenue and Expenses to Budget  
For the Quarter Ended December 31, 2016**

	4th Qtr Actual	4th Qtr Budget	Variance	2016 YTD Actual	2016 YTD Budget	Variance	Annual Budget
<b>Revenues:</b>							
Agency Fees	\$ 52,000	\$ 483,046	\$ (431,046)	\$ 225,288	\$ 839,783	\$ (614,495)	\$ 839,783
Interest	2,430	125	2,305 <sup>(1)</sup>	10,750	499	10,251 <sup>(1)</sup>	499
Total Revenues	<u>54,430</u>	<u>483,171</u>	<u>(428,741)</u>	<u>236,038</u>	<u>840,282</u>	<u>(604,244)</u>	<u>840,282</u>
<b>Expenses:</b>							
Professional Service Contracts	99,610	134,146	(34,536) <sup>(2)</sup>	450,762	407,582	43,180 <sup>(2)</sup>	407,582
Sub-lease AHCC	16,241	37,500	(21,259)	48,639	75,000	(26,361)	75,000
Economic Development Support	62,500	162,500	(100,000)	250,000	350,000	(100,000)	350,000
Other Miscellaneous	1,140	2,250	(1,110)	3,752	6,000	(2,248)	6,000
Insurance	-	-	-	1,526	1,700	(174)	1,700
Total Expenses	<u>179,490</u>	<u>336,396</u>	<u>(156,906)</u>	<u>754,679</u>	<u>840,282</u>	<u>(85,603)</u>	<u>840,282</u>
<b>Excess of Revenues over expenses</b>	<u><u>\$ (125,060)</u></u>	<u><u>\$ 146,775</u></u>	<u><u>\$ (271,835)</u></u>	<u><u>\$ (518,640)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (518,640)</u></u>	<u><u>\$ -</u></u>

(1) Variance attributable to the agency changing banking institution in late 2015

(2) Variance attributable to the Board resolutions dated January 28, 2016 and April 21, 2016 approving a contract and contract extension with W-ZHA, Inc. for development and advisory services.

**TO:** City of Albany Industrial Development Finance Committee

**FROM:** City of Albany Industrial Development Agency Staff

**RE:** ValuSpace Albany LLC - IDA Application Summary

**DATE:** January 13, 2017

*Staff Notes:*

*This project summary is in response to the request for financial assistance which was introduced at the December 7, 2016 Finance Committee meeting. Please note this project summary will continue to be updated as the project progresses through staff review and Agency consideration.*

**Applicant:** ValuSpace Albany, LLC

**Managing Members (% of Ownership):** Jack Rosenblum Irrev. Trust 99.0% and Seth Rosenblum 1.0%

**Project Location:** 40 N. Russell Rd

**Project Description:** The project consists of the construction of a new +/- 90,000 SF, 3-story, temperature controlled self-storage facility containing a rental office and retail space for the sale of moving and packing supplies. The site will be landscaped, fenced, gated to control access in addition to an IP security camera system. The facility will include +/- 15 parking spaces. An underutilized +/- 27,000 SF structure on the site was removed in November 2016.

**Estimated Project Cost:** \$6,306,193 (estimated amount incurred to date: \$1,315,000)

**Type of Financing:** Straight Lease

**Amount of Bonds Requested:** None

**Estimated Total Purchases Exempt from Sales Tax:** \$4,414,335

**Estimated Total Mortgage Amount:** \$5,044,954

**Current Total Assessment:** \$746,000 (Per City of Albany Commissioner of Assessment and Taxation and on the 2016 Assessment Roll).

**Estimated Improved Total Assessment:** \$1,508,000 (Per City of Albany Commissioner of Assessment and Taxation)

**Requested PILOT:** N/A (Applicant is seeking as-of-right 485b through the City of Albany.)

**Estimated Value of Total PILOT Payments:**

- Total PILOT Payments: N/A

**Estimated Value of Tax Exemptions:**

- NYS Sales and Compensating Use Tax: \$353,147
- Mortgage Recording Taxes: \$63,062
- Real Property Taxes: N/A
- Other: N/A

**Employment Impact:**

- Projected Permanent: 2 jobs (1.5 full-time equivalents)
- Projected Retained: 0 jobs
- Projected Construction: 31 jobs

**Strategic Initiatives:**

- Albany 2030
  - Increase job opportunities for all residents.
  - Encourage investment in urban land and buildings for employment and housing.

**Planning Board Actions:**

- Applicant appeared before the Planning Board and received Site Plan Approval on September 15, 2016.

**Estimated IDA Fee**

- Fee amount: \$31,531

**Mission**

- The purpose of the Industrial Development Agency is to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, research and recreation facilities. The Agency aims to protect and promote the health of the inhabitants of the City of Albany by the conservation, protection and improvement of the natural and cultural or historic resources and environment and to control land, sewer, water, air, noise or general environmental pollution derived from the operation of industrial development.

City of Albany  
**Industrial Development Agency**

**21 Lodge Street  
Albany, New York 12207  
(p): 518.434.2532  
(f): 518.434.9846**

*Tracy Metzger, Chair*  
*Susan Pedo, Vice Chair*  
*Darius Shahinfar, Treasurer*  
*C. Anthony Owens, Secretary*  
Lee Eck  
Dominick Calsolaro  
Robert Schofield

*Sarah Reginelli, Chief Executive Officer*  
*Mark Opalka, Chief Financial Officer*  
*John Reilly, Agency Counsel*

In accordance with Section 2896(3) of PAL, the Agency is required to prepare a report at least annually of all real property of the Agency.

Real Property owned as of December 31, 2016: NONE

---

Mark Opalka, Chief Financial Officer  
City of Albany Industrial Development Agency

City of Albany  
**Industrial Development Agency**

21 Lodge Street  
Albany, New York 12207  
(p): 518.434.2532  
(f): 518.434.9846

Tracy Metzger, Chair  
Susan Pedo, Vice Chair  
Darius Shahinfar, Treasurer  
C. Anthony Owens, Secretary  
Lee Eck  
Dominick Calsolaro  
Robert Schofield

Sarah Reginelli, Chief Executive Officer  
Mark Opalka, Chief Financial Officer  
John Reilly, Agency Counsel

**City of Albany Industrial Development Agency  
Annual Investment Report  
For the Year-Ending 12/31/16**

As required by the City of Albany IDA's (the Agency) investment policy, the annual investment report is hereby submitted for your review. The following chart identifies the depositories of Agency funds as well as balances invested at year-end.

The National Union Bank of Kinderhook 1 Hudson Street Kinderhook, NY 12106	\$1,867,362
--	-------------

All Agency funds are held in either a money market or checking account at each of the financial institutions listed above and are either covered by FDIC insurance or collateralized. While not included in the New York State Authorities Budget Office definition of "investments," these holdings are considered "investments" by the Agency's policy manual. A summary of the activity in the Agency's checking and money market accounts for the year-ending December 31, 2016 is as follows:

**Checking Accounts**

	<u>Kinderhook Bank</u>
Beginning Balance 1/1/16	\$ 141,834
Additions during year	990,701
Withdrawals during year	1,079,035
Interest Earned	<u>0</u>
Ending Balance 12/31/16	<u>\$ 53,500</u>



**Money Market Accounts**

	<u>Kinderhook Bank</u>
Beginning Balance 1/1/16	\$2,190,005
Additions during year	357,986
Withdrawals during year	744,879
Interest Earned	<u>10,750</u>
Ending Balance 12/31/16	<u>\$1,813,862</u>

Please note that a detailed summary of the cash activity of the Agency is provided at each Board meeting.

**Interest Income:**

Interest income for 2016 was equal to \$10,750, about \$10,509 more than 2015 interest income of \$241. This increase in interest income was a result of a higher rate of interest being earned on the Agency's balances in 2016.

**Annual Audit:**

The firm of Teal, Becker & Chiarmonte has been engaged to perform an audit of the 2016 financial activity of the Agency. As part of this engagement, Teal, Becker & Chiarmonte will audit the balances of the Agency's depository accounts. This audit is expected to be completed in March 2017.