

# City of Albany Industrial Development Agency

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Tracy Metzger, *Chair*  
Susan Pedo, *Vice Chair*  
Darius Shahinfar, *Treasurer*  
Lee Eck, *Secretary*  
Dominick Calsolaro  
Robert Schofield  
Jahkeen Hoke

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

## IDA MINUTES OF FINANCE COMMITTEE MEETING

Wednesday, December 11, 2019

Attending: Darius Shahinfar, Tracy Metzger and Dominick Calsolaro

Absent: Lee Eck, Jahkeen Hoke

Also Present: Susan Pedo, Sarah Reginelli, Mark Opalka, Amy Lavine, Joe Scott, Tammie Fanfa, Ashley Mohl, Andy Corcione, Chris Medve and Mike Bohne

Public Present: Mark Aronowitz, David Phaff, Deb Lambek, Ryan Jankow, Miachael Hipp, Judy Doesschete

Chair Darius Shahinfar called the Finance Committee meeting of the IDA to order at 12:45 p.m.

### Roll Call, Reading and Approval of Minutes of the November 13, 2019 Finance Committee Meeting

Chair Darius Shahinfar reported that all Committee members were present, with the exception of Lee Eck and Jahkeen Hoke. Since the minutes of the previous meeting had been distributed to Committee members in advance for review, Chair Darius Shahinfar made a proposal to dispense with the reading of the minutes. Chair Darius Shahinfar proposed to approve the minutes of the Finance Committee meeting of November 13, 2019. Dominick Calsolaro moved and Tracy Metzger seconded to accept the minutes as presented. A vote being taken, the motion passed unanimously.

### Report of Chief Financial Officer

None.

### Unfinished Business

#### 563 New Scotland Ave, LLC

The Committee Chair introduced *the 563 New Scotland Ave, LLC* project to the Committee for recommendation to the Board for Approving Resolutions. Staff reviewed the project summary, which had been previously provided to the Committee. This project involves acquisition of approximately 3 acre parcel of land, construction on the land of approximately 188 residential apartment units and approximately 15,000 square feet of retail space. The Project will be constructed in three (3) phases and will create approximately 8 permanent FTE jobs and approximately 85 construction jobs. The Applicant is seeking real property, sales, and mortgage recording tax exemptions. The Applicant was present to respond to Committee questions. Staff provided a detailed review of the project summary, which had been previously distributed to the Committee. The Committee discussed the staff-provided analysis of the project's performance using the project evaluation and assistance framework (PEAF), which provided details on each point achieved. The Committee noted that this project is requesting assistance outside of the PEAF due to its estimated \$39.8 million investment total. Because the Applicant's request and the Project's qualification as a "Large Project" per the PEAF due to its size, the Committee had

requested a third-party review be commissioned to analyze the reasonableness of the Applicant's assumptions and the appropriateness of the request for assistance. The third-party review was presented to the Board prior to the meeting and an executive summary was made part of the materials posted to the Agency's website. Staff reviewed the contents of the analysis with the Committee.

A motion to go into Executive Session was made by Tracy Metzger and seconded by Dominick Calsolaro, the motion was approved unanimously. The basis for going into Executive Session was to discuss a potential real estate transaction the details of which could substantially impact the cost and/or timing of the transaction. The Committee entered into Executive Session at 1:20 p.m., and Staff, Counsel and the project applicant, Ryan Jankow and Debra Lambek remained in the room. A motion to exit Executive Session was made by Tracy Metzger and seconded by Dominick Calsolaro, the motion was approved unanimously. The Committee left Executive Session at 1:45 p.m. and returned to its regular session. No action was taken during the Executive Session

The Committee discussed with the Applicant the potential likelihood that more than 8 FTE jobs would be created as a result of the project. The Applicant stressed that they had not determined with certainty the number and type of commercial uses and tenants the property may have when complete. However, the Applicant felt that 15 FTEs was a more accurate representation of the expected FTEs on site at project completion and would update the documents to reflect that. The Committee discussed the Project's projected rental rates and comparisons. The Applicant noted the rental rates are inclusive of amenities such as cable and internet. General Counsel noted they would examine a possible restrictive covenant placed on the site by the owner, FM Promontory Capital, LLC, referenced during the public hearing.

A motion to advance the *563 New Scotland Ave, LLC* project to the full board was tabled in order to allow additional time for the reasonableness of the request at hand to be properly analyzed. No action was taken.

#### **New Business**

##### Broadway 915, LLC

Staff introduced the FC 705 Broadway, LLC project to the Committee. Project representatives were present for the meeting to discuss the project and to answer any questions. The application is for a mixed-use project, which entails the development/construction of an approx. 99,000 SF eighty (80) unit market rate apartment complex at 745 Broadway. The five story structure will also include +/- 6,600 SF of retail commercial space on the ground floor and 75 off-street parking spaces. It is anticipated that this project will create approximately 4 full time equivalent jobs. The total investment in the project will be approximately \$22.8 million. The Committee indicated that staff should proceed with further analysis.

No action was taken.

##### 2020 Professional Services Agreements

###### *Legal Services – General Counsel*

The Committee reviewed the 2020 Professional Services Agreement for General Counsel Services for the Agency with the Committee. There are no changes to the agreement from the previous year. A motion to advance the contract to the full Board with positive recommendation was made by Tracy Metzger and seconded by Dominick Calsolaro. A vote being taken, the motion passed unanimously.

###### *Legal Services – Bond/Special Counsel*

The Committee reviewed the 2020 Professional Services Agreement for Bond/Special Counsel services for the Agency. The Committee discussed Counsel's previous excellent service, and the benefits of continuing relationships with professional service providers with prior excellent experience with the Agency. A motion to advance the contract to the full Board with positive recommendation was made by Tracy Metzger and seconded by Dominick Calsolaro. A vote being taken, the motion passed unanimously.

*Professional Services*

Susan Pedo and staff reminded the Committee that Susan is on the Capitalize Albany Corporation Board of Directors and that staff is employed by Capitalize Albany. The Committee reviewed the Professional Services Agreement between Capitalize Albany Corporation, and Capital Resource Corporation, in which Capitalize Albany Corporation provides professional economic development management and administrative support services to the Capital Resource Corporation. At the direction of the Board in the 2020 Budget, the amount in the Agreement has increased by \$100,000. This amount more closely aligns with services provided, and was approved by the Board for the 2020 Budget in October. Staff offered to leave the room to facilitate/allow further discussion, but the committee declined the offer. A motion to advance the contract to the full Board with positive recommendation was made by Tracy Metzger and seconded by Dominick Calsolaro. A vote being taken, the motion passed unanimously. Susan Pedo, although present, is not a member of the Finance Committee, and as such did not vote.

*Contract for Services – Economic Development*

Susan Pedo and staff reminded the Committee that Susan is on the Capitalize Albany Corporation Board of Directors and that staff is employed by Capitalize Albany. The Committee reviewed the Contract for Services for economic development between the City of Albany IDA and Capitalize Albany Corporation. There are no changes to the agreement from the previous year. A motion to advance the contract to the full Board with positive recommendation was made by Tracy Metzger and seconded by Dominick Calsolaro. A vote being taken, the motion passed unanimously. Susan Pedo, although present, is not a member of the Finance Committee and as such did not vote.

*Contract for Services – IDA*

The Committee reviewed the Contract for Services between the City of Albany IDA and the Capital Resource Corporation. A motion to advance the contract to the full Board with positive recommendation was made by Tracy Metzger and seconded by Dominick Calsolaro. A vote being taken, the motion passed unanimously. Susan Pedo, although present, is not a member of the Finance Committee and as such did not vote.

Counsel noted there were no amendments/updates to any applicable law that would necessitate changes to any of the aforementioned contracts

Financing Guideline Review

The Committee reviewed the Statement of Intent and Financing Guidelines Regarding Debt. Staff explained that that it is a best practice that the Committee reviews these guidelines annually. There were no recommended changes.

Finance Committee Self Evaluation

Staff reviewed the Finance Committee’s Self Evaluation with the Committee. Staff explained that it is a best practice that the Committee performs this evaluation annually. Staff summarized the meetings, activities and accomplishments taken place over the course of the year. There were no recommended changes.

**Other Business**

Agency Update:

Staff updated the Committee on the technology upgrade and related expenses anticipated to be incurred as a result of new NYS Legislation that will require all IDA meetings to be live Streamed in 2020.

Staff reminded the Committee that the NYEDC Annual Meeting and Conference would be held January 29<sup>th</sup> in the Albany Capital Center.

Staff introduced a new staff member of Capitalize Albany Corporation, Chris Medve, to the Committee.

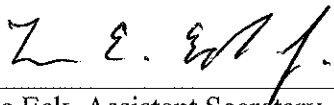
Compliance Update:

Staff informed the Committee that default letters for three projects (Dilek LLC, Nipper Apartments, LLC and 960 Broadway, LLC) had been sent. Staff will provide ongoing updates on the process and the projects.

Staff reminded the Board that board members are required to undergo the appropriate ABO training, with best practice being to undergo the training on an annual basis. The next scheduled ABO training session would be distributed to the Board and staff would follow up with members to ensure their training was up to date.

There being no further business, Chair Darius Shahinfar adjourned the meeting at 2:15 PM.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "L. E. Eck", written over a horizontal line.

Lee Eck, Assistant Secretary