

# Albany Industrial Development Agency

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

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

## IDA MINUTES OF FINANCE COMMITTEE MEETING Thursday, April 18th

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

Absent:

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

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

### Roll Call

Chairman Martin Daley reported that all Committee members were present.

### Reading of Minutes of the Finance Committee Meeting Minutes of February 13, 2012

Since the minutes of the February 13, 2013 meeting had been distributed to the Committee members in advance for review, Chairman Martin Daley made a proposal to dispense with the reading of the minutes.

### Approval of Minutes of the Finance Committee Meeting Minutes of February 13, 2012

Chairman Martin Daley made a proposal to approve the minutes of the Finance Committee meeting of February 13, 2013. A motion to accept the minutes, as presented, was made by Anthony Owens and seconded by Susan Pedo. A vote being taken, the minutes were accepted unanimously.

### Unfinished Business

### New Business

#### Fuller Road Management Corporation (FRMC)

Michael Fancher, a representative of the project, gave a presentation on the proposed project. The presentation outlined FRMC's vision for the redevelopment of Kiernan Plaza. It is imagined that the project would play host to the entire food-chain of SCiTI companies including the back-office support for nano-device companies with R&D operations at CNSE's NanoTech complex. The project could also provide a central headquarters and control room for the SCiTI program operations including management and monitoring of the smart cities technology test-bed. Furthermore, the project could support workforce training, community engagement, and economic outreach. It could also offer high tech companies the opportunity to live and work in a downtown urban center. Mr. Fancher stated that the \$10 million project

will entail the investment of public and private funds, including a previously awarded \$4 million grant from Empire State Development Corporation for the project through the Regional Council initiative. The funds would assist in redeveloping Kiernan Plaza from a large single tenant commercial office building to a multi-tenant commercial office building.

John Allen the attorney for FRMC advised the Committee that FRMC is not only requesting financial assistance from the Agency, it is also requesting that the Agency exercise its power of eminent domain to assist with the acquisition of Kiernan Plaza. FRMC is requesting both mortgage recording tax and sales tax exemptions. Mr. Allen stated that the use of eminent domain by the Agency will enable FRMC to purchase the property which it cannot do under the current circumstances. This is due to the fact that the property is part of a portfolio of properties that serve as collateral for a securitized financing structure restricted by covenants that effectively preclude the sale of the property prior to maturity of the debt in 2019. The owner is aware of the possible use of eminent domain to acquire the building.

Agency Counsel advised the Committee that an agreement would be put in place by Staff with the Applicant that would, among other things, fully indemnify the Agency and state all costs associated with the eminent domain process, such as potential acquisition, legal, etc. would be the responsibility of FRMC.

The Committee advised FRMC that they would like to see a pro forma for the project.

A motion to move the project to the Board with the recommendation that a public hearing resolution be considered was made by Tracy Metzger and seconded by Anthony Owens. A vote being taken the motion passed unanimously.

### **Other Business**

#### 733 Broadway

Staff reviewed the revised PILOT payment schedule with the Committee. Staff advised that the Applicant had increased the total amount of PILOT payments from approximately \$2.7 million to approximately \$3.94 million. Staff noted that the revised PILOT proposal still included a 40 year PILOT. The assessed value of the property and the manner in which it was displayed were discussed.

There being no further business, Chairman Martin Daley adjourned the meeting at 2:00PM.

Respectfully submitted,

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(Assistant) Secretary