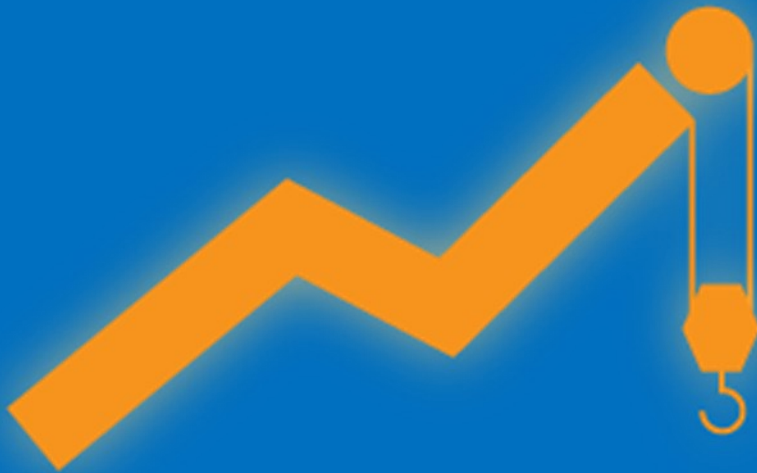




2016 Year in Review

**City of Albany
Industrial Development Agency (CAIDA) &
Capital Resource Corporation (CACRC)**

Presented September 27, 2017



Albany 2030

Comprehensive Plan for the City of Albany

VISION

Albany in 2030 has built on its history and diverse natural, cultural, institutional, and human resources to become a global model for sustainable revitalization and urban livability. The City promotes a balanced approach to economic opportunity, social equity, and environmental quality that is locally driven, encourages citizen involvement and investment and benefits all residents.



Mission, Purpose & Powers

City of Albany Industrial Development Agency (CAIDA)

MISSION

The mission of the City of Albany Industrial Development Agency (CAIDA) is to assist in the enhancement and diversity of the economy of the City of Albany by acting in support of projects within the City that create and/or retain jobs and/or promote private sector investment utilizing the statutory powers of the Agency as set forth under the provisions of the laws of the State of New York.

PURPOSE

The City of Albany established CAIDA in 1974 to support various types of projects that advance the job opportunities, health, general prosperity and/or the economic welfare of the people of the City of Albany.

POWERS

CAIDA is authorized and empowered by the provisions of the laws of New York State to, among other things: acquire, own, lease and dispose of property as well as provide certain financial assistance to qualifying projects. CAIDA can provide conduit bond financing, real property tax exemptions, mortgage recording tax exemptions and sales and use tax exemptions to qualifying projects for the purpose of promoting, developing, encouraging and assisting in the acquisition, construction, reconstruction, improvement, maintenance, equipping and/or furnishing of commercial facilities - among others.

CAIDA is governed by a board of seven members appointed by the City of Albany Common Council. CAIDA reports on an annual basis to the Office of the New York State Comptroller and the New York State Authorities Budget Office. CAIDA also reports on its activities to the City of Albany Common Council.

Albany Tax Structure & Budgetary Impacts

City of Albany Industrial Development Agency (CAIDA)

TAX STRUCTURE

The tax structure within the City of Albany poses a challenge for attracting and retaining investment and businesses. One reason is that approximately 63% of assessed property in the City is tax-exempt, one of the highest proportions among cities within New York State (New York State Comptroller, 2014 Fiscal Profile). This imbalance places more pressure on the taxable properties to generate the City's real property tax revenues. Another challenge is that the City of Albany and its School District use the homestead tax option, authorized by the New York State Real Property Tax Law. Under the homestead option, there are two separate real property tax rates, one rate for commercial properties (the non-homestead rate) and one rate for residential properties (the homestead rate). Of the 1,545 cities, towns and villages located in NYS, only 48 municipalities use this option. In 2016, the City of Albany's tax rate for non-homestead property was 30% higher than the homestead property tax rate and the City of Albany School District tax rate for non-homestead property was 32% higher than the homestead property tax rate. According to the Office of the New York State Comptroller's 2014 Fiscal Profile of the City of Albany, "the disparity between the homestead and non-homestead tax rates places pressure on local businesses that could impact local development." This structure places Albany at a competitive disadvantage, vying for a regional market with neighboring municipalities that offer significantly lower real property tax rates. Overall, Albany has the second highest commercial property tax rate in the Capital Region, comparable to Schenectady and considerably higher than its neighbors. The aim of CAIDA assistance is to mitigate these challenges and level the playing field.

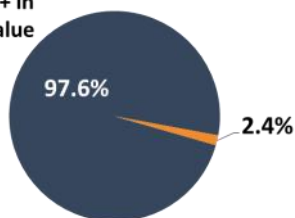
BUDGETARY IMPACTS

As a part of Impact Downtown Albany in 2014, Sarah Woodworth of W-ZHA, Inc. a national development advisory firm established in 1975 specializing in redevelopment, financial feasibility and public financing, found that new market-driven development would have neutral or positive fiscal impacts on City of Albany revenues, even with maximum continued tax abatement incentives in place. W-ZHA analyzed maximum possible estimates of the added costs of new development to City of Albany services, including police and fire services and taking into account minimum revenues with a tax abatement program in place. The study found a net gain to City of Albany revenues overall. The impact would also have a net positive gain on County and New York State revenues. This analysis does not include the additional indirect and induced benefits resulting from new consumers and businesses.

Furthermore, in order to fully understand the budgetary impact of the Agency's decisions, it is important to place the effect of CAIDA tax exemptions in context of the broader taxation structure of the City of Albany. CAIDA assisted projects make up approximately 2.4% of assessed property value in the City of Albany compared to approximately 61% of assessed property value in the City Albany exempted from taxes for other reasons not associated with CAIDA (i.e. NYS, city, non-profit owned property among other reasons). Furthermore, CAIDA assisted projects make payments in lieu of taxes and when you take into account these PILOT payments, the value exempted is further reduced from 2.4% to less than 1.3% of the city-wide assessed property value. These trends hold for 2014, 2015 and 2016.

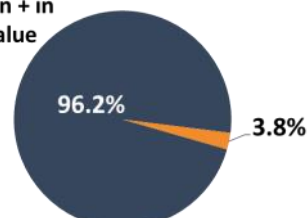
■ Total City of Albany Assessed Property Values
■ IDA Exempt

**\$13 Billion + in
assessed value**



■ Total City of Albany Exempt
■ IDA Exempt

**\$8.2 Billion + in
exempt value**



Performance Measures

City of Albany Industrial Development Agency (CAIDA)

EFFECTIVENESS

Assistance by CAIDA catalyzed over \$292 million in estimated capital investments from 2014-2016. CAIDA, among other things, has assisted with the transformation of vacant, underutilized and/or tax-exempt properties into income producing properties. For example, out of the 23 projects assisted by the CAIDA from 2014-2016, all were previously either vacant, underutilized and/or tax-exempt. This investment increases the value of the real property, and as such, taxing jurisdictions will receive significantly more revenues over the life of the PILOTs than if the properties had remained as-is. Furthermore, from 2014-2016, CAIDA assisted projects are expected to generate an estimated 1,258 construction jobs and 1,074 new or retained permanent jobs. The effect of \$292 million in investment has both one time and ongoing annual economic benefits that flow through the local economy in the form of indirect and induced benefits. In order to further benefit the local economy, CAIDA shapes private sector decisions through administrative policies such as including job creation as a criteria in the project review and encouraging the private sector to hire local workers through CAIDA's Local Labor Policy.

Effectiveness:	2016 ⁽²⁾	2015	2014
# of New Projects Assisted (Closed) ⁽¹⁾	1	7	15
Units of Affordable Housing Assisted (Closed)	-	-	342
Estimated Capital Investment Assisted	> \$6,700,000	> \$103,700,000	> \$182,000,000
Projected Construction Jobs	15	440	803
Projected New Jobs/Retained Jobs	-	487	587
Estimated Net Revenues to Taxing Jurisdictions (Over Life of PILOT) ⁽³⁾	-	> \$9,500,000	> \$15,500,000

Notes:

1) Not all projects close in the year approvals received.

2) Totals do not include 6 projects approved in 2016 that have not closed as of 12/31/2016. They account for 137 units of affordable housing, >\$94.3 M in capital investments, 420 construction jobs, 40 new/retained jobs and >\$12.6 M in estimated net revenues to taxing jurisdictions

3) 2016 Project did not receive real property tax exemption through CAIDA.

EFFICIENCY

CAIDA does not receive city, county, state, federal or any other public funds to support its operations. Rather, CAIDA funds its own operations by charging fees to project applicants. While CAIDA does not have a staff of its own, CAIDA operations are supported through a professional services agreement (staff, office space, supplies, etc.) with Capitalize Albany Corporation, the City of Albany's economic development organization. As is detailed on page 5 of this report, CAIDA ranked favorably when comparing "expenses per job gained" and "expenses per project" to other IDA's statewide. In both "expenses per job gained" (\$131) and "expenses per project" (\$7,974), CAIDA reported lower expenses than the statewide average by over \$1,700 per job gained and \$31,000 per project respectively.

CAIDA's financial audit is performed annually by an independent certified public accountant (CPA) within 90 days of the close of its fiscal year. In 2016, CAIDA received an "unqualified opinion," the best opinion an auditor can give as it represents a clean audit.

Efficiency:	2016	2015	2014
Income ⁽¹⁾	\$187,538	\$1,186,999	\$1,934,171
Operating Expenses ⁽²⁾	\$722,419	\$757,506	\$686,795
Excess of Fee over Operating Expenses	(\$534,881) ⁽⁴⁾	\$429,493	\$1,247,376
Net Assets	\$1,792,881	\$2,327,762	\$1,898,268
Auditors Opinion	Unqualified ⁽³⁾	Unqualified ⁽³⁾	Unqualified ⁽³⁾

Notes:

1) Not all projects close in the year approvals received. Agency fee paid upon project closing.

2) For the reporting years shown Agency paid a total of \$205,144 in operating costs for Arbor Hill Community Center and over \$942,000 since 2003.

3) An "Unqualified Opinion" is the best opinion an auditor can give as it represents a clean audit.

4) City of Albany IDA approved 6 additional projects estimating \$810,116 in revenue that postponed closing beyond 2016.

STATEWIDE COMPARISONS

For the reporting year 2015, CAIDA compares favorably amongst its statewide counterparts according to the most recent annual report issued by the Office of the New York State Office of the State Comptroller (OSC) which analyzes the activities of 109 New York State IDAs. The annual report released in March of 2017 helps compare the City of Albany IDA in relation to its statewide counterparts.

- A strong investment in the City of Albany's economy is shown through the total value of projects that were catalyzed by assistance through the City of Albany IDA. Supported City projects in total were valued at \$1.31 billion, which is more than double the average total investment created by IDAs statewide.
- Regarding payments in lieu of taxes (PILOTs), the City of Albany IDA generated \$4.3 million, which is higher than its statewide counterparts.
- On a per project level, the City of Albany IDA's project exemptions are \$120,175 less per project compared to the statewide average. That is 59% lower than the average exemption per project on a statewide level.
- In relation to job creation, the City of Albany IDA's net tax exemptions per job gained were also 79% lower than the average for IDAs statewide, and this is without negatively impacting job creation numbers. Estimated net job changes from Albany IDA supported projects were shown to be much greater, with 5,766 jobs created – more than three times the average for IDAs statewide.
- The City of Albany IDA also ranked favorably when measuring efficiency. In both expenses per job gained (\$131) and expenses per project (\$7,974) the IDA performed more efficiently, with lower expenses than the statewide averages by nearly \$1,878 per job and \$31,697 per project respectively.

A similar favorable comparison was evident as part of the 2012, 2013 and 2014 OSC annual reports. The OSC annual IDA performance report lags behind the reporting year as the OSC collects data and performs the necessary analyses. Thus the OSC annual IDA performance report for 2016 will be released in the Spring of 2018. The City of Albany IDA has consistently implemented OSC recommended best practices, improving processes, procedures and project evaluation methods further.

Accountability, Integrity & Transparency

City of Albany Industrial Development Agency (CAIDA)

GOVERNANCE

CAIDA is governed by a seven member board who executes direct oversight of the Agency.

REPORTING

CAIDA reports on an annual basis to the Office of the New York State Office of the State Comptroller (OSC) and the New York State Authorities Budget Office (ABO). CAIDA is required to complete an annual report for the OSC and ABO known as the PARIS report (Public Authority Reporting Information System) along with a financial audit prepared by an independent, certified public accountant by March 31st for the previous fiscal year. CAIDA also reports on its activities to the City of Albany Common Council.

PROJECT REVIEW

CAIDA project review involves a rigorous process with a typical timeframe of 3-6 months between application submittal, analysis and discussion and approval consideration. During the process, a project will be discussed at a number of open, public meetings (including Finance Committee and Board) and a public hearing. The number of meetings varies depending on the complexity of the project. The robust process can be summarized into three stages: Application & Presentation, Analysis & Public Comment, and Review & Decision.

Stage One: Application and Presentation

This stage begins with the receipt of an application. Staff reviews the application for completeness, requests any missing documentation and provides initial observations to the applicant. Once an application is complete, the applicants make a preliminary presentation to the Finance Committee and Board. At this time, the Finance Committee and Board are able to provide their initial observations, request specific pieces of supplemental information and provide initial direction to staff for analysis.

Presented to the Board:

Complete Application

Applicant project overview presentation to Finance Committee/Board

Community Benefits Letter

Stage Two: Analysis and Public Comment

During this stage, staff conducts an analysis of the requested assistance. In addition to the standard analysis, staff also solicits and analyzes supplemental requests made by the Finance Committee and Board. A public hearing is also held at this time, so that the public response can be weighed into the analysis. Staff provides a detailed memorandum outlining the analysis. The Finance Committee continues its dialogue related to the proposal in light of staff analysis and works with the applicant through staff to address deficiencies or concerns, which may include additional analysis. This stage results in a final request.

Presented to the Board:

Analysis from staff (Project Summary; PILOT Analysis, Project Evaluation and Assistance Framework Analysis)

Supplemental information in response to all previous requests

PROJECT SUMMARY MEMO

A summary of the project, including costs and benefits, is provided to the Finance Committee and Board and is distributed to the City of Albany Common Council before the Finance Committee meeting. The Project Summary Memo is also available to the general public on the City of Albany IDA website. The Project Summary Memo is updated and reposted to the website throughout the review process.

Stage Three: Review and Decision

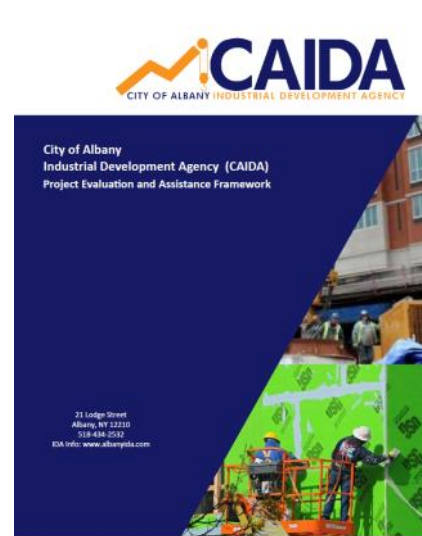
Once the Finance Committee has deemed the analysis sufficient and the applicant finalizes the request, staff provides a memorandum detailing the final request and results of the analysis. Upon review of this memo, the Finance Committee forwards a recommendation for approval, denial, or approval with conditions to the full Board for its consideration. At this time, the applicant may be invited back to make a final presentation to the Board. The full Board reviews the Finance Committee's recommendation, engages in final deliberation and takes action.

Presented to the Board:

Final request and presentation of analysis from staff

Recommendation from Finance Committee

Final resolution



PROJECT EVALUATION AND ASSISTANCE FRAMEWORK

In 2016, the CAIDA undertook the development of a Project Evaluation and Assistance Framework to enhance transparency, accountability and predictability of IDA's PILOT process. The Board directed its Governance Committee and staff to standardize and formalize the structure by which CAIDA supports responsible planning and management of future tax dollars while growing the City's tax base by attracting and retaining investment. The requested structure was also intended to prioritize and highlight the analysis of community benefits delivered by proposed projects.

The Framework was developed throughout 2016 by engaging a third-party specialist who evaluated CAIDA existing process and previous projects; analyzed Albany market conditions; researched industry standards; and tested realistic capital, operating and financial assumptions for each prospective land use. This data was used to construct a standardized PILOT schedule framework, which was tested against sensitivity analyses controlling for a variety of project conditions that would meet local development economics needs while ensuring maximum returns for the taxing jurisdictions.

The Board coupled this standardized assistance framework with a new standardized scoring mechanism to evaluate projects. The process established a matrix of Community Benefit Metrics to ensure that projects must meet a minimum standard based on defined measures of revitalization, investment and employment to be considered for assistance through the program. This scoring mechanism was tested against previous CAIDA projects as well as sample prototype projects.

The CAIDA Board of Directors approved the Project Evaluation and Assistance Framework in 2016 to take effect for 2017 project applications seeking deviations from Uniform Tax Exemption Policy assistance. The project evaluation criteria ensure that projects that receive assistance will meet baseline requirements and have a significant impact on the local economy and positive benefit to the community- for example, projects that generate substantial private investment, result in a large number of jobs and/or are located within distressed census tracts. Assistance through CAIDA is still reserved for projects that would not be feasible in the absence of the assistance. Utilizing guidance set forth in the program guidelines and CAIDA Policy Manual, the Board of Directors will continue to make the final determination for assistance for each application. All projects, regardless of the assistance being sought, are subject to CAIDA Policy Manual.

The table below shows that from 2014-2016, CAIDA held a total of 99 meetings and public hearings, including regular monthly board meetings, special meetings, committee meetings and annual meetings. All meetings were open to the public and meeting notices, agendas, minutes and materials were posted on the CAIDA website at www.albanyida.com. Also, as required by the laws of the State of New York, CAIDA held public hearings in which the public was given the opportunity to comment on the proposed financial assistance before CAIDA Board approval consideration. Public hearing notices were published in advance in a local newspaper and posted at City Hall and on the CAIDA website. Furthermore, from 2014-2016 all required Public Authority Accountability Act (PAAA) reports were filed on time and posted on CAIDA's website.

Accountability, Integrity & Transparency	2016	2015	2014
Filing of Required PAAA Reports	All reports were filed on time	All reports were filed on time	All reports were filed on time
Annual Meeting	Annual meeting held in January	Annual meeting held in January	Annual meeting held in January
Board Meetings	Dates of the Board meetings were posted to the website in January	Dates of the Board meetings were posted to the website in January	Dates of the Board meetings were posted to the website in January
	11 Board meetings meeting held	14 Board meetings meeting held	10 Board meetings meeting held
	Meeting agendas and materials were posted to website prior to meetings	Meeting agendas and materials were posted to website prior to meetings	Meeting agendas and materials were posted to website prior to meetings
	Meeting minutes posted to website	Meeting minutes posted to website	Meeting minutes posted to website
Committee Meetings	16 Committee meetings held	22 Committee meetings held	10 Committee meetings held
	Meeting agendas and materials were posted to website prior to meetings	Meeting agendas and materials were posted to website prior to meetings	Meeting agendas and materials were posted to website prior to meetings
	Meeting minutes posted to website	Meeting minutes posted to website	Meeting minutes posted to website
Public Hearing Notices ⁽¹⁾	3 Public hearings held	6 Public hearings held	4 Public hearings held
	Notices published as required	Notices published as required	Notices published as required

Notes:

1) Not all projects close in the calendar year the public hearing takes place.

Activity Highlights

City of Albany Industrial Development Agency (CAIDA)

During 2016, the City of Albany Industrial Development Agency (CAIDA) continued to assist eligible projects with conduit taxable and tax-exempt debt financings and other financial assistance.

Projects Closed

99 PINE STREET DOWNTOWN MIXED-USE

This project will renovate 99 Pine Street's upper floors, bringing approximately 35 new market-rate residential units (32,500 SF) to the heart of downtown Albany. The renovation and partial conversion will take place on the property's third through fifth floors transforming old office space into residential units totaling 34,000 square feet. All existing tenants are expected to remain at the location. This approximately \$6.7 million project will create an estimated 15 construction jobs.



Approved Projects Pending Closing

960 BROADWAY MIXED-USE RESIDENTIAL RETAIL



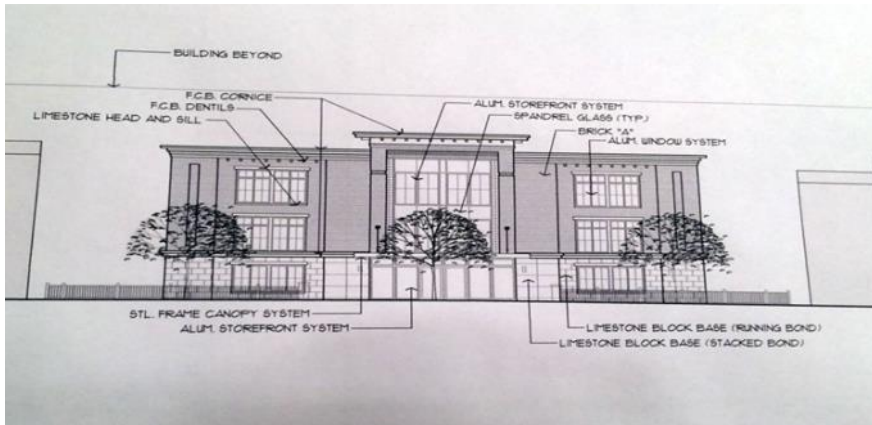
Within the City's warehouse district, this project revitalizes a vacant property formerly home to the Rodgers Liquor Co. When completed, this mixed-use redevelopment will transform the four-story abandoned warehouse into 24 market-rate apartments on the upper floors and 3,000 SF of ground floor restaurant space. An existing addition will be renovated into 2,000 SF of commercial space. This approximately \$6 million project will create 15 permanent jobs and create an estimated 40 construction jobs.

VALUSPACE ALBANY NEW CONSTRUCTION

This project will abate and remove a vacant structure and construct 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. This approximately \$6.3 million project will create an estimated 2 permanent jobs and an estimated 31 construction jobs.



760 BROADWAY APARTMENTS



Located at a key section of Broadway straddling Downtown and the Warehouse District, Fairbank Properties will construct a 5-story 130,000 SF market rate apartment building on a 1.4-acre parking lot at 766 Broadway. The building will be comprised of 100 rental units with up to 110 interior garage parking spaces on the ground floor. This approximately \$16.5 million project will create 2 permanent jobs and an estimated 100 construction jobs.

THURLOW TERRACE AFFORDABLE HOUSING

This project will be an acquisition and renovation of the 136 units of affordable housing located at 2 Thurlow Terrace. The 9-story structure was built in 1979 and encompasses 85,000 square feet. Renovations will include: new kitchens and baths including new appliances, window replacement, improvements to common areas and upgrades to the elevators, roof repairs, improvements to sidewalks & parking areas, a new boiler system and exterior landscaping. The developer signed an agreement to maintain the property as affordable housing for 40 years. This +/- \$21.6 million project will retain 3 permanent jobs and create an estimated 75 construction jobs.



1385 WASHINGTON AVE STUDENT HOUSING

This project will be a land acquisition, the demolition of an underutilized structure and construction of an approximately 142,000 SF, four story student housing complex. When completed this project will have 322 beds. Additionally there will be +/-146 parking spaces for residents. This approximately \$30.5 million project will retain and create a total of 7 permanent jobs and create an estimated 90 construction jobs.



NIPPER APARTMENTS MIXED-USE RESIDENTIAL RETAIL

Located at 991 Broadway, the project will convert Albany's historic Nipper Building to apartments and is intended to be phase one of a four-phase, \$70 million development project to include more than 150 additional apartments in a set of newly constructed buildings with retail space and multiple levels of indoor parking. Phase one, assisted by the City of Albany IDA, consists of the redevelopment of two buildings. A four-story structure will be renovated to include 7,750 SF of commercial space and 75 apartment units. A single-story building on the south side will be demolished and a portion of the total parking will be included on the land. This +/- \$13.0 million project will create an estimated 2 permanent jobs and an estimated 100 construction jobs.



THE WILSON APARTMENTS

This \$2.8 million project at the corner of N. Pearl and Wilson Streets in downtown Albany involves the new construction of a 27,067 SF market rate apartment complex at the site, which is currently vacant land. The 3.5 story building will include 18 market-rate rental apartments with 15 interior parking spaces located on the ground level. This project will create an estimated 30 construction jobs.



Other Activity



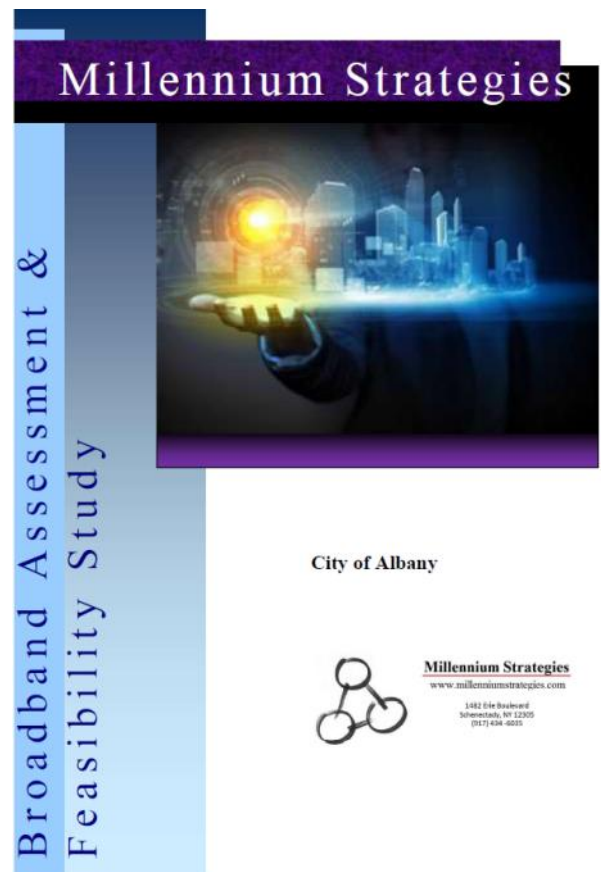
ARBOR HILL COMMUNITY CENTER

In 2002, CAIDA entered into a three party agreement with the City of Albany and, what was at the time, New Covenant Charter School, to construct an educational facility in Arbor Hill that would provide for a permanent, full-service Community Center for the neighborhood. CAIDA's annual payment on its lease of the property provides ongoing operating support for the Community Center. This agreement transferred to the City School District of Albany when it took ownership of the facility in 2013, and the three parties are working together to offer this needed and valued amenity to the community.

The School District undertook significant renovations to the building during the summer of 2017 which rendered the building unusable for both the students of the school district and residents/ children in the Arbor Hill community for use as the Arbor Hill Community Center for its summer programs. The City and School District worked together collaboratively to make alternate space available to the children and residents of the Arbor Hill community for the summer of 2017 to facilitate the continuation of such summer programs by the City. These programs included the Youth Pool Program and other important Community Programs.

BROADBAND FEASIBILITY STUDY

In 2016, the City of Albany issued an RFP for a consulting company to examine the broadband needs of the City in both the neighborhoods and the growing Downtown. The consulting company was then instructed to come up with a strategy on how to fund the recommended initiatives. This project was funded through a collaborative investment from the Albany Community Development Agency and the Capital Resource Corporation. This comprehensive study was completed in July 2017 and will hopefully be the first step to making Albany a leader in broadband connectivity.



Mission, Purpose & Powers

City of Albany Capital Resource Corporation (CACRC)

In January of 2008, the authority of IDAs to issue bonds for civic facility projects expired. As a result, municipalities including the City of Albany, established local development corporations to assist not for profit organizations with financing needs.

MISSION

The Mission of the City of Albany Capital Resource Corporation (CACRC) is to assist in the enhancement and diversity of the economy of the City of Albany by acting in support of projects in the City that create and/or retain jobs and/or promote private sector investment utilizing the statutory powers as set forth under the provisions of the laws of the State of New York.

PURPOSE

CACRC is a not for profit corporation established by the City of Albany to promote community and economic development and the creation of jobs in the nonprofit and for profit sectors for the citizens of the City by providing access to low interest tax-exempt and non-tax-exempt financing for eligible projects; mortgage recording tax exemptions, as well as issuing and selling one or more series or classes of bonds.

POWERS

CACRC is authorized and empowered to, among other things: acquire, own, lease and dispose of property as well as provide certain financial assistance to qualifying projects. CACRC can provide conduit bond financing and mortgage recording tax exemptions to qualifying projects.

CACRC is governed by a board of seven members appointed by the City of Albany Common Council. CACRC reports on an annual basis to the Office of the New York State Comptroller and the New York State Authorities Budget Office. CAIDA also reports on its activities to the City of Albany Common Council.

Performance Measures

City of Albany Capital Resource Corporation (CACRC)

EFFECTIVENESS

From 2014-2016, CACRC assisted 6 civic facility projects that resulted in new or continued investments in the City of Albany of over \$178,500,000 million. During that same time period, CACRC assisted projects are expected to generate an estimated 500 construction jobs and 852 new or retained permanent jobs.

Effectiveness:	2016	2015	2014
# of New Projects Assisted (Closed) ⁽¹⁾	1	1	4
Estimated Capital Investment Assisted	\$48,000,000	\$45,000,000	\$85,500,000
Projected Construction Jobs	-	-	500
Projected New Jobs/Retained Jobs	29	631	79
Notes:			
1) Not all projects close in the year approvals received.			

EFFICIENCY

CACRC does not receive city, county, state, federal or any other public funds to support its operations. Rather, CACRC funds its own operations by charging fees to project applicants. While CACRC does not have a staff of its own, CACRC operations are supported through a professional services agreement (staff, office space, supplies, etc.) with Capitalize Albany Corporation, the City of Albany's economic development organization. CACRC's annual financial audit is performed and completed by an independent certified public accountant (CPA) within 90 days of the close of its fiscal year. In 2016, CACRC received an "unqualified opinion," the best opinion an auditor can give as it represents a clean audit.

Efficiency:	2016	2015	2014
Income ⁽¹⁾	\$138,005	\$170,474	\$812,861
Operating Expenses	\$528,622	\$102,764	\$5,817
Excess of Fee over Operating Expenses	(\$390,617) ⁽²⁾	\$67,710	\$807,044
Net Assets	\$590,054	\$980,671	\$912,961
Auditors Opinion	Unqualified ⁽³⁾	Unqualified ⁽³⁾	Unqualified ⁽³⁾
Notes:			
1) Not all projects necessarily close in the year approvals received. Agency fee paid upon project closing.			
2) Includes \$400,000 in Economic Development Support used to fund CAC grant programs.			
3) An "Unqualified Opinion" is the best opinion an auditor can give as it represents a clean audit.			

Accountability, Integrity & Transparency

City of Albany Capital Resource Corporation (CACRC)

GOVERNANCE

CACRC is governed by a seven member board who executes direct oversight of the Corporation.

REPORTING

CACRC reports on an annual basis to the Office of the New York State Comptroller (OSC) and the New York State Authorities Budget Office (ABO). CACRC is required to complete an annual report for the ABO known as the PARIS report (Public Authorities Reporting Information System) along with a financial audit prepared by an independent, certified public accountant by March 31st for the previous fiscal year. CACRC also reports on its activities to the City of Albany Common Council.

PROJECT REVIEW:

CACRC review involves a rigorous process that mirrors the three stage process of CAIDA outlined on pages 6-7, including Application & Presentation, Analysis & Public Comment, and Review & Decision.

The table below shows that from 2014-2016, CACRC held a total of 64 meetings and public hearings, including regular monthly board meetings, committee meetings and annual meetings. All meetings were open to the public with meeting notices, agendas, minutes and materials posted on the CACRC website at www.albanyida.com. Also, CACRC held public hearings in which the public was given the opportunity to comment on the proposed financial assistance before CACRC Board approval consideration. Public hearing notices were published in advance in a local newspaper and posted at City Hall and on the CACRC website. Furthermore, from 2014-2016 all required Public Authority Accountability Act (PAAA) reports were filed on time and posted on the CACRC 's website.

Accountability, Integrity & Transparency	2016	2015	2014
Filing of Required PAAA Reports	All reports were filed on time	All reports were filed on time	All reports were filed on time
Annual Meeting	Annual meeting held in January	Annual meeting held in January	Annual meeting held in January
Board Meetings	Dates of the Board meetings were posted to the website in January	Dates of the Board meetings were posted to the website in January	Dates of the Board meetings were posted to the website in January
	9 Board meetings held	7 Board meetings held	10 Board meetings held
	Meeting agendas and materials were posted to website prior to meetings	Meeting agendas and materials were posted to website prior to meetings	Meeting agendas and materials were posted to website prior to meetings
	Meeting minutes posted to website	Meeting minutes posted to website	Meeting minutes posted to website
Committee Meetings	11 Committee meetings held	9 Committee meetings held	8 Committee meetings held
	Meeting agendas and materials were posted to website prior to meetings	Meeting agendas and materials were posted to website prior to meetings	Meeting agendas and materials were posted to website prior to meetings
	Meeting minutes posted to website	Meeting minutes posted to website	Meeting minutes posted to website
Public Hearing Notices ⁽¹⁾	2 Public hearings held	2 Public hearings held	3 Public hearings held
	Notices published as required	Notices published as required	Notices published as required

Notes:

1) Not all projects necessarily close in the calendar year its public hearing takes place.

Activity Highlights

City of Albany Capital Resource Corporation (CACRC)

Projects Closed

During 2016, the City of Albany Capital Resource Corporation (CACRC) continued to assist eligible projects with conduit taxable and tax-exempt debt financings. The following are the transactions that took place during 2016:

EMPIRE HOUSING STUDENT HOUSING INC

The proposed refinancing of 2001 Bonds in the aggregate principal amount of up to \$48,000,000. This refinancing will assist Empire Commons, a tax-exempt nonprofit organization, in stabilizing its interest expenses, achieving long term savings and is a component of a long-range financial management plan. The project is expected to assist in the retention of 29 jobs.



Other Activity

DOWNTOWN ALBANY GRANT PROGRAM AND AMPLIFY ALBANY GRANT PROGRAM



In March 2016, Capitalize Albany Corporation announced the launch of two grant programs; one to assist local businesses and one to facilitate neighborhood commercial activity. Both of the programs are supported by City of Albany Capital Resource Corporation through funding allocated to catalyze strategic initiatives. Following the announcement of the Downtown Albany Retail Grant Program and the Amplify Albany Grant Program, grant applications were made available in April (Amplify Albany) and May (Downtown Retail). Since the programs' inception—the Downtown Albany Retail Grant Program's awarded projects to date have created more than 40 permanent jobs, 56 construction jobs and have activated more than 7,500 sq. ft. of vacant downtown retail space, while spurring over \$1.7 M in total investment. The Amplify Albany Grant Program created 15 new initiatives, expanded 3 existing programs—and when programming from active applications is finished, Amplify Albany will have supported more than 17,000 event-goers' worth of foot traffic in neighborhoods throughout the City of Albany. Awareness of the programs continues to build as new retailers and initiatives come online.



CDTA Partnership

In 2014, the Capital Resource Corporation entered into an MOU with CDTA in order to support transit enhancements to revitalize the Park South neighborhood on the blocks between New Scotland Avenue, Dana Avenue, Myrtle Avenue, Morris Street and Robin Street in the city of Albany. The Corporation believes that enhanced transit services will improve the viability of residential, office and retail uses; mitigate traffic impacts; and increase access to local jobs.

This MOU encompassed a three-year partnership that incentivizes the use of public transportation through universal access to CDTA services for Tri City Rentals employees, residents and employees of retail tenants and for Albany Medical Center, and its affiliates, full and part time employees and students through the use of increased transit service and infrastructure improvements on New Scotland Avenue and surrounding areas. CDTA agreed to invest in service improvements in the Albany Medical Center/Park South area. This includes improved service to the entire length of New Scotland Avenue (past Holland Avenue to Madison Avenue) allowing direct access to the new development area. CDTA also agreed to improve customer amenities (shelters, signage, etc.) on New Scotland Avenue near the new development area to attract customers.

