

# Albany Industrial Development Agency

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Anthony J. Ferrara, *Chairman*  
John Vero, *Vice Chairman*  
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Martin Daley  
C. Anthony Owens

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

## IDA MINUTES OF FINANCE COMMITTEE MEETING Thursday, November 8th

Attending: Martin Daley, Kathy Sheehan, & Susan Pedo

Absent:

Also Present: Mike Yevoli, Erik Smith, Joe Scott, Sarah Reginelli, Brad Chevalier, & Amy Gardner

Acting Chair Martin Daley called the Finance Committee meeting of the IDA to order at 12:15PM.

### **Roll Call**

Acting Chair Martin Daley reported that all Committee members were present.

### **Reading of Minutes of the Finance Committee Meeting Minutes of September 13, 2012**

Since the minutes of the September 13, 2012 meeting had been distributed to the Committee members in advance for review, Acting Chair Martin Daley made a proposal to dispense with the reading of the minutes.

### **Approval of Minutes of the Finance Committee Meeting Minutes of September 13, 2012**

Acting Chair Martin Daley made a proposal to approve the minutes of the Finance Committee meeting of September 13, 2012. A motion to accept the minutes, as presented, was made by Kathy Sheehan and seconded by Susan Pedo. A vote being taken, the minutes were accepted unanimously.

### **Unfinished Business**

### **New Business**

#### **LV Apartments, LP**

Staff presented the project to the Committee. The proposed project location is 315 Northern Blvd. The project includes the reuse of the historic Philip Livingston Academy which has been sitting vacant for three years. The Applicant proposes converting the structure into 105 affordable senior residential units. As part of the project the Applicant will need to purchase the building and 10 acres of the approximate 14 it sits on from the school district. The school district is asking for \$2.5 million for the site and will retain 4 acres in front of the building. The Applicant is seeking both federal and state low income

housing tax credits as well as historic tax credits. The project will provide affordable housing to seniors earning 50%, 60% and 90% of AMI. Staff reviewed the positive effects the project will have on the community with the Committee. The Applicant is asking for a sales and use tax exemption, mortgage recording tax exemption, and a 30 year PILOT agreement in which payment will be 8% of "shelter rents" for the first 15 years and 12% of "shelter rents" for the first 15 years.

The building does include some space that cannot be utilized as part of the proposed project as the Applicant cannot pass the costs onto the tenants per the rules and regulations associated with the low income housing tax credits (LIHTC). Possible uses for these spaces were discussed. The Committee also discussed the land in front of the school that would be retained by the school district.

LIHTC and its application process were discussed. The proposed PILOT payments and the necessity to deviate from the Agency's standard affordable housing PILOT which is equal to 10% of "shelter rents" were discussed. The effect this change has on the operating budget and debt coverage was discussed. The Committee recommended that staff work with the Applicant to amend its application to reflect the Agency's standard affordable housing PILOT.

A motion was made by Kathy Sheehan to advance the project to the full board with a recommendation that a public hearing be scheduled. The motion was seconded by Susan Pedo. A vote being taken it passed unanimously.

#### **Other Business**

##### **Columbia 16 NS, LLC/ American Realty Capital V, LLC**

Staff advised the Committee that the proposal they had voted on in August between Columbia 16 NS, LLC and 16 New Scotland Square, LLC had changed. 16 New Scotland Square, LLC had decided not to purchase the project. Staff advised they were presenting the project again with a new buyer. The Applicant is now asking that the project be transferred in its entirety to the purchaser and the purchase price will be 15 million dollars. The 12 New Scotland parcel, which was not included as part of that proposed sale to 16 New Scotland Square, LLC would be included in the most recent proposed transfer and thus continue to be subject to PILOT agreement.

The Committee recommended that staff work with the Applicant to amend the request to remove assignment of the PILOT to 12 New Scotland which in turn would change the tax status for the parcel to taxable as of March 1<sup>st</sup>, 2013. Staff advised the Committee that they would continue to research the proposed buyer.

A motion was made by Susan Pedo to advance the project to the full board. The motion was seconded by Kathy Sheehan. A vote being taken it passed unanimously.

There being no further business, Acting Chair Martin Daley adjourned the meeting at 1:40PM.

Respectfully submitted,



Michael Yevoli, Assistant Secretary