

Albany Industrial Development Agency

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

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

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

To: Tracy Metzger Sarah Reginelli
Darius Shahinfar John Reilly
Susan Pedo Joe Scott
Anthony Owens Mark Opalka
Lee Eck Brad Chevalier
Dominick Calsolaro Andy Corcione
Robert Schofield Amy Gardner

Date: October 10, 2014

AGENDA

A meeting of the Finance Committee of the City of Albany Industrial Development Agency will be held on **Tuesday, October 14th at 11:00 AM** at 21 Lodge Street, Albany, NY 12207 (Conference Room)

Roll Call

Reading of Minutes of the Finance Committee Meeting of September 10th, 2014

Approval of Minutes of the Finance Committee Meeting of September 10th, 2014

Unfinished Business

— None

New Business

— Draft 2015 Budget

Other Business

— The Eleftheria discussion

Adjournment

***The next regularly scheduled Finance Committee meeting will be held
Wednesday, November 12th at 21 Lodge Street, Albany, NY**

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Mark Opalka, *Interim Chief Financial*
John Reilly, *Agency Counsel*

IDA MINUTES OF FINANCE COMMITTEE MEETING

Wednesday, September 10, 2014

Attending: Tracy Metzger, Darius Shahinfar, C. Anthony Owens and Lee Eck

Absent: Susan Pedo

Also Present: Dominick Calsolaro, Robert Schofield, Sarah Reginelli, Mark Opalka, Joseph Scott, Brad Chevalier, Andy Corcione, Amy Gardner

Acting Chairperson, C. Anthony Owens, called the Finance Committee meeting of the IDA to order at 12:09PM.

Roll Call

Acting Chairperson, C. Anthony Owens, reported that all Committee members were present with the exception of Susan Pedo.

Reading of Minutes of the Finance Committee Meeting of August 26th, 2014

Since the minutes of the August 26th, 2014 meeting had been distributed to the Committee members in advance for review, acting Chairperson, C. Anthony Owens made a proposal to dispense with the reading of the minutes.

Approval of Minutes of the Finance Committee Meeting of August 26th, 2014

Acting Chairperson C. Anthony Owens made a proposal to approve the minutes of the Finance Committee meeting of August 26th, 2014 as presented. A motion to accept the minutes, as presented, was made by Tracy Metzger and seconded by Lee Eck. A vote being taken, the minutes were accepted unanimously.

Unfinished Business

Park South Projects-Staff Memo

Staff reviewed the memo that was distributed to the Committee prior to the meeting. The Park South Urban Renewal Plan was discussed. Staff advised the Committee that based on discussion at the August Committee meeting changes had been made to the Applicant's PILOT terms request; these changes were outlined in the memo. The benefits of the "greater than" scenario included in the PILOT terms were discussed. The Committee asked staff about the estimated amount that would be paid to the City in

taxes if the project did not occur and the estimated amount the City would receive from PILOT payments if the project did occur. Staff advised the Committee that if the project did not occur, the City would receive an estimated \$4 million in taxes and if the project did occur the City would receive an estimated \$11 million in PILOT payments over the term of the PILOT. The transformational nature of the project was also discussed.

A motion to move the project, encompassing AMC – 391 Myrtle Avenue (MOB) and Park South Partners LLC requests, to the full Board for consideration was made by Tracy Metzger and seconded by Darius Shahinfar. A vote being taken, the motion passed unanimously.

New Business

None

Other Business

None

There being no further business, Acting Chairperson C. Anthony Owens adjourned the meeting at 12:33PM.

Respectfully submitted,

(Assistant) Secretary

MEMO

TO: City of Albany Industrial Development Agency
FROM: Mark Opalka, Interim Chief Financial Officer
RE: Draft 2015 Budget
DATE: October 8, 2014

Revenues for the agency are budgeted to be approximately \$727,000 in 2015. The majority of this revenue is expected to be in the form of fee revenue which is budgeted to be approximately \$562,000. To date, there is one project that has not been approved by the Board, but if approval is granted would likely close in 2015. The remaining revenue budgeted for 2015 was determined using a weighted average formula that takes into account the last three years of fee income. A new budgeted revenue item for 2015 is the 9% LIHTC Fee in an amount of \$20,000. Also, \$45,000 is budgeted to be received from the CRC agreement. This revenue, which has been budgeted for in past years, is to offset monies paid by the IDA under the management contract. This was not budgeted last year due to the desire of the Agency and Corporation Boards to increase the cash balance of the Corporation. Project Benefit Agreement Revenue remains unchanged and interest expense is budgeted to be lower due the change in interest rates.

Expenses for the agency are budgeted to be approximately \$685,000 in 2015. New budgeted line items for 2015 are \$5,000 for general legal expenses and \$1,000 for web site maintenance. All other budgeted expenses remain unchanged for 2015.

Overall, the preliminary 2015 budget anticipates a surplus of approximately \$42,000.

City of Albany IDA
2015 PROPOSED Budget

	2014 APPROVED Budget	2014 YTD Actual	2014 Projected	2014 Projected Total	2014 Projected Variance to Budget	2015 PROPOSED Budget
REVENUE						
Fees ^{(1) (2)}	\$ 1,109,392	\$ 1,383,323	\$ 991,245	\$ 2,374,568	\$ 1,265,176	\$ 561,974
Project Benefit Agreement Revenue	100,000	100,000	-	100,000	-	100,000
9% LIHTC Fee	-	-	-	-	-	20,000
CRC Agreement	-	-	-	-	-	45,000
Interest	1,000	222	308	530	(470)	523
TOTAL REVENUE	<u>\$ 1,210,392</u>	<u>\$ 1,483,545</u>	<u>\$ 991,553</u>	<u>\$ 2,475,098</u>	<u>\$ 1,264,706</u>	<u>\$ 727,497</u>
EXPENSES						
Economic Development and Community Development Support	\$ 250,000	\$ 187,500	\$ 62,500	\$ 250,000	\$ -	\$ 250,000
Sub-Lease AHCC	75,000	35,766	39,234	75,000	-	75,000
Legal Expenses	-	13,750	-	13,750	13,750	5,000
Website Maintenance	-	-	-	-	-	1,000
Management Contract	300,000	225,000	75,000	300,000	-	300,000
Agency Counsel	42,000	-	42,000	42,000	-	42,000
Audits	7,000	7,000	-	7,000	-	7,000
D & O Insurance	1,700	1,647	-	1,647	(53)	1,700
Miscellaneous	4,000	2,267	1,733	4,000	-	4,000
TOTAL EXPENSES	<u>\$ 679,700</u>	<u>\$ 472,930</u>	<u>\$ 220,467</u>	<u>\$ 693,397</u>	<u>\$ 13,697</u>	<u>\$ 685,700</u>
Surplus/(Deficit)	<u>\$ 530,692</u>	<u>\$ 1,010,615</u>	<u>\$ 771,086</u>	<u>\$ 1,781,701</u>	<u>\$ 1,251,009</u>	<u>\$ 41,797</u>

(3)

⁽¹⁾ 2014 projected fee activity includes:

Projects	Estimated Project Amount	Estimated 2014 Fee
40 Stueben LLC	\$ 4,953,565	\$ 49,536
67 Howard Street LLC	6,503,500	65,035
TMG-NY Albany I, LP	19,023,321	190,233
Albany Medical College- 391 Myrtle Avenue	16,060,573	160,606
Park South Partners, LLC	<u>52,583,536</u>	<u>525,835</u>
Total	<u>\$ 99,124,495</u>	<u>\$ 991,245</u>

⁽²⁾ 2015 projected fee activity includes:

Projects	Estimated Project Amount	Estimated 2015 Fee
CDP Holland, LLC	\$ 22,973,698	\$ 229,737
Other Project Activity	<u>31,973,700</u>	<u>319,737</u>
Total	<u>\$ 54,947,398</u>	<u>\$ 549,474</u>

(3) Based on availability of funds