

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

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

To: Tracy Metzger
Darius Shahinfar
Susan Pedo
Anthony Owens
Lee Eck
Dominick Calsolaro
Robert Schofield

Sarah Reginelli
John Reilly
Joe Scott
Mark Opalka
Brad Chevalier
Andy Corcione
Amy Gardner

Date: November 12, 2014

AGENDA

A meeting of the Finance Committee of the City of Albany Industrial Development Agency will be held on **Thursday, November 13th at 12:15 PM** at 21 Lodge Street, Albany, NY 12207 (Conference Room)

Roll Call

Reading of Minutes of the Finance Committee Meeting of October 14th, 2014

Approval of Minutes of the Finance Committee Meeting of October 14th, 2014

Other Business

- 2015 Strategic Planning
- The Eleftheria

Adjournment

*The next regularly scheduled Finance Committee meeting will be held
Wednesday, December 10th at 21 Lodge Street, Albany, NY

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

IDA MINUTES OF FINANCE COMMITTEE MEETING

Tuesday, October 14, 2014

Attending: Tracy Metzger, Susan Pedo, C. Anthony Owens and Lee Eck

Absent: Darius Shahinfar

Also Present: 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 11:02 AM.

Roll Call

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

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

Since the minutes of the September 10th, 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 September 10th, 2014

Acting Chairperson C. Anthony Owens made a proposal to approve the minutes of the Finance Committee meeting of September 10th, 2014 as presented. A motion to accept the minutes, as presented, was made by Tracy Metzger and seconded by Susan Pedo. A vote being taken, the minutes were accepted unanimously.

Unfinished Business

None

New Business

Draft 2015 Budget

Mark Opalka advised the Board that in accordance with the Public Authorities Accountability Act, authorities with a fiscal year ending on December 31st are required to adopt the subsequent year's operating budget by October 31st. Mr. Opalka reviewed the 2014 year-to-date performance and proposed 2015 budget with the Board. The budgeted revenue for 2015 was determined using a weighted average based on the last three years of project activity. The draft budget assumes approx. \$55 million in project activity for 2015. Two new revenue items are included in the 2015 budget including a 9% LIHTC Fee of \$20,000 and \$45,000 from the CRC agreement. The proposed 2015 budget also includes two new expense items of \$5,000 for general legal expenses and \$1,000 for web site maintenance. With the exception of the two new revenue items and expenditures, the proposed 2015 budget is consistent with the 2014 budget. The Committee agreed that the draft 2015 budget should be moved to the full Board for consideration.

A motion to move the draft 2015 budget to the full Board for consideration was made by Tracy Metzger and seconded by Susan Pedo. A vote being taken the motion passed unanimously.

Other Business

The Eleftheria Discussion

Jim Googas gave a presentation to the Board on his proposed project. The proposed project would result in 48 apartments on S. Allen Street near St. Peter's Hospital. Mr. Googas advised the Committee that he has received the necessary land-use approvals for the proposed project. He has also discussed the project with local stakeholders including the neighborhood association. The potential financing of the project was discussed including the potential lender's terms – specifically project stabilization assistance. Also, Mr. Googas reviewed the possible assistance the Agency could provide including a real property tax abatement scenario. Staff advised the Committee that it was working on completing the initial due diligence of the proposed project. Staff provided feedback to the Committee as it pertained to the findings to date – specifically financial feasibility. Staff advised that part of the long term financial feasibility of the project was a result of the estimated total assessment after project completion - which was significantly lower than recent projects. The Committee requested that Staff discuss the lender's terms with the potential lender and report back to the Committee. The Committee expressed concerns about providing real property abatement for the project at this time. The Committee indicated that the Agency would need to determine its role in projects such as this one that are different from recent projects from the standpoint of financial feasibility, strategic location, etc. This would include determining types of assistance that may be appropriate - specifically potentially offering mortgage recording and sales tax exemptions separate from real property tax abatement. Committee discussed the need for balancing fiscal responsibilities with catalytic responsibilities for potential projects. The Committee called for Staff to relay its concerns to Mr. Googas as well as advise him that the Committee intends to address the matter of appropriate assistance in the coming months.

There being no further business, Acting Chairperson C. Anthony Owens adjourned the meeting at 12:15PM.

Respectfully submitted,

(Assistant) Secretary

MEMO

TO: City of Albany Industrial Development Agency Finance Committee
FROM: City of Albany Industrial Development Agency Staff
RE: The Eleftheria – 241 South Allen Street
DATE: November 12th, 2014

As the Committee will recall an informal discussion about the proposed project occurred at the October Finance Committee meeting. As a reminder, an application has not been submitted. Staff intends to provide an update to the Committee as it pertains to its due diligence – specifically conversations with the potential lender and the developer.

MEMO

TO: City of Albany IDA Finance Committee
FROM: City of Albany Industrial Development Agency Staff
RE: 2015 Strategic Planning
DATE: November 12, 2014

Staff has embarked on the development of a strategic plan for 2015 operations of the IDA and CRC based on recent Board and Committee discussions. This plan will help strategically guide staff's processes and Board decisions using principles laid out by the members.

While staff is currently constructing the strategic plan to be reviewed by the Board, several issues have risen to the forefront due to timing and demand. These include the following, which have specific emphasis for the Finance Committee:

- IDA/CRC operations and resources as part of Impact Downtown Albany
- IDA/CRC transactions in relationship to partner resources (e.g. SHPO, NYSERDA)
- Other products able to be offered by the IDA/CRC to increase investment and job creation (e.g. exclusive sales and mortgage recording tax exemption)

Staff will introduce these topics to start Board discussion on the matters.