

Albany Industrial Development Agency

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Anthony J. Ferrara, *Chairman*
John R. Vero, *Vice Chairman*
Kathy Sheehan, *Treasurer*
Susan Pedo, *Secretary*
Martin Daley
Tracy Metzger
C. Anthony Owens

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

IDA MINUTES OF REGULAR MEETING Thursday, December 20, 2012

Attending: Anthony J. Ferrara, John Vero, Kathy Sheehan, Susan Pedo, Martin Daley, Tracy Metzger & C. Anthony Owens

Absent:

Also Present: Michael Yevoli, Erik Smith, John Reilly, Joseph Scott, Sarah Reginelli, Bradley Chevalier & Amy Gardner

Chairman Anthony J. Ferrara called the regular meeting of the IDA to order at 12:15 PM.

Roll Call

Chairman Ferrara reported that all Board members were present.

Reading of Minutes of the Regular Meeting of November 15, 2012

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 15, 2012

Chairman Ferrara made a proposal to approve the minutes of the regular Board meeting of November 15, 2012 as presented. A motion to accept the minutes, as presented, was made by Anthony Owens and seconded by Kathy Sheehan. A vote being taken, the minutes were accepted unanimously.

Reports of Committees

None

Report of Chief Executive Officer

Mike Yevoli advised the Board that the Governor had announced the CFA awards and that TMG-NY Albany I, LP had been awarded a Federal Industrial Development Bond Cap allocation for the Parkview Apartment project. With the funding Mr. Yevoli believed the project would be able to move forward and be presented to the Agency in the coming months for final approvals.

Report of Chief Financial Officer

Erik Smith reviewed the monthly financial report with the Board. Mr. Smith reviewed year-to-date and projected cash inflows and outlays. Mr. Smith advised the Board that the expenditure activity through November 30th is consistent with the IDA's budget. At this time the IDA's projected year-end cash balance is \$727,362.

Unfinished Business

Albany Medical Science Research, LLC Project Public Hearing Resolution

Staff reviewed the project with the Board. David Dubrow, counsel for the applicant, was present to answer questions. The applicant is seeking a Payment in Lieu of Tax Agreement. Under the proposed agreement the Land shall be taxed at an amount equal to 100% of the Normal Tax due for such tax year while the Improvements shall be taxed at an amount equal to 10% of Normal Tax due in Year 1 increasing at 5% a year. Taxes on total assessment will be paid in Year 11 and every year thereafter. Neither the Land nor Improvement assessment values will be fixed. Mr. Dubrow assured the Board that the applicant is not seeking a reduction in the current appraisal of the property due to the PILOT they are seeking.

Chairman Ferrara presented the Albany Medical Science Research, LLC Project Public Hearing Resolution to the Board. A motion to adopt the Resolution was made by Martin Daley and seconded by Tracy Metzger. A vote being taken, the Resolution passed unanimously.

Sheridan Hollow Village, LLC Project Synopsis

Counsel reviewed the synopsis with the Board outlining actions to be taken regarding the project and actions already taken. Counsel assured the Board that the recently passed amendments to the Agency's policy manual would apply to all actions taken on the project going forward. The closing dates included in all documents were used as placeholders and have not been finalized with the applicant. Justin Rudgick was present to answer questions about the project.

Sheridan Hollow Enterprises, LLC Project Synopsis

Counsel reviewed the synopsis with the Board. The closing dates included in all documents were used as placeholders and have not been finalized with the applicant.

Housing Visions Consultants, Inc. on Behalf of Sheridan Hollow Village, LLC and Sheridan Hollow Enterprises, LLC (to be formed) Project SEQR Resolution

Counsel reviewed the Resolution with the Board explaining that the findings determined that this project would not have a significant effect on the environment.

Chairman Ferrara presented the Housing Visions Consultants, Inc. on Behalf of Sheridan Hollow Village, LLC and Sheridan Hollow Enterprises, LLC (to be formed) Project SEQR Determination to the Board. A motion to adopt the Resolution was made by Tracy Metzger and seconded by Susan Pedo. C. Anthony Owens abstained from voting as Key Bank is providing funding for the project. A vote being taken, the Resolution passed unanimously.

Sheridan Hollow Village, LLC Project – Housing (Housing Visions Consultants, Inc.) Commercial Findings Resolution

Counsel reviewed the resolution with the Board.

Chairman Ferrara presented the *Sheridan Hollow Village, LLC Project – Housing (Housing Visions Consultants, Inc.) Commercial Findings Resolution* to the Board. A motion to adopt the Resolution was made by Tracy Metzger and seconded by Kathy Sheehan. C. Anthony Owens abstained from voting as Key Bank is providing funding for the project. A vote being taken, the Resolution passed unanimously.

Sheridan Hollow Village, LLC Project – Housing (Housing Visions Consultants, Inc.) Approving Resolution

Counsel reviewed the resolution with the Board. The Board acknowledged Councilman Ron Bailey who was attending the meeting in favor of the project. The Board stated that Mr. Bailey had originally opposed the project but after discussions and changes made to the project he now approved of the project.

Chairman Ferrara presented the *Sheridan Hollow Village, LLC Project – Housing (Housing Visions Consultants, Inc.) Approving Resolution* to the Board. A vote being taken, the Resolution passed unanimously. C. Anthony Owens abstained from voting as Key Bank is providing funding for the project. A motion to adopt the Resolution was made by John Vero and seconded by Tracy Metzger.

Sheridan Hollow Enterprises, LLC Project – Commercial (Housing Visions Consultants, Inc.) PILOT Deviation Approval Resolution

Counsel reviewed the resolution with the Board.

Chairman Ferrara presented the *Sheridan Hollow Enterprises, LLC Project – Commercial (Housing Visions Consultants, Inc.) PILOT Deviation Approval Resolution* to the Board. A motion to adopt the Resolution was made by Kathy Sheehan and seconded by Tracy Metzger. C. Anthony Owens abstained from voting as Key Bank is providing funding for the project. A vote being taken, the Resolution passed unanimously.

Sheridan Hollow Enterprises, LLC Project – Commercial (Housing Visions Consultants, Inc.) Approving Resolution

Counsel reviewed the resolution with the Board ensuring the Board that all recently passed amendments to policy including the encouragement to use local labor would apply.

Chairman Ferrara presented the *Sheridan Hollow Enterprises, LLC Project – Commercial (Housing Visions Consultants, Inc.) Approving Resolution* to the Board. A motion to adopt the Resolution was made by Kathy Sheehan and seconded by Susan Peto. C. Anthony Owens abstained from voting as Key Bank is providing funding for the project. A vote being taken, the Resolution passed unanimously.

New Business

Penta on Broadway, LLC Project 2012 Mortgage Approval Resolution

Staff advised the Board that the applicant had found a tenant for the vacant commercial space on the first floor of the property. The applicant will need to fit-up the space for the tenant this is an unexpected cost as the applicant had originally planned to offer the space as a “vanilla box”. The additional financing has already been approved by the applicants first lien holder. The applicant is not asking the Agency for any additional benefits. Staff advised the Board that this was primarily an administrative matter. Chuck Rosenstein, representing the project, was present to answer questions.

Chairman Ferrara presented the Penta on Broadway, LLC Project 2012 Mortgage Approval Resolution to the Board. A motion to adopt the Resolution was made by Martin Daley and seconded by Tracy Metzger. A vote being taken, the Resolution passed unanimously.

39 Sheridan Avenue Project Sales Tax Letter Extension Resolution

Staff reviewed the project with the Board. The project experienced delays due to the weather and public infrastructure improvements required as part of the project. The project was also modified to include an additional apartment. Due to the delays and project modifications total project costs have increased. The applicant is asking for an extension and increase of the project's New York State Sales and Use Tax exemption. The extension is being requested until June 30, 2013. Marc Paquin representing the project was present to answer questions.

Chairman Ferrara presented the 39 Sheridan Avenue Project Sales Tax Letter Extension Resolution to the Board. A motion to adopt the Resolution was made by Kathy Sheehan and seconded by Martin Daley. Tracy Metzger abstained from voting because she is a resident of 39 Sheridan Avenue. A vote being taken, the Resolution passed unanimously.

Honest Weight Food Cooperative, Inc. Project Resolution Modifying Sales Tax Exemption

Staff advised the Board that since the approval of the sales tax exemption the applicant has realized that equipment they previously thought was not eligible is in fact eligible for the exemption. Counsel advised the Board that from a procedural standpoint approving the modification is not a problem. This would increase the fee the Agency will receive in connection with this project. Lexa Juhre was present answer questions regarding the project.

Chairman Ferrara presented the Honest Weight Food Cooperative, Inc. Project Resolution Modifying Sales Tax Exemption to the Board. A motion to adopt the Resolution was made by C. Anthony Owens and seconded by Tracy Metzger. Martin Daley abstained from voting as he is a shareholder in the Co-Operative. John Vero, also abstained from voting as his law firm represents the Co-Operative. A vote being taken, the Resolution passed unanimously.

Communications

None

Other Business

Amendments to IDA Policy Manual – 2012 (Agency Fees/Local Labor) Approval Resolution

Counsel reviewed the resolution with the Board. Schedule A of the resolution detailed the amendments that would be made to the policy manual. Counsel advised the Board that the manual would be amended to include language encouraging applicants to hire local labor whenever possible. The manual would also be amended to include an annual administrative fee equal to \$10,000 payable annually for a term of 10 years. This annual administrative fee is in addition to the standard administrative fee for Straight Lease Transactions noted above and is applicable to Agency Projects which provide for low income housing/tax credit (9% only) projects. The amendments to the manual will encourage applicants to hire local labor but will not require them to do so. Counsel advised the Board that he will continue to his research on policies that require applicants to hire local labor and if such policies conflict with the constitutional law in any way. Counsel ensured the Board that the amendments to the policy manual would apply to all projects after the resolution was approved by the Board, thus including Housing Visions Consultants, Inc.'s project.

Chairman Ferrara presented the Amendments to IDA Policy Manual – 2012 (Agency Fees/Local Labor Approval Resolution) to the Board. A motion to adopt the Resolution was made by Martin Daley and seconded by John Vero. A vote being taken, the Resolution passed unanimously.

There being no further business, Chairman Ferrara adjourned the meeting at 2:05PM.

Respectfully submitted,

Susan Pedo, Secretary