

# Albany Industrial Development Agency

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

Anthony J. Ferrara, *Chairman*  
Willard A. Bruce, *Vice-Chairman*  
Kathy Sheehan, *Treasurer*  
Susan Pedo, *Secretary*  
Prairie Wells  
Gary Simpson  
Martin Daley

Michael Yevoli, *Chief Executive Officer*  
Erik J. Smith, *Chief Financial Officer*  
John Reilly, *Agency Counsel*

To: Anthony J. Ferrara  
Willard A. Bruce  
Kathy Sheehan  
Susan Pedo  
Gary Simpson  
Prairie Wells  
Martin Daley  
Megan Daly

Mike Yevoli  
Joe Scott  
Jeff Sullivan  
John Reilly  
Erik Smith  
Maria Pidgeon  
City Clerk

Date: January 14, 2011

## AGENDA

**PLEASE NOTE THAT A PUBLIC HEARING CONCERNING THE FOLLOWING PROJECT WILL BE HELD AT 12 NOON ON Thursday, January 20, 2011 at the offices of Capitalize Albany Corporation, 21 Lodge Street, Albany, NY 12207**

- **Columbia 455, LLC Project**

The regular meeting of the City of Albany Industrial Development Agency will be held on **Thursday, January 20, 2011 at 12:15PM** at the offices Capitalize Albany Corporation, 21 Lodge Street, Albany, NY 12207 (Conference Room)

### **Roll Call**

**Reading of Minutes of the Regular Meeting of December 16, 2011**

**Approval of Minutes of the Regular Meeting of December 16, 2011**

### **Reports of Committees**

**Report of Chief Executive Officer**

**Report of Chief Financial Officer**

- Financial Report

### **Communications**

### **Unfinished Business**

### **New Business**

- Madison Properties of Albany, LLC – Resolution Authorizing New Mortgage
- Annual Housekeeping Resolution 2011

### **Other Business**

### **Adjournment**

**\* The next regularly scheduled meeting is Thursday, February 17, 2011 at the offices of the Capitalize Corporation, 21 Lodge Street, Albany, NY 12207**

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## IDA MINUTES OF REGULAR MEETING Thursday, December 16, 2010

Attending: Anthony Ferrara, Bill Bruce, Susan Pedo, Prairie Wells, Martin Daley  
& Kathy Sheehan

Absent: Gary Simpson

Also Present: Joe Scott, Maria Pidgeon, Erik Smith, John Reilly, Megan Daly, Mike Yevoli,  
Josh Poupore & Jeff Sullivan.

Chairman Ferrara called the regular meeting of the IDA to order at 12: 25PM.

### **Roll Call**

Chairman Ferrara reported that all Board Members were present with the exception of Gary Simpson.

### **Reading of Minutes of the Regular Meeting of November 18, 2010**

Since the minutes of the previous meeting had been distributed to Board members in advance for review, Chairman Ferrara made a proposal to dispense with the reading of the minutes.

### **Approval of Minutes of the Regular Meeting of November 18, 2010**

Chairman Ferrara made a proposal to approve the minutes of the Regular Board Meeting as presented. A motion to accept the minutes, as presented, was made by Prairie Wells and seconded by Bill Bruce. A vote being taken, the minutes were accepted unanimously.

Chairman Ferrara recommended the agenda be modified to address Unfinished and New Business. No objection was rendered and the agenda was so modified.

### **Unfinished Business**

#### Resolution Authorizing Release of Certain Lands 2007 Brighter Choice Project

Wendy Berry, representing Brighter Choice, gave an overview of the request of the project in regard to the release of lands. She noted that since that project in 2007 – Brighter Choice has now acquired additional adjacent land which they would like to substitute for some of this original lands listed in the original mortgage. The parcel of land that would be substituted is larger than the parcels that would be released. Joe Scott noted that the trustee and a percentage of the bondholders would have to approve the transaction and any IDA approval would be subject to those approvals.

Chairman Ferrara presented the *Resolution Authorizing Release of Certain Lands 2007 Brighter Choice Project* to the Board. A motion to adopt the Resolution was made by Bill Bruce and seconded by Martin Daley. A vote being taken, the Resolution passed unanimously.

#### PAAA Compliance Resolution

Joe Scott reviewed the Resolution with the Board noting that the items listed in the schedule can be voted on in its entirety or on an individual basis. Prairie Wells suggested that they items be voted on collectively. The Board concurred.

Chairman Ferrara presented the *Resolution Approving Certain Administrative Matters of the Agency for the Purpose of Complying with Public Authorities Accountability Act and the Public Authorities Reform Act* to the Board. A motion to adopt the Resolution was made by Prairie Wells and seconded by Susan Pedo. A vote being taken, the Resolution passed unanimously.

Erik Smith suggested that the members of the Finance Committee should be appointed at this time. Chairman Ferrara appointed Bill Bruce as Chairman with Martin Daly, Susan Pedo, Kathy Sheehan and Prairie Wells as Committee members.

#### **New Business**

##### 70 Howard Street, LLC Public Hearing Resolution

Rich Rosen, representing the applicant, reviewed the project with the Board. He noted that the project would consist of the construction of a 3 story office building located on 41 Eagle Street (currently 70 Howard St) with commercial offices and retail tenants. There would be some parking under the building. The project cost is estimated to be approximately \$10 million while creating approximately 75 jobs.

Chairman Ferrara presented the *70 Howard Street Project Public Hearing Resolution* to the Board. A motion to adopt the Resolution was made by Kathy Sheehan and seconded by Martin Daly. A vote being taken, the Resolution passed unanimously.

##### Columbia Harriman 455, LLC Public Hearing Resolution

Rich Rosen, representing the applicant, reviewed the project with the Board. He stated that the project would consist of the construction of an office building approximately 63,000 sq. ft. located at 455 Patroon Creek Blvd. The project cost would be approximately \$12 million with the creation of approximately 200 jobs.

Chairman Ferrara presented the *Columbia Harriman 455, LLC Project Public Hearing Resolution* to the Board. A motion to adopt the Resolution was made by Kathy Sheehan and seconded by Susan Pedo. A vote being taken, the Resolution passed unanimously.

##### South Mall Tower Project Resolution Authorizing Modification Agreement

Christine Chale, counsel representing South Mall Towers, addressed the Board. She reviewed the request with the Board explaining the main purpose of this request is to reduce the interest rate on the note. No new money is included; it is strictly the reduction of interest rate going forward.

Chairman Ferrara presented the *Resolution Authorizing Modification Agreement South Mall Towers Project* to the Board. A motion to adopt the Resolution was made by Kathy Sheehan and seconded by Martin Daly. A vote being taken, the Resolution passed unanimously.

### **Reports of Committees**

Joe Scott noted that prior to this meeting the Governance Committee had met. During that meeting the Committee voted to recommend to the Board the passage of the PAAA Compliance Resolution. The Committee also discussed ideas regarding a Board Retreat to review policies, compliance issues, best practices, strategic planning as well as procedural items. The Committee would put together agenda item ideas and circulate them to the Board for further discussion.

### **Report of Chief Executive Officer**

None

### **Report of Chief Financial Officer**

Erik Smith reviewed the financial report with the Board. He noted that we are projecting an ending year balance of just over \$200,000.

### **Communications**

Mike Yevoli advised the Board that staff is planning on the Agency having it's own website to include the IDA and Albany Resource Corporation. He encouraged participation by Board members for input on how that website should be constructed.

### **Other Business**

None

There being no further business, Chairman Ferrara adjourned the meeting at 12:55PM.

Respectfully submitted,

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Susan Pedo, Secretary

G:\IDA\IDA Minutes\IDA Regular Meeting Minutes\IDA Minutes 2010

**City of Albany IDA**  
2010 Monthly Cash Position  
December 2010

	<b>ACTUAL</b>													
	January	February	March	April	May	June	July	August	September	October	November	December		YTD Total
<b>Beginning Balance</b>	\$ 460,636	\$ 456,439	\$ 450,028	\$ 435,178	\$ 421,513	\$ 406,199	\$ 322,921	\$ 310,037	\$ 424,534	\$ 337,419	\$ 322,261	\$ 328,194		\$ 460,636
<b>Revenue</b>														
<b>Fee Revenue</b>														
Application Fee	\$ -	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$ 1,500	\$ -	\$ 4,500	\$ (1,500)	\$ 3,000	\$ -		\$ 9,000
Agency Fee	10,125	-	108,799	-	-	-	-	114,065	-	-	-	6,181		239,170
Administrative Fee	-	500	-	-	-	-	-	-	-	-	-	-		500
Modification Fee	-	-	-	-	-	-	-	500	-	-	-	-		500
<b>Subtotal - Fee Revenue</b>	\$ 10,125	\$ 2,000	\$ 108,799	\$ -	\$ -	\$ -	\$ 1,500	\$ 114,565	\$ 4,500	\$ (1,500)	\$ 3,000	\$ 6,181		\$ 249,170
<b>Other Revenue</b>														
Loan Repayments - Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
Loan Repayments - Principal	-	-	-	-	-	-	-	-	-	-	-	-		-
Interest Income	60	69	78	65	64	56	49	49	52	49	48	42		681
Sale of Agency Property	-	-	-	-	-	-	-	-	-	-	-	-		-
NYS BIC	-	-	-	-	-	-	-	-	-	-	-	-		-
Misc	-	-	-	-	-	-	-	-	-	-	11,343	-		11,343
<b>Subtotal - Other Revenue</b>	\$ 60	\$ 69	\$ 78	\$ 65	\$ 64	\$ 56	\$ 49	\$ 49	\$ 52	\$ 49	\$ 11,390	\$ 42		\$ 12,023
<b>Total - Revenue</b>	\$ 10,185	\$ 2,069	\$ 108,877	\$ 65	\$ 64	\$ 56	\$ 1,549	\$ 114,614	\$ 4,552	\$ (1,451)	\$ 14,390	\$ 6,223		\$ 261,193
<b>Expenditures</b>														
Management Contract	\$ 8,333	\$ 8,333	\$ 8,333	\$ 8,333	\$ 8,333	\$ 8,333	\$ 8,333	\$ -	\$ 16,667	\$ 8,333	\$ 8,333	\$ 8,333		\$ 100,000
APA Contract	5,250	-	-	5,250	-	-	5,250	-	-	5,250	-	-		21,000
Audits	-	-	-	-	6,000	-	600	-	-	-	-	-		6,600
Agency Counsel	-	-	-	-	-	-	-	-	-	-	-	-		-
ED Support	-	-	75,000	-	-	75,000	-	-	75,000	-	-	75,000		300,000
Sub-lease AHCC	-	-	40,247	-	-	-	-	-	-	-	-	-		40,247
NYS BIC	-	-	-	-	-	-	-	-	-	-	-	-		-
D & O Insurance	-	-	-	-	1,010	-	-	-	-	-	-	-		1,010
Misc.	799	147	147	147	35	-	250	117	-	124	124	248		2,137
Other Legal Expenses	-	-	-	-	-	-	-	-	-	-	-	-		-
	-	-	-	-	-	-	-	-	-	-	-	-		-
	-	-	-	-	-	-	-	-	-	-	-	-		-
	-	-	-	-	-	-	-	-	-	-	-	-		-
	-	-	-	-	-	-	-	-	-	-	-	-		-
<b>Total - Expenditures</b>	\$ 14,382	\$ 8,480	\$ 123,727	\$ 13,730	\$ 15,378	\$ 83,333	\$ 14,433	\$ 117	\$ 91,667	\$ 13,707	\$ 8,457	\$ 83,581		\$ 470,994
<b>Ending Balance</b>	\$ 456,439	\$ 450,028	\$ 435,178	\$ 421,513	\$ 406,199	\$ 322,921	\$ 310,037	\$ 424,534	\$ 337,419	\$ 322,261	\$ 328,194	\$ 250,835		\$ 250,835

# City of Albany IDA

Fee Detail by Month

December 2010

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>January</i>	Madison Properties of Albany, LLC	\$ -	\$ 10,125	\$ -	\$ -	\$ 10,125
		-	-	-	-	-
	<b>TOTAL</b>	\$ -	\$ 10,125	\$ -	\$ -	\$ 10,125
<i>February</i>	Albany College of Pharmacy	\$ -	\$ -	\$ 500	\$ -	\$ 500
	39 Sheridan Realty, LLC	1,500	-	-	-	1,500
	<b>TOTAL</b>	\$ 1,500	\$ -	\$ 500	\$ -	\$ 2,000
<i>March</i>	NS Parking Garage	\$ -	\$ 108,799	\$ -	\$ -	\$ 108,799
		-	-	-	-	-
	<b>TOTAL</b>	\$ -	\$ 108,799	\$ -	\$ -	\$ 108,799
<i>April</i>		\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
	<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ -	\$ -
<i>May</i>		\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
	<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ -	\$ -
<i>June</i>		\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
	<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ -	\$ -

## City of Albany IDA

Fee Detail by Month

December 2010

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>July</i>	FC DCI, LLC	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500
		-	-	-	-	-
	<b>TOTAL</b>	<b>\$ 1,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,500</b>
<i>August</i>	Columbia 50 NS, LLC	\$ -	\$ 114,065	-	-	114,065
	Columbia 16 NS, LLC	-	-	-	500	500
		-	-	-	-	-
		-	-	-	-	-
	<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 114,065</b>	<b>\$ -</b>	<b>\$ 500</b>	<b>\$ 114,565</b>
<i>September</i>	Columbia 425 NS, LLC	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500
	Morris St. Development, LLC	1,500	-	-	-	1,500
	St. Peter's (Due to CRC)	1,500	-	-	-	1,500
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
	<b>TOTAL</b>	<b>\$ 4,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,500</b>
<i>October</i>	St. Peter's (Due to CRC)	\$ (1,500)	\$ -	\$ -	\$ -	\$ (1,500)
		-	-	-	-	-
		-	-	-	-	-
	<b>TOTAL</b>	<b>\$ (1,500)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (1,500)</b>
<i>November</i>	Columbia Harriman 455 LLC	\$ 1,500	\$ -	\$ -	\$ -	\$ -
	70 Howard Street, LLC	1,500	-	-	-	1,500
		-	-	-	-	-
	<b>TOTAL</b>	<b>\$ 3,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,000</b>
<i>December</i>	UCP	\$ -	\$ 6,181	\$ -	\$ -	\$ 6,181
		-	-	-	-	-
	<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 6,181</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,181</b>
	<b>2010 TOTAL</b>	<b>\$ 9,000</b> <i>Application Fee</i>	<b>\$ 239,170</b> <i>Agency Fee</i>	<b>\$ 500</b> <i>Administration Fee</i>	<b>\$ 500</b> <i>Modification Fee</i>	<b>\$ 249,170</b> <i>TOTAL FEE</i>

**RESOLUTION AUTHORIZING NEW MORTGAGE  
MADISON PROPERTIES OF ALBANY, LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the office of the Department of Development and Planning at 21 Lodge Street in the City of Albany, Albany County, New York on January 20, 2011 at 12:15 o'clock p.m., local time.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Agency were:

**PRESENT:**

Anthony J. Ferrara	Chairman
Willard A. Bruce	Vice Chairman
Hon. Kathy Sheehan	Treasurer
Susan Pedo	Secretary
Martin Daley	Member
Prairie Wells	Member
Gary Simpson	Member

**ABSENT:**

**THE FOLLOWING PERSONS WERE ALSO PRESENT:**

Michael J. Yevoli	CEO – Capitalize Albany Corporation
Erik Smith	CFO – Capitalize Albany Corporation
Maria Pidgeon	Senior Economic Developer - Capitalize Albany Corporation
Jeffrey Sullivan	Department of Development and Planning
John Reilly, Esq.	Issuer Counsel
A. Joseph Scott, III, Esq.	Special Issuer Counsel

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to  
wit:

**RESOLUTION AUTHORIZING THE EXECUTION BY CITY OF ALBANY  
INDUSTRIAL DEVELOPMENT AGENCY OF A CERTAIN MORTGAGE AND  
RELATED DOCUMENTS IN CONNECTION WITH THE MADISON PROPERTIES  
OF ALBANY, LLC PROJECT.**

WHEREAS, the Agency is authorized and empowered by the provisions of Chapter 1030 of 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreation facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State



of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, reconstruct, renovate and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, reconstructed, renovated and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, on December 30, 2009 (the “Lease Closing”), the Agency granted certain financial assistance to Madison Properties of Albany, LLC (the “Company”) to assist in financing a project (the “Project”) consisting of the following: (A) (1) the acquisition of an interest in certain parcels of real estate located at 688 Madison Avenue, 690 Madison Avenue and 692 Madison Avenue in the City of Albany, Albany County, New York (the “Land”), together with the existing buildings located thereon containing in the aggregate approximately 20,000 square feet of space (collectively the “Facility”), (2) the reconstruction and renovation of the Facility and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment being hereinafter collectively referred to as the “Project Facility”), all of the foregoing to be owned and operated by the Company and leased to various tenants for residential uses and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from sales taxes, real property transfer taxes, mortgage recording taxes and real estate taxes (collectively, the “Financial Assistance”); and (C) the lease of the Project Facility to the Company pursuant to the terms of a lease agreement dated as of December 1, 2009 (the “Lease Agreement”) by and between the Company and the Agency; and

WHEREAS, simultaneously with the execution and delivery of the Lease Agreement, the Company executed and delivered to the Agency (A) a certain lease to agency dated as of December 1, 2009 (the “Lease to Agency”) by and between the Company, as landlord, and the Agency, as tenant, pursuant to which the Company leased to the Agency a portion of the Land and all improvements now or hereafter located on said portion of the Land (collectively, the “Premises”) for a lease term ending on December 30, 2018; and (B) a bill of sale dated as of December 1, 2009 (the “Bill of Sale to Agency”), which conveyed to the Agency all right, title and interest of the Company in the Equipment; and

WHEREAS, in order to finance a portion of the costs of the Project, the Company obtained a loan in the principal sum of up to \$1,150,000 (the “KeyBank Loan”) from KeyBank National Association (the “Original Lender”), which Loan was secured by a mortgage dated December 31, 2009 (the “KeyBank Mortgage”) from the Agency and the Company to the Original Lender; and

WHEREAS, by correspondence dated January 13, 2011 (the “Request”), which Request is attached hereto as Exhibit A, the Agency was informed that the Company intends to replace the KeyBank Loan with a new loan in the amount of \$1,150,000 (the “New Loan”) from Capital Bank (the “New Lender”), which New Loan will be secured by a mortgage (the “New Mortgage”) from the Agency and the Company to the New Lender; and

WHEREAS, in connection with the Request, the Company would like the Agency to enter into the New Mortgage and any other security documents and related documents (collectively, the “New Financing Documents”); and

WHEREAS, as outlined in the Request and additional correspondence attached as Schedule B, the Company acknowledges that there outstanding payment in lieu of taxes due and owing by the

Company and entities related to the Company (the “Related Entities”) with respect to the Project and other projects undertaken by the Company and Related Entities in the City of Albany, New York; and

WHEREAS, the Agency intends to condition any consent by the Agency to the New Financing with a resolution of the outstanding payment in lieu of tax issue; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the “Regulations” and collectively with the SEQR Act, “SEQRA”), the Agency must satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the Request; and

WHEREAS, pursuant to SEQRA, the Agency has examined the Request in order to make a determination as to whether the Request is subject to SEQRA, and it appears that the Request constitutes a Type II action under SEQRA;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. Based upon an examination of the Request, the Agency hereby makes the following determinations:

(A) The Request constitutes a “Type II action” pursuant to 6 NYCRR 617.5(c)(23), and therefore that, pursuant to 6 NYCRR 617.6(a)(1)(i), the Agency has no further responsibilities under SEQRA with respect to the Request.

(B) That since compliance by the Agency with the Request will not result in the Agency providing more than \$100,000 of “financial assistance” (as such quoted term is defined in the Act) to the Company, Section 859-a of the Act does not require a public hearing to be held with respect to the Request.

Section 2. Subject to (A) approval of the form of the New Financing Documents, by Agency counsel, (B) agreement by the Company to the terms and conditions outlined in Schedule C as to the payment of the outstanding payment in lieu of tax payments due and owing by the Company and the Related Entities, and (C) receipt by the Executive Director of (1) the Agency’s administrative fee relating to the Request, if any, and (2) counsel’s fees relating to the Request, the Agency hereby authorizes (a) the execution by the Agency of the New Financing Documents and (b) the execution and delivery by the Agency of an affidavit of exemption from mortgage recording taxes with respect to the New Financing Documents.

Section 3. Subject to the satisfaction of the conditions described in Section 2 hereof, the Chairman (or Vice Chairman) of the Agency is hereby authorized to execute and deliver the New Financing Documents to the Company, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in substantially the form thereof presented to this meeting, with such changes, variations, omissions and insertions as the Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for

by the provisions of the New Financing Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing Resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the New Financing Documents binding upon the Agency.

Section 5. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Anthony J. Ferrara	VOTING	_____
Willard A. Bruce	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Susan Pedo	VOTING	_____
Martin Daley	VOTING	_____
Gary Simpson	VOTING	_____
Prairie Wells	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF ALBANY                    )

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency held on January 20, 2011 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 20<sup>th</sup> day of January, 2011.

\_\_\_\_\_  
(Assistant) Secretary

(SEAL)

EXHIBIT A

REQUEST FROM MADISON PROPERTIES OF ALBANY, LLC

Madison Properties of Albany LLC

1 Rapp Rd.

Albany, New York 12203

1/13/ 2011

Anthony Ferrara

IDA Chairman

21 Lodge Street

Albany, New York 12207

Re: IDA request

Dear Mr. Ferrara

On December 17, 2009 the IDA approved the project (686-688-690 Madison Ave.) for PILOT and URTIP benefits. As part of our approval there was a purchase and construction mortgage from Key Bank for \$1,150,000. We are requesting that the IDA board at their next meeting in January approve a refinance of the project with Capital Bank. The Capital Bank financing will be permanent financing in two parts. The First part will be \$800,000 for two buildings 690 Madison and 688 Madison and an additional amount up to \$200,000 when the third building 686 Madison is completed.

I acknowledge that there are past due bills PILOT payments for this project for School tax. The amounts are as of 11/30/2010. (684) \$3151.4 (688) \$9665.74 (690) 2494.85 it is our intention to pay the 684 and the 690 bill before the meeting, we will pay the 688 bill as well but I believe the amount is incorrect. I have contacted the Assessors' office to verify if this bill is correct . All current bills due on these buildings will be paid.

Sincerely

Anthony DeThomasis

Managing Member

Madison Properties of Albany LLC

EXHIBIT B

DETAIL REGARDING THE OUTSTANDING PILOT PAYMENTS

DeThomasis Companies

1 Rapp Rd.

Albany, New York 12203

01/13/2011

Anthony Ferrara

IDA Chairman

21 Lodge Street

Albany, New York 12207

Re: IDA Payments

Dear Mr. Ferrara,

The following is a list of past due bills on the following IDA projects;

OWNER	ADDRESS	PROPERTY TAX	SCHOOL TAX
109 State St. LLC	109 State St.	\$ 11,693.84	\$26,520,06

The total for 109 State St. is \$38,213.90. These figures are good through 1/31/11. The school tax includes the 08 school bill was not sent until and with the 2009 bill. The 08 bill would have been paid if we had the bill. This is something that I should have known and I am not placing blame on anyone but me. That bill accounts for almost \$10,000 of the school bill. The current bill is \$4824.80. The current bill of \$4824.80 will be paid in full by the due date

Anthony & Richard

DeThomasis LLC's	153 Quail St.	\$4,720.30	\$14,266.97
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The total past due for 153 Quail St. (former Freihofer build.) is \$18,987.27. The current property tax bill due is \$4096.26. The current bill of 4096.26 will be paid by the due date

111-113 State St. LLC We acknowledge that there are past due PIOLT payments on 111-113 State St. We also believe that some of the bills are incorrect. We have hired an attorney to review the documents and work with the IDA staff and council to resolve this issue. Whatever the amount that is determined we owe we will pay.

The current bill of \$9,649.61 will be paid prior to the due date.



The total balance of past due payments above that will be due is \$57,201. I assure IDA that the past due payments are not from faltering or nonperforming projects. The project on Madison Ave. is a tax credit project with over \$1,000,000 in equity available to the project. Initially the lender KEY was to buy the credits starting with equity investments in April 2010. After several delays and a visit to Cleveland in May, the equity was coming in June 2010. Even though we had a signed commitment to purchase the credits I was advised to seek other investors. Upon finding an investor Key stopped the construction financing. In fact Key has not funded a construction draw since July 2010. We have funded the project solely on our own investing over \$600,000 to date.

The investor in the Madison Ave. project has an equity payment due but we need to remove Key from the deal with the refinance requested. Our proposal to the IDA is to stay current with the payments due in January. Upon receipt of the investors payment currently due, we will pay an amount of \$25,000 of the past due amounts. Upon receipt of the next payment from the investor all PILOT payments will be paid in full. We anticipate this payment to be made in March. We also know that there will be additional interest due.

The IDA participation in the projects has been crucial and appreciated. We would not have been able to do the projects without the IDA assistance. We have invested millions of dollars in the city and do not want this to affect any future potential projects that we may propose that could be eligible for IDA participation.

Sincerely

Anthony DeThomasis

## EXHIBIT C

### TERMS OF THE REPAYMENT OF OUTSTANDING PILOT PAYMENTS

1. Amount: such amount as agreed to by the CEO of the Agency (or its designee) and the Treasurer and Corporation Counsel of the City of Albany (or their designees).
2. Enforcement: the terms of this agreement regarding payment of the amounts due shall be enforced by the Company entering into an escrow agreement with the Agency providing for the termination of the IDA Straight Lease Transactions entered into by the Company and the Related Entities upon the failure by the Company to make such payments.

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY  
ANNUAL HOUSEKEEPING RESOLUTION 2011**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Department of Development and Planning at 21 Lodge Street in the City of Albany, Albany County, New York on January 20, 2011 at 12:15 o’clock p.m., local time.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Agency were:

**PRESENT:**

Anthony J. Ferrara	Chairman
Willard A. Bruce	Vice Chairman
Susan Pedo	Treasurer
Hon. Kathy Sheehan	Secretary
Martin Daley	Member
Gary Simpson	Member
Prairie Wells	Member

**ABSENT:**

**THE FOLLOWING PERSONS WERE ALSO PRESENT:**

Michael J. Yevoli	CEO – Capitalize Albany Corporation
Erik Smith	CFO – Capitalize Albany Corporation
Maria Pidgeon	Senior Economic Developer - Capitalize Albany Corporation
Jeffrey Sullivan	Department of Development and Planning
John Reilly, Esq.	Issuer Counsel
A. Joseph Scott, III, Esq.	Special Issuer Counsel

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

**RESOLUTION APPROVING CERTAIN APPOINTMENTS AND ADMINISTRATIVE MATTERS OF THE AGENCY.**

WHEREAS, City of Albany Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, recreation and civic facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, under Section 858 of the Act, the Agency has the power to make certain appointments and approve certain administrative matters; and

WHEREAS, under Section 856 of the Act, the members of the Agency shall elect the officers of the Agency; and

WHEREAS, as provided in the Agency's by-laws and the Governance Committee Charter, the members of the Governance Committee have reviewed and made certain recommendations on the Agency policies; and

WHEREAS, the members of the Agency desire to make certain appointments and approve certain administrative matters;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby takes the following actions:

(A) Approves the appointments and the administrative matters described in Schedule A attached hereto.

(B) Approves and confirms the policies described in Schedule A and contained in the Agency's Policy Manual.

Section 2. The Agency hereby authorizes the (Vice) Chairman and the Executive Director to take all steps necessary to implement the matters described in Schedule A attached.

Section 3. This Resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to vote on roll call, which resulted as follows:

Anthony J. Ferrara	VOTING	_____
Willard A. Bruce	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Susan Pedo	VOTING	_____
Martin Daley	VOTING	_____
Gary Simpson	VOTING	_____
Prairie Wells	VOTING	_____

The resolution was thereupon declared duly adopted.

STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF ALBANY                    )

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency held on January 20, 2011 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 20<sup>th</sup> day of January, 2011.

\_\_\_\_\_  
(Assistant) Secretary

(SEAL)

## SCHEDULE A

### Confirmation of Regular Agency Meeting Schedule

Third Thursday of each month at 12:15

### Appointment of Chief Executive Officer and Staff to the Agency

Michael Yevoli, Chief Executive Officer  
Erik Smith, Chief Financial Officer

### Appointment of Accounting Firm of the Agency

Teal, Becker & Chiamonte, CPAs, P.C.

### Appointment of Agency Counsel

John J. Reilly

### Appointment of Bond Counsel to the Agency

Hodgson Russ LLP - A. Joseph Scott, III

### Appointment of Bank of the Agency and Accounts

Key Bank      Fee: 100904067  
Fee Money Market: 329687000896  
PMM: 325110017093  
PMM Money Market: 329687000904

### Appointments to Governance Committee

Prairie Wells – Chairperson  
Martin Daley - Member  
Susan Pedo – Member  
Gary Simpson - Member

### Appointments to Audit Committee

Susan Pedo – Chairperson  
Martin Daley - Member  
Gary Simpson - Member  
Prairie Wells – Member

### Appointments to Finance Committee

Bill Bruce - Chairman  
Martin Daly – Member  
Susan Pedo – Member  
Kathy Sheehan – Member  
Prairie Wells - Member

Approval and Confirmation of Agency Policies

Uniform Tax Exemption Policy  
Investment Policy  
Procurement Policy  
Enforcement Policy  
PAAA Policies

Appointment of Contract Officer

Michael Yevoli

Appointment of Investment Officer

Erik Smith