

# Albany Industrial Development Agency

21 Lodge Street  
Albany, New York 12207  
Telephone: (518) 434-2532  
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Tracy Metzger, *Chair*  
Darius Shahinfar, *Treasurer*  
Susan Pedo, *Vice Chair*  
C. Anthony Owens *Secretary*  
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  
Chantel Burnash

Date: September 11, 2015

## AGENDA

A meeting of the Finance Committee of the City of Albany Industrial Development Agency will be held on **Thursday, September 17<sup>th</sup> at 11:15 AM** at 21 Lodge Street, Albany, NY 12207 (Conference Room).

### Roll Call

### Reading of Minutes of the Finance Committee Meeting of August 12, 2015

### Approval of Minutes of the Finance Committee Meeting of August 12, 2015

### Unfinished Business

- 760 Broadway LLC
  - Positive/Negative Recommendation for Public Hearing

### New Business

- Dilek, LLC Sales Tax Exemption Letter Extension
  - Discussion
- Draft 2016 IDA Budget
  - Discussion
- Annual Review of Agency Policies
  - Procurement Policy
  - Investment Policy

### Other Business

### Adjournment

**\*The next regularly scheduled Finance Committee meeting will be held  
Wednesday, October 7<sup>th</sup> at 21 Lodge Street, Albany, NY**

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## IDA MINUTES OF FINANCE COMMITTEE MEETING

Wednesday, August 12, 2015

Attending: C. Anthony Owens, Tracy Metzger, Susan Pedo and Darius Shahinfar

Absent: Lee Eck, John Reilly

Also Present: Robert Schofield, Dominick Calsolaro, Joseph Scott, Patrick Jordan, Sarah Reginelli, Brad Chevalier, Mark Opalka, Sabina Mora, Andy Corcione, Mike Bohne and Chantel Burnash

Chair C. Anthony Owens called the Finance Committee meeting of the IDA to order at 12:16 PM.

### Roll Call

Chair C. Anthony Owens reported that all Committee members were present, except Lee Eck.

### Reading of Minutes of the July 8, 2015 Finance Committee Meeting

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

### Approval of Minutes of the July 8, 2015 Finance Committee Meeting

Chair C. Anthony Owens proposed to approve the minutes of the Finance Committee meeting of July 8, 2015. Tracy Metzger moved, seconded by Darius Shahinfar, to accept the minutes as presented. The Members voted unanimously in favor and the motion carried.

### Unfinished Business

#### 760 Broadway LLC – Project Update & Discussion

Staff updated the Committee on the Applicant's response to the revised draft abatement schedule for the 760 Broadway LLC project. The Applicant did not accept the Finance Committee draft amendment schedule and submitted a revised abatement schedule stating that the project was not feasible under such a PILOT. The Committee discussed meeting the Applicant's request for the first twelve years on the condition that the percent abatement in years 13-20 be aligned with the PILOT payment amounts projected in the Applicant's pro forma which shows the 11.5% scenario. The Finance Committee discussed that the assessment value per unit is lower than similar projects.

A motion to table the PILOT proposal for 760 Broadway LLC and have Staff discuss with the Applicant the Committee's desire to bring years 13-20 of abatement schedule in alignment with the previously

revised draft as discussed by the Finance Committee, was made by Susan Pedo. Darius Shahinfar seconded. The members voted unanimously in favor and the motion carried.

## **New Business**

### Review Adequacy of Finance Committee Charter

Staff reviewed the Finance Committee Charter with the Committee. Staff explained that this is an administrative matter per the Committee's Charter and the ABO recommends it be reviewed annually by the Committee. The Committee proposed two changes. The first change is altering 'five (5) **business** days' to 'five (5) **calendar** days' as it relates to agendas in the Meetings section and materials. The second change is to deny telephone participation of Committee meetings by Committee members as part of a quorum to align the Charter with the ABO's guidance.

## **Other Business**

Staff informed the Committee of the status of the audit with the City of Albany Auditor. The scope has been expanded to include 2015.

The Committee commended Staff and the Downtown Albany BID on the success of the Downtown Residential Open House this past Friday evening. The Committee recognized the large turn-out and the event being a great way to highlight the many new residential development projects occurring downtown.

Staff informed the Committee that they would be taking a tour of the Livingston Apartments later that afternoon and Staff would set up a separate tour for the Board if there was interest.

There being no further business, Chair C. Anthony Owens adjourned the meeting at 1:37 PM.

Respectfully submitted,

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C. Anthony Owens, Secretary

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

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

**RE:** 760 Broadway, LLC - IDA Application Summary

**DATE:** September 11, 2015

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*Staff Notes:*

*This project summary is in response to the request for financial assistance by the Applicant which was formally introduced to the IDA Finance Committee on May 12, 2015. The project was further discussed at the June 10th 2015 Finance Committee meeting, the July 8th 2015 Finance Committee meeting, the July 16<sup>th</sup> regular Board meeting and the August 12<sup>th</sup> Finance Committee meeting.*

*This project summary will continue to be updated as the project progresses through staff review and Agency consideration.*

**Applicant:** 760 Broadway, LLC

**Managing Members (% of Ownership):** David Sarraf, (50.00%) and Harris Sarraf, (50.00%)

**Project Location:** 766 Broadway

**Project Description:** The project consists of the acquisition of a 1.4-acre parking lot at 766 Broadway and the construction of an approx. 5-story 100,000 SF market rate apartment building. The building will be comprised of 100 rental units with 125 interior garage parking spaces (approx. 34,000 SF) on the ground floor. The anticipated unit breakdown is as follows: 20 studio apartments (600 to 650 SF per unit), 65 one-bedroom apartments (850 SF per unit) and 15 two-bedroom apartments (1,100 to 1,200 SF per unit). Additionally, there will be one (1) 2,000 SF retail space on the ground floor with frontage on Broadway.

**Estimated Project Cost:** \$15,000,000

**Type of Financing:** Straight Lease

**Amount of Bonds Requested:** None

**Estimated Total Purchases Exempt from Sales Tax:** \$4,437,500

**Estimated Total Mortgage Amount:** \$12,000,000

**Current Total Assessment:** \$300,000

**Estimated Improved Total Assessment:** \$6,173,100

**Requested PILOT:** Please see attached.

**Estimated Value of Total PILOT Payments:** Please see attached.

**Estimated Value of Tax Exemptions:**

- NYS Sales and Compensating Use Tax: \$355,000
- Mortgage Recording Taxes: \$150,000
- Real Property Taxes: Please see attached.
- Other: N/A

**Employment Impact:**

- Projected Permanent: (3) new FTEs
- Projected Construction: (100) jobs

**Strategic Initiatives:**

- Albany 2030
  - Increase job opportunities for all residents.
  - Encourage investment in urban land and historic buildings for employment and housing.
  - Provide a foundation for economic activity and increase economic diversity.

**Planning Board Actions:**

- Applicant has not appeared before the Planning/Zoning Board

**Estimated IDA Fee**

- Fee amount: \$150,000

**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.

# MEMO

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

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

**RE:** 760 Broadway, LLC Update

**DATE:** September 11, 2015

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Per the direction of the Finance Committee following the August 12<sup>th</sup>, 2015 Finance Committee meeting, staff communicated a revised draft abatement schedule proposed by the Committee for 760 Broadway LLC project to the applicant for review.

At its August 12<sup>th</sup> meeting, the Finance Committee recommended the following revisions to the draft abatement schedule (see attached “Draft PILOT Analysis of 760 Broadway LLC – Revised per Finance Committee for September 2015”).

- Meet the applicant’s request for the first 12 years of the PILOT term, including 100% abatement for the first nine years, 95% abatement in year 10, 95% abatement in year 11, and 90% abatement in year 12.
- Maintain the Finance Committee’s previous proposal that provided for the alignment of the PILOT abatement schedule with applicant’s stated intent to pay based on 11.5% of estimated project gross revenues in years 13-20.

On September 1, 2015, the applicant provided a revised abatement schedule for further review by the Finance Committee (see attached “Draft PILOT Analysis of 760 Broadway LLC – Proposed by Applicant for September 2015”).

- Applicant’s current proposal and the Finance Committee’s current proposal are the same in years 1-12 (100% abatement for the first nine years, 95% abatement in year 10, 95% abatement in year 11, and 90% abatement in year 12)
- Applicant’s current proposal includes a less aggressive ramp down of percent abatement in years 13-20 beginning in year 13 at 65% abatement and ending in year 20 at 58% abatement. The Finance Committee’s current proposal includes a ramp down of percent abatement in years 13-20 beginning in year 13 at 55% abatement and ending in year 20 at 48% abatement.

The table on page 2 of this memo compares the following scenarios across a few indicators including: PILOT payments; PILOT payments per unit; and abatement schedule on improved assessment value, three indicators consistently of interest to the Committee.

- Applicant's most recent proposed PILOT structure received on September 1<sup>st</sup>, 2015
- Finance Committee proposal outlined by the Finance Committee on July 8<sup>th</sup> 2015 and reviewed as a part of the meeting materials of the August 12<sup>th</sup> 2015 Finance Committee meeting
- Finance Committee proposal outlined by the Finance Committee on August 12<sup>th</sup> 2015 and currently provided in the meeting materials of the September 17<sup>th</sup> 2015 Finance Committee meeting

Compared to the proposal outlined by the Finance Committee on August 12<sup>th</sup> and reviewed as a part of the meeting materials on August September 17<sup>th</sup>, the applicant's current proposal results in a decrease of \$300,259 in total PILOT payments and the same amount increase in total tax abatement.

760 Broadway, LLC - Comparison of Proposed Scenarios

PILOT Payment							PILOT Payment/Unit						% Abatement on Improved Assessment					
Year	Applicant Original Request	Finance Comm. Revised DRAFT August 2015	Applicant's Request August 2015	Finance Comm. Revised DRAFT September 2015	Applicant's New Request September 2015	Difference Between FC & Applicant's New Request	Applicant Original Request	Finance Comm. Revised DRAFT August 2015	Applicant's Request August 2015	Finance Comm. Revised DRAFT September 2015	Applicant's New Request September 2015	Difference Between FC & Applicant's New Request	Applicant Original Request	Finance Comm. Revised DRAFT August 2015 <sup>(1)</sup>	Applicant's Request August 2015	Finance Comm. Revised DRAFT September 2015	Applicant's New Request September 2015	Difference Between FC & Applicant's New Request
1	\$ 38,148	\$ 38,148	\$ 38,148	\$ 38,148	\$ 38,148	\$ -	\$ 378	\$ 378	\$ 378	\$ 378	\$ 378	\$ -	100.0%	100.0%	100.0%	100.0%	100.0%	0%
2	\$ 38,911	\$ 38,911	\$ 38,911	\$ 38,911	\$ 38,911	\$ -	\$ 385	\$ 385	\$ 385	\$ 385	\$ 385	\$ -	100.0%	100.0%	100.0%	100.0%	100.0%	0%
3	\$ 39,689	\$ 39,689	\$ 39,689	\$ 39,689	\$ 39,689	\$ -	\$ 393	\$ 393	\$ 393	\$ 393	\$ 393	\$ -	100.0%	100.0%	100.0%	100.0%	100.0%	0%
4	\$ 40,483	\$ 40,483	\$ 40,483	\$ 40,483	\$ 40,483	\$ -	\$ 401	\$ 401	\$ 401	\$ 401	\$ 401	\$ -	100.0%	100.0%	100.0%	100.0%	100.0%	0%
5	\$ 41,292	\$ 41,292	\$ 41,292	\$ 41,292	\$ 41,292	\$ -	\$ 409	\$ 409	\$ 409	\$ 409	\$ 409	\$ -	100.0%	100.0%	100.0%	100.0%	100.0%	0%
6	\$ 42,118	\$ 72,573	\$ 42,118	\$ 42,118	\$ 42,118	\$ -	\$ 417	\$ 719	\$ 417	\$ 417	\$ 417	\$ -	100.0%	90.0%	100.0%	100.0%	100.0%	0%
7	\$ 42,961	\$ 89,557	\$ 42,961	\$ 42,961	\$ 42,961	\$ -	\$ 425	\$ 887	\$ 425	\$ 425	\$ 425	\$ -	100.0%	85.0%	100.0%	100.0%	100.0%	0%
8	\$ 43,820	\$ 107,190	\$ 43,820	\$ 43,820	\$ 43,820	\$ -	\$ 434	\$ 1,061	\$ 434	\$ 434	\$ 434	\$ -	100.0%	80.0%	100.0%	100.0%	100.0%	0%
9	\$ 44,696	\$ 125,494	\$ 44,696	\$ 44,696	\$ 44,696	\$ -	\$ 443	\$ 1,243	\$ 443	\$ 443	\$ 443	\$ -	100.0%	75.0%	100.0%	100.0%	100.0%	0%
10	\$ 45,590	\$ 144,486	\$ 62,073	\$ 62,073	\$ 62,073	\$ -	\$ 451	\$ 1,431	\$ 615	\$ 615	\$ 615	\$ -	100.0%	70.0%	95.0%	95.0%	95.0%	0%
11	\$ 46,502	\$ 164,188	\$ 63,314	\$ 63,314	\$ 63,314	\$ -	\$ 460	\$ 1,626	\$ 627	\$ 627	\$ 627	\$ -	100.0%	65.0%	95.0%	95.0%	95.0%	0%
12	\$ 47,432	\$ 184,620	\$ 81,729	\$ 81,729	\$ 81,729	\$ -	\$ 470	\$ 1,828	\$ 809	\$ 809	\$ 809	\$ -	100.0%	60.0%	90.0%	90.0%	90.0%	0%
13	\$ 65,872	\$ 205,804	\$ 83,364	\$ 205,804	\$ 170,821	\$ (34,983)	\$ 652	\$ 2,038	\$ 825	\$ 2,038	\$ 1,691	\$ (346)	95.0%	55.0%	90.0%	55.0%	65.0%	10%
14	\$ 85,031	\$ 213,489	\$ 102,872	\$ 213,489	\$ 177,806	\$ (35,683)	\$ 842	\$ 2,114	\$ 1,019	\$ 2,114	\$ 1,760	\$ (353)	90.0%	54.0%	85.0%	54.0%	64.0%	10%
15	\$ 104,930	\$ 221,398	\$ 104,930	\$ 221,398	\$ 185,002	\$ (36,396)	\$ 1,039	\$ 2,192	\$ 1,039	\$ 2,192	\$ 1,832	\$ (360)	85.0%	53.0%	85.0%	53.0%	63.0%	10%
16	\$ 125,590	\$ 229,538	\$ 125,590	\$ 229,538	\$ 192,414	\$ (37,124)	\$ 1,243	\$ 2,273	\$ 1,243	\$ 2,273	\$ 1,905	\$ (368)	80.0%	52.0%	80.0%	52.0%	62.0%	10%
17	\$ 128,102	\$ 237,916	\$ 128,102	\$ 237,916	\$ 200,049	\$ (37,867)	\$ 1,268	\$ 2,356	\$ 1,268	\$ 2,356	\$ 1,981	\$ (375)	80.0%	51.0%	80.0%	51.0%	61.0%	10%
18	\$ 149,976	\$ 246,537	\$ 149,976	\$ 246,537	\$ 207,913	\$ (38,624)	\$ 1,485	\$ 2,441	\$ 1,485	\$ 2,441	\$ 2,059	\$ (382)	75.0%	50.0%	75.0%	50.0%	60.0%	10%
19	\$ 152,976	\$ 255,407	\$ 152,976	\$ 255,407	\$ 216,010	\$ (39,397)	\$ 1,515	\$ 2,529	\$ 1,515	\$ 2,529	\$ 2,139	\$ (390)	75.0%	49.0%	75.0%	49.0%	59.0%	10%
20	\$ 156,035	\$ 264,534	\$ 176,128	\$ 264,534	\$ 224,349	\$ (40,185)	\$ 1,545	\$ 2,619	\$ 1,744	\$ 2,619	\$ 2,221	\$ (398)	75.0%	48.0%	70.0%	48.0%	58.0%	10%
Totals	\$ 1,480,155	\$ 2,961,253	\$ 1,603,172	\$ 2,453,856	\$ 2,153,597	\$ (300,259)	-	-	-			-	-	-	-			-

(1) Per Commissioner of Department of Assessment & Taxation based on estimate of \$61,731 per unit (inc. land and improvement assessment value). Assessment value is not fixed.





PILOT Year	School Tax Year	City & County Tax Year	Tax Rate <sup>(6)</sup>	Status Quo		Proposed Project										
				Current Taxable Assessment <sup>(7)</sup>	Estimated Allocated Total Taxes <sup>(8)</sup>	PILOT Base Assessment <sup>(9)</sup>	Normal Tax			Revised PILOT						
							Estimated Total Improved Assessment <sup>(10)</sup>	Estimated Total Taxes w/o PILOT <sup>(11)</sup>	Estimated Total Taxes w/o PILOT Per Unit <sup>(12)</sup>	PILOT Payments to be the Greater of <sup>(13)</sup>		Estimated Abatement <sup>(16)</sup>	Estimated PILOT Payments Per Unit <sup>(17)</sup>	Estimated Abatement Per Unit <sup>(18)</sup>	% Abatement on Total Assessment <sup>(19)</sup>	% of Abatement on Improved Assessment <sup>(20)</sup>
										Estimated PILOT Payments <sup>(14)</sup>	Estimated PILOT Payments <sup>(15)</sup>					
Interim <sup>(1)</sup>	2016/2017	2017	\$49.87	\$300,000	\$14,960	-	-	-	-	-	-	-	-	-	-	-
1 <sup>(2)</sup>	2017/2018	2018	\$50.86	\$300,000	\$15,259	\$750,000	\$6,173,100	\$313,987	\$3,109	\$38,148	Not applicable	\$275,839	\$378	\$2,731	87.85%	100.00%
2	2018/2019	2019	\$51.88	\$300,000	\$15,564	\$750,000	\$6,173,100	\$320,266	\$3,171	\$38,911	Not applicable	\$281,356	\$385	\$2,786	87.85%	100.00%
3	2019/2020	2020	\$52.92	\$300,000	\$15,876	\$750,000	\$6,173,100	\$326,672	\$3,234	\$39,689	Not applicable	\$286,983	\$393	\$2,841	87.85%	100.00%
4	2020/2021	2021	\$53.98	\$300,000	\$16,193	\$750,000	\$6,173,100	\$333,205	\$3,299	\$40,483	Not applicable	\$292,722	\$401	\$2,898	87.85%	100.00%
5	2021/2022	2022	\$55.06	\$300,000	\$16,517	\$750,000	\$6,173,100	\$339,869	\$3,365	\$41,292	Not applicable	\$298,577	\$409	\$2,956	87.85%	100.00%
6	2022/2023	2023	\$56.16	\$300,000	\$16,847	\$750,000	\$6,173,100	\$346,667	\$3,432	\$42,118	Not applicable	\$304,548	\$417	\$3,015	87.85%	100.00%
7	2023/2024	2024	\$57.28	\$300,000	\$17,184	\$750,000	\$6,173,100	\$353,600	\$3,501	\$42,961	Not applicable	\$310,639	\$425	\$3,076	87.85%	100.00%
8	2024/2025	2025	\$58.43	\$300,000	\$17,528	\$750,000	\$6,173,100	\$360,672	\$3,571	\$43,820	Not applicable	\$316,852	\$434	\$3,137	87.85%	100.00%
9	2025/2026	2026	\$59.59	\$300,000	\$17,878	\$750,000	\$6,173,100	\$367,885	\$3,642	\$44,696	Not applicable	\$323,189	\$443	\$3,200	87.85%	100.00%
10	2026/2027	2027	\$60.79	\$300,000	\$18,236	\$750,000	\$6,173,100	\$375,243	\$3,715	\$62,073	Not applicable	\$313,170	\$615	\$3,101	83.46%	95.00%
11	2027/2028	2028	\$62.00	\$300,000	\$18,601	\$750,000	\$6,173,100	\$382,748	\$3,790	\$63,314	Not applicable	\$319,434	\$627	\$3,163	83.46%	95.00%
12	2028/2029	2029	\$63.24	\$300,000	\$18,973	\$750,000	\$6,173,100	\$390,403	\$3,865	\$81,729	Not applicable	\$308,674	\$809	\$3,056	79.07%	90.00%
13 <sup>(3)</sup>	2029/2030	2030	\$64.51	\$300,000	\$19,352	\$750,000	\$6,173,100	\$398,211	\$3,943	\$170,821	11.5% of Project Gross Revenue	\$227,390	\$1,691	\$2,251	57.10%	65.00%
14	2030/2031	2031	\$65.80	\$300,000	\$19,739	\$750,000	\$6,173,100	\$406,175	\$4,022	\$177,806	11.5% of Project Gross Revenue	\$228,369	\$1,760	\$2,261	56.22%	64.00%
15	2031/2032	2032	\$67.11	\$300,000	\$20,134	\$750,000	\$6,173,100	\$414,299	\$4,102	\$185,002	11.5% of Project Gross Revenue	\$229,297	\$1,832	\$2,270	55.35%	63.00%
16	2032/2033	2033	\$68.46	\$300,000	\$20,537	\$750,000	\$6,173,100	\$422,585	\$4,184	\$192,414	11.5% of Project Gross Revenue	\$230,171	\$1,905	\$2,279	54.47%	62.00%
17	2033/2034	2034	\$69.82	\$300,000	\$20,947	\$750,000	\$6,173,100	\$431,036	\$4,268	\$200,049	11.5% of Project Gross Revenue	\$230,987	\$1,981	\$2,287	53.59%	61.00%
18	2034/2035	2035	\$71.22	\$300,000	\$21,366	\$750,000	\$6,173,100	\$439,657	\$4,353	\$207,913	11.5% of Project Gross Revenue	\$231,745	\$2,059	\$2,295	52.71%	60.00%
19	2035/2036	2036	\$72.65	\$300,000	\$21,794	\$750,000	\$6,173,100	\$448,450	\$4,440	\$216,010	11.5% of Project Gross Revenue	\$232,440	\$2,139	\$2,301	51.83%	59.00%
20 <sup>(4)</sup>	2036/2037	2037	\$74.10	\$300,000	\$22,230	\$750,000	\$6,173,100	\$457,419	\$4,529	\$224,349	11.5% of Project Gross Revenue	\$233,070	\$2,221	\$2,308	50.95%	58.00%
Permanent <sup>(5)</sup>	2037/2038	2038	\$75.58	\$300,000	\$22,674	\$750,000	\$6,173,100	\$466,568	\$4,619		-	-	-	-	-	-
Estimated Total <sup>(21)</sup>					\$370,756			\$7,629,051		\$2,153,598		\$5,475,453				

*(1) Property will likely be taxable until March 1st, 2017.*

(2) *Estimated start of PILOT abatement schedule.*

(3) *Beginning of PILOT Payments to be the Greater of Scenario.*

(4) *Estimated end of PILOT abatement schedule.*

*(5) Property returns to taxable status anticipated.*

(6) Estimated non homestead tax rate (does not include any special ad valorem taxes that are still payable under PILOT) based on City and County 2015 tax year and School 2014/2015 tax year with, per Applicant, estimated escalation of 2.0% thereafter.

(7) Per Commissioner of Department of Assessment & Taxation Current Assessment Value.

(8) Estimated taxes if proposed project did not occur (i.e. left status quo).

(9) *Base assessment per proposed purchase price. An increase of \$400,000 in above current taxable assessment which when calculated as part of PILOT payment will result in an increase of revenues from the property starting from the beginning.*

(10) Per Commissioner of Department of Assessment & Taxation based on estimate of \$61,120 per unit (inc. land and improvement assessment value). Assessment value is not fixed.

(11) Estimated taxes if proposed project occurred without PILOT assistance.

(12) Estimated taxes Per Unit if proposed project occurred without PILOT assistance.

(13) PILOT Payments in Years 1-12 will be calculated by the schedule listed for Percent Abatement on Improved Assessment. Starting in Year 13 the PILOT Payments will be calculated as the greater of the Percent Abatement on Improved Assessment or 11.5% of Project Gross Revenue.

(14) Estimated PILOT Payments assuming PILOT using % of Abatement on Improved Assessment.

(15) Estimated PILOT Payments assuming PILOT using 11.5% of Project Gross Revenue. Applicant has estimated such PILOT payments would be in: Yr. 13 \$210,077; Yr. 14 \$214,279; Yr. 15 \$218,565; Yr. 16 \$222,936; Yr. 17 \$227,395; Yr. 18 \$231,943; Yr. 19 \$236,581; Yr. 20 \$241,313.

(16) Difference of Estimated PILOT Payments from Estimated Total Taxes w/o PILOT assuming PILOT.

(17) *Estimated PILOT Payments Per Unit assuming PILOT.*

(18) Difference of Estimated PILOT Payments Per Unit from Estimated Total Taxes w/o PILOT Per Unit assuming PILOT.

(19) Percent Abatement on Total Assessment via PILOT assuming PILOT.

(20) Percent Abatement on Improved Assessment via PILOT assuming PILOT.

(21) Totals for comparison and analysis during PILOT agreement period only. NOT NET PRESENT VALUE.

\*\*\*Analysis is ONLY an estimate\*\*\*

## MEMO

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

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

**RE:** Dilek, LLC Request for Extension of Sales Tax Exemption

**DATE:** September 11, 2015

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The IDA has received a request for a sales tax exemption extension letter for Dilek, LLC. The original sales tax exemption letter for this project was issued in March of 2013 and expired in March of 2014. The IDA Board approved a sales tax exemption letter extension for this project in March of 2014 which subsequently expired in January 2015. The applicant's request and explanation is attached for review.

BARCLAY DAMON<sup>LLP</sup>

Henry J. Nahal  
*Of Counsel*

September 11, 2015

Ms. Tracy Metzger  
Chairperson  
City of Albany Industrial Development Agency  
& Capitol Resource Corp.  
21 Lodge Street  
Albany, New York 12207

Re: Extension of Expiration date to Sales Tax Letter

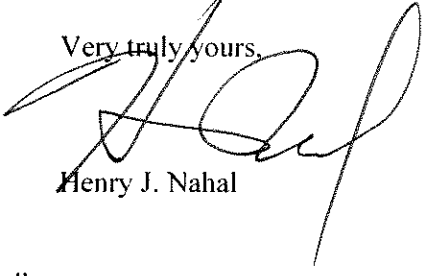
Dear Chairperson:

We are requesting that the Agency consider an extension of the expiration date to the Sales Tax Letter delivered by the Agency for our Project. Please note the following:

1. The new expiration date should be February 29, 2016;
2. The description of the Project remains unchanged from the description contained in the Straight Lease Documents;
3. The total costs of the Project have changed from the amount described in the Straight Lease Document. The new project costs total \$1,750,000; and
4. While the completion of the Project is moving along, we have some purchases that we now need to make relating to the Project that inadvertently extend beyond the scheduled expiration date of the Sales Tax Letter.

Your attention on this matter is appreciated. Please call with any comments or questions.

Very truly yours,

  
Henry J. Nahal

:tm

cc: Sabina Mora – via email: [smora@capitalizealbany.com](mailto:smora@capitalizealbany.com)

# MEMO

**To** IDA Members  
**From** Scott Townsend, 3t  
**Re** 423 Madison Avenue (a.k.a.: The Larson Building)  
**Date** September 10, 2015  
**Project #** 15-028

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On behalf of the owner, we are formally requesting that the tax exemption for this project is extended until at least February 2016. As we all know, there have been delays to the project which were most unfortunate and have been beyond the control of the owner.

The reasons additional expenses that have occurred on the project are as set forth in the attached letter to Eric Heathwaite of Pioneer Bank, dated March 6, 2015. It is important to know that the owner continues to work with the bank and they have reached an agreement on the additional finances for the project in order to complete it. I have also attached the original IDA application that shows the original costs estimated for the project.

The items noted in the aforementioned letter were also responsible for creating unanticipated great delays to the project. This is due to the extensive design and construction work required as well as the permitting processes affiliated with this unexpected, additional work on the project. An additional delay of several months was caused by a change to the construction team. Approximately two months ago, an owner's representative, acting as a project manager, had been contracted and committed to completing the project as set forth in the attached schedule.

Please note that all of the subcontractors are under full contract and all materials required to complete the project (masonry – brick and precast, sunscreens and awnings, doors/hardware, flooring, cabinetry as well as all mech., elect. & plumbing equipment and fixtures, etc.) have been ordered and/or are on site in anticipation of being installed.

I have also attached some of the design materials related to the project. It is important to know that the project, with the exception of the restaurant not being completed, is being constructed as originally designed and as depicted on the attached renderings and floor plans.

Thank you for considering this request.



TO: City of Albany IDA Finance Committee  
FROM: Mark Opalka  
DATE: September 17, 2015  
RE: City of Albany IDA Preliminary Draft 2016 Budget

Based on current projections we anticipate the ending cash balance to be \$2,570,263 at December 31, 2015.

We anticipate the cash balance to increase by \$21,850 at December 31, 2016 based on budgeted revenue and expenses. Below is a highlight of the changes contained in the 2016 budget compared to last year's budget.

Revenues for the agency are budgeted to be approximately \$840,000 in 2016. The majority of this revenue is expected to be in the form of fee revenue which is budgeted to be approximately \$679,000. To date, there are no known projects that are expected to close in 2016 at this time. The revenue budgeted for 2016 was determined using a weighted average formula using the last five years of fee income. The project benefit agreement and the 9.5% LIHTC Fee remains unchanged and interest expense is budgeted to be higher due higher cash balances in reserve.

Expenses for the agency are budgeted to be approximately \$818,000 in 2016. A new budgeted line item for 2016 is \$100,000 to be used, out of the approximately \$2,570,000 that is budgeted to be in cash reserves at December 31, 2015, for potential strategic activities. This expense will be used to reserve funds for potential strategic deployments that could be approved by the Board in 2016. Legal expenses have been budgeted for \$10,000 in 2016. This \$5,000 increase is attributable to the increased compliance that is needed. Miscellaneous expenses have budgeted for \$5,000 in 2016. This \$1,000 increase is attributable to the increase in committee meetings to occur in 2016. The management contract has been budgeted for \$320,000. This \$20,000 increase is attributable to additional costs incurred for consulting services provided to IDA projects. All other budgeted expenses remain unchanged.

The projected ending cash balance of the IDA is projected to be \$2,598,849 at December 31, 2016 based on this proposed budget. This balance represents reserve of approximately 3.7 years at the current level of operating expenses.

	2015 APPROVED Budget	2015 YTD Actual as of Sep 11	2015 Projected Sep 12- Dec 31	2015 Total <sup>(1)</sup>	2015 Projected Variance to Budget	2016 PROPOSED Budget
<b>REVENUE</b>						
Fees	\$ 561,974	\$ 1,064,758	\$ 229,737	\$ 1,294,495	\$ 732,521	\$ 679,114
Project Benefit Agreement Revenue	100,000	100,000	-	100,000	-	100,000
9 % LIHTC Fee	20,000	20,000		20,000		20,000
CRC Agreement	45,000	-	1,155	1,155	(43,845)	40,669
Interest	523	229	18	247	(276)	503
<b>TOTAL REVENUE</b>	<b>\$ 727,497</b>	<b>\$ 1,184,987</b>	<b>\$ 230,910</b>	<b>\$ 1,415,897</b>	<b>\$ 688,400</b>	<b>\$ 840,286</b>
<b>OPERATING EXPENSES</b>						
Economic Development and Community Development Support	\$ 250,000	\$ 187,500	\$ 62,500	\$ 250,000	\$ -	\$ 250,000
Sub-Lease AHCC	75,000	34,513	35,056	69,569	(5,431)	75,000
Legal Expenses <sup>(2)</sup>	5,000	-	26,565	26,565	21,565 <sup>(2)</sup>	10,000
Website Maintenance	1,000	-	1,000	1,000	-	1,000
Management Contract	300,000	225,000	75,000	300,000	-	320,000
Agency Counsel	42,000	-	42,000	42,000	-	42,000
Audits	7,000	7,000	-	7,000	-	7,000
D & O Insurance	1,700	1,410	-	1,410	(290)	1,700
Miscellaneous	4,000	3,782	1,029	4,811	811	5,000
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 685,700</b>	<b>\$ 459,205</b>	<b>\$ 243,150</b>	<b>\$ 702,355</b>	<b>\$ 16,655</b>	<b>\$ 711,700</b>
<b>Surplus/(Deficit) Before Other Expenses</b>	<b>\$ 41,797</b>	<b>\$ 725,782</b>	<b>\$ (12,240)</b>	<b>\$ 713,542</b>	<b>\$ 671,745</b>	<b>\$ 128,586</b>
<b>OTHER EXPENSES</b>						
Strategic Activity	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
<b>TOTAL OTHER EXPENSES <sup>(3)</sup></b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ 100,000 <sup>(3)</sup></b>
<b>Surplus/(Deficit) <sup>(4)</sup></b>	<b>\$ 41,797</b>	<b>\$ 725,782</b>	<b>\$ (112,240)</b>	<b>\$ 613,542</b>	<b>\$ 571,745</b>	<b>\$ 28,586 <sup>(4)</sup></b>

<b>Closed Projects</b>	<b>Project Amount</b>	<b>2015 Fee Collected</b>
Park South Partners	\$ 52,583,500	\$ 525,835
Eleftheria Properties, LLC	6,200,000	62,000
67 Howard Street, LLC	8,003,000	80,030
Broadway Albany Realty, LLC	4,430,000	22,150 (1/2% fee)
40 -48 North Pearl Street, LLC	2,442,600	12,213 (1/2% fee)
One Columbia Realty, LLC	2,557,000	25,570
1475 Washington Avenue Associates, LLC	27,500,000	275,000
	-	-
<b>Total</b>	<b>\$ 103,716,100</b>	<b>\$ 1,002,798</b>

<b>2015 Estimated Project Closings</b>	<b>Estimated Project Amount</b>	<b>Estimated 2016 Fee</b>
CDP Holland, LLC	22,973,700	229,737
	-	-
<b>Total</b>	<b>\$ 22,973,700</b>	<b>\$ 229,737</b>

<b>2016 Estimated Closings</b>	<b>Estimated Project Amount</b>	<b>Estimated 2016 Fees</b>
2016 Estimates Fees	66,711,400	\$ 667,114
	-	-
<b>Total</b>	<b>\$ 66,711,400</b>	<b>\$ 667,114</b>

## Notes:

(1) YTD projected ending cash balance at December 31, 2015 is expected to be \$2,570,263

(2) Legal expenses incurred during 2015 was a direct result of implementations of action items from strategic transition plan that was presented to the Governance Committee in February 2015

(3) Other expenses are non recurring expenses that are a strategic deployment of agency's cash balance

(4) YTD projected ending cash balance at December 31, 2016 is expected to be \$2,598,849

TO: City of Albany IDA Finance Committee  
FROM: IDA Staff  
DATE: September 17, 2015  
RE: Investment and Procurement Policy Review

Pursuant to the Finance Committee Charter it is a requirement and best practice that the committee review the Agency's investment and procurement policies annually.



PART 5  
PROCUREMENT POLICY

SECTION 501. PURPOSE AND AUTHORITY. The purpose of this Part is to outline the procurement policy of City of Albany Industrial Development Agency (the “Agency”) as set forth by the procurement policy resolution (the “Resolution”) adopted by the Agency on February 24, 1995 pursuant to Section 858-a(2) of Title One of Article 18-A of the General Municipal Law (the “Act”).

SECTION 502. SECURING GOODS AND SERVICES. All goods and services will be secured by use of written requests for proposals, written quotations, verbal quotations, or any other method that assures that goods will be purchased at the lowest price and that unfair preference will be avoided, except in the following circumstances: purchases costing less than \$500; goods purchased from agencies for the blind or severely handicapped pursuant to Section 175-b of the State Finance Law; goods purchased from correctional institutions pursuant to Section 186 of the Correction Law; purchases under State contracts pursuant to Section 104 of the General Municipal Law; purchases under county contracts pursuant to Section 103(3) of the General Municipal Law; or purchases pursuant to Section 504 of this policy.

SECTION 503. METHOD OF PURCHASE.

(A) General. The following method of purchase will be used when required by this policy in order to achieve the highest savings:

<u>Estimated Amount of Purchase Contract<sup>1</sup></u>	<u>Method</u>
\$500-\$2,999	2 verbal quotations
\$3,000 and above	3 written/fax quotations or written request for proposals

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<sup>1/</sup> Purchase Contract refers to contracts for the purchase of equipment.

<u>Estimated Amount of Public Works Contract<sup>2</sup></u>	<u>Method</u>
\$500-\$2,999	2 verbal quotations
\$3,000-\$4,999	2 written/fax quotations
\$5,000 and above	3 written/fax quotations or written request for proposals

(B) Number of Proposals or Quotations. A good faith effort shall be made to obtain the required number of proposals or quotations. If the purchaser is unable to obtain the required number of proposals or quotations, the purchaser will document the attempt made at obtaining the proposals. So long as a good faith attempt is made to obtain proposals, the failure to obtain the proposals will not be a bar to the procurement.

(C) Documentation. (1) Documentation is required of each action taken in connection with each procurement.

(2) Documentation and an explanation is required whenever a contract is awarded to other than the lowest responsible offeror. This documentation will include an explanation of how the reward will achieve savings or how the offeror was not responsible. A determination that the offeror is not responsible shall be made by the purchaser and may not be challenged under any circumstances.

SECTION 504. CIRCUMSTANCES WHERE SOLICITATION OF ALTERNATIVE PROPOSALS AND QUOTATIONS NOT IN BEST INTEREST. Pursuant to General Municipal Law Section 104-b(2)(f), the procurement policy may contain circumstances when, or types of procurements for which, in the sole discretion of the members of the Agency, the solicitation of alternative proposals or quotations will not be in the best interest of the Agency. In the following circumstances, it may not be in the best interests of the Agency to solicit quotations or document the basis for not accepting the lowest bid:

(A) Professional Services. Professional services or services requiring special or technical skill, training or expertise. The individual, company or firm must be chosen based on accountability, reliability, responsibility, skill, conflict of interests, reputation, education and training, judgement, integrity, continuity of service and moral worth. Furthermore, certain professional services to be provided to the Agency, e.g., legal and accounting services, impact liability issues of the Agency and its members, including securities liability in circumstances where the Agency is issuing bonds. These qualifications and the concerns of the Agency regarding its liability and the liability of its members are not necessarily found or addressed in the individual, company or firm that offers the lowest price and the nature of these services are such that they do not readily lend themselves to competitive procurement procedures.

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<sup>2/</sup> Public Works Contract refers to contracts for services.

In determining whether a service fits into this category, the Agency shall take into consideration the following guidelines: (a) whether the services are subject to State licensing or testing requirements; (b) whether substantial formal education or training is a necessary prerequisite to the performance of the services; and (c) whether the services require a personal relationship between the individual and agency members. Professional or technical services shall include but not be limited to the following: services of an attorney (including bond counsel); services of a physician; technical services of an engineer engaged to prepare plans, maps and estimates; securing insurance coverage and/or services of an insurance broker; services of a certified public accountant; investment management services; printing services involving extensive writing, editing or art work; management of municipally owned property; real estate brokerage services; appraisers; and computer software or programming services for customized programs, or services involved in substantial modification and customizing of pre-packaged software.

(B) Emergency Purchases. Emergency purchases pursuant to Section 103(4) of the General Municipal Law. Due to the nature of this exception, these goods or services must be purchased immediately and a delay in order to seek alternate proposals may threaten the life, health, safety or welfare of the public. This section does not preclude alternate proposals if time permits.

(C) Purchases of Secondhand Goods. Purchases of surplus and second-hand goods from any source. It is difficult to try to compare prices of used goods and a lower price may indicate an older product.

(D) Goods or Services Under \$500. The time and documentation required to purchase through this policy may be more costly than the item itself and would therefore not be in the best interests of the taxpayer. In addition, it is not likely that such de minimis contracts would be awarded based on unfair preference.

(E) Special Findings. In the event the Agency determines that the solicitation of alternative proposals or quotations is not in the best interests of the Agency, the Agency must make such determination by resolution duly adopted and entered into the minutes of the Agency. Such resolution should include any findings described in this Section 504 supporting such determination.

**SECTION 505. EQUAL EMPLOYMENT OPPORTUNITIES FOR MINORITY GROUP MEMBERS AND WOMEN.** (A) All Agency documents soliciting bids or proposals for Agency contracts shall contain or make reference to the following provisions:

1. The Agency will not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, and will undertake or continue existing programs of affirmative action to ensure that minority group members and women are afforded equal employment opportunities without discrimination. For purposes of this Section, affirmative action shall mean recruitment, employment, job assignment, promotion, upgradings, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation; and

2. The Agency shall state, in all solicitations or advertisements for employees, that, in the performance of the Agency contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

(B) Any contract awarded by the Agency will include the provisions of Section 505 (A) hereof in any subcontract, in such a manner that the provisions will be binding upon each subcontractor as to work in connection with the Agency contract.

(C) The provisions of this Section 505 shall not be binding upon contractors or subcontractors in the performance of work or the provision of services or any other activity that are unrelated, separate or distinct from the Agency contract as expressed by its terms.

(D) In the implementation of this Section 505, the Agency shall consider compliance by a contractor or subcontractor with the requirements of any federal law concerning equal employment opportunity which effectuates the purpose of this Section. The Agency shall determine whether the imposition of the requirements of the provisions hereof duplicate or conflict with any such law and if such duplication or conflict exists, the Agency shall waive the applicability of this Section 505 to the extent of such duplication or conflict.

(E) The Agency shall ensure that “certified businesses” (as defined in Section 310 of the Executive Law of the State of New York) shall be given the opportunity for meaningful participation in the performance of Agency contracts and to identify those Agency contracts for which certified businesses may best bid to actively and affirmatively promote and assist their participation in the performance of Agency contracts so as to facilitate the award of a fair share of Agency contracts to such businesses.

SECTION 506. POLICY REVIEW. This policy will be reviewed annually.

## PART 4

### DEPOSITS AND INVESTMENTS OF AGENCY FUNDS

SECTION 401. PURPOSE AND AUTHORITY. (A) Agency Funds. The purpose of this Part is to implement Section 858-a(3) of Title One of Article 18-A of the General Municipal Law (the “Act”), which provides that the provisions of Sections 10 and 11 of the General Municipal Law shall be applicable to deposits and investments made by City of Albany Industrial Development Agency (the “Agency”) of funds for the use and account of the Agency (“Agency Funds”).

(B) Non-Agency Funds. The provisions of this Part 4 shall not apply to funds derived from the sale of bonds, notes or other obligations issued to fund a particular project for the benefit of a particular applicant, or any other funds of the Agency which are not Agency Funds.

SECTION 402. DEPOSITS OF AGENCY FUNDS. (A) Designation of Depositories. The Agency shall by resolution or resolutions of the members of the Agency designate one or more banks or trust companies (each, a “Depository”) for the deposit of Agency Funds received by the treasurer or any other officer of the Agency authorized by law or the by-laws of the Agency to make deposits. Such resolution or resolutions shall specify the maximum amount that may be kept on deposit at any time in each Depository. Such designations and amounts may be changed at any time by a further resolution of the members of the Agency.

(B) Security. All Agency Funds in excess of the amount insured under the provisions of the Federal Deposit Insurance Act as now or hereinafter amended shall be secured in accordance with the provisions of Section 10(3) of the General Municipal Law. Generally, Section 10(3) of the General Municipal Law provides that Agency Funds may be secured by (1) a pledge of “eligible securities” (as defined in Section 10(1) of the General Municipal Law), together with a security agreement and custodial agreement meeting the requirements of Section 10(3)(a) of the General Municipal Law, or (2) an “eligible surety bond” or an “eligible letter of credit” (as such quoted terms are defined in Section 10(1) of the General Municipal Law) securing 100% of such Agency Funds.

SECTION 403. INVESTMENTS OF AGENCY FUNDS. (A) Investment Policy. It is the general policy of the Agency that Agency Funds not required for immediate expenditure shall be invested as described in subsection (C) below. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

(B) Designation of Investment Officers. The treasurer and any other officer or employee of the Agency so authorized by the by-laws of the Agency or by resolution of the members of the Agency (each, an “Investment Officer”) are authorized to temporarily invest Agency Funds not required for immediate expenditure. Any designation of an Investment Officer made by resolutions of the members of the Agency may be changed at any time by a further resolution of the members of the Agency.

(C) Types of Investments. Except as otherwise provided by resolution of the members of the Agency, an Investment Officer may invest Agency Funds in any obligation described in Section 11(2) and Section 11(3) of the General Municipal Law. Generally, Sections 11(2) and 11(3) of the General Municipal Law permit the following types of investments:

- (1) special time deposits in, or certificates of deposit issued by, any bank or trust company located and authorized to do business in the State of New York, provided that such deposit account or certificate of deposit is secured in the same manner as is provided for securing deposits of Agency Funds by Section 10(3) of the General Municipal Law;
- (2) obligations of, or obligations where the payment of principal and interest are guaranteed by, the United States of America;
- (3) obligations of the State of New York; and
- (4) with the approval of the State Comptroller, tax anticipation notes and revenue anticipation notes issued by any municipality or school district or district corporation organized under the laws of the State of New York.

(D) Custodians. The Agency may, by resolution of the members of the Agency, authorize the Investment Officers to turn over the physical safekeeping and evidences of the investments made pursuant to subsection (C) of this Section (“Agency Investments”) to any entity authorized pursuant to Section 11(4) of the General Municipal Law to act as a custodian of Agency Investments, but only upon compliance with the requirements of Section 11(4) of the General Municipal Law. Generally, Section 11(4) of the General Municipal Law allows the following types of entities to act as custodians of Agency Investments:

- (1) any bank or trust company incorporated in the State of New York;
- (2) any national bank located in the State of New York; and
- (3) any private banker duly authorized by the New York State Superintendent of Banks to engage in business in New York State which maintains a permanent capital of not less than one million dollars in New York State.

(E) Commingling. Any Agency Funds invested pursuant to this Section may be commingled for investment purposes upon compliance with the requirements of Section 11(6) of

the General Municipal Law. Generally, Section 11(6) of the General Municipal Law allows commingling of Agency Investments so long as (1) such investment is payable or redeemable at the option of the Agency within such time as the proceeds are needed by the Agency, (2) the separate identity of such funds are maintained at all times, and (3) income received on such commingled monies is credited on a pro rata basis to the fund or account from which the monies were invested.

(F) Proper Records. The treasurer of the Agency shall maintain (or cause the Investment Officers to maintain) a proper record of all books, notes, securities or other evidences of indebtedness held by or for the Agency for purposes of investment. Such record shall at least (where applicable) (1) identify the security, (2) the fund for which held, (3) the place where kept, (4) the date of sale or other disposition, and (5) the amount received from such sale or other disposition.

(G) Sample Resolution. Attached hereto as Appendix 4A is a sample form of resolution naming Depositories and Investment Officers pursuant to this Part and restricting the types of investments in which an Investment Officer may invest Agency Funds.

SECTION 404. INTERNAL CONTROLS. (A) Periodic Reviews. To the maximum extent possible, the Executive Director of the Agency shall prepare and submit to the treasurer reports showing the amount of Agency Funds on deposit in each Depository and the general nature of the investment of such Agency Funds. Such reports shall be prepared within thirty (30) days of the end of each fiscal quarter. The treasurer shall in turn present such reports at the next regularly scheduled meeting of the Agency following the completion of such report.

(B) Annual Report. Within thirty (30) days of the end of each fiscal year, the Executive Director of the Agency shall prepare and submit to the treasurer of the Agency an annual investment report (the "Annual Investment Report") showing the deposits and investments of Agency Funds as of the beginning of such fiscal year, a summary of the changes in such amounts during such fiscal year, a summary of the earnings thereon during such fiscal year, and the balance thereof as of the end of such fiscal year. The treasurer of the Agency shall then present said report to the members of the Agency at the last regular meeting of the Agency for fiscal year.

(C) Annual Audit. The Annual Investment Report shall be audited by the Agency's independent certified public accountant as part of the Agency's annual general audit required pursuant to Section 859 of the Act.

(D) Annual Review. The members of the Agency shall review the Annual Investment Report and the annual audit and this Part, and shall make any amendments to this Part necessary to achieve the purposes of this Part.