

City of Albany Industrial Development Agency

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Tracy Metzger, *Chair*
Susan Pedo, *Vice Chair*
Darius Shahinfar, *Treasurer*
Lee Eck, *Secretary*
Dominick Calsolaro
Robert Schofield

Sarah Reginelli, *Chief Executive Officer*
Mark Opalka, *Chief Financial Officer*
Marisa Franchini, *Agency Counsel*

IDA MINUTES OF FINANCE COMMITTEE MEETING

Wednesday, August 12, 2020

Attending: Darius Shahinfar, Tracy Metzger, Lee Eck, Dominick Calsolaro

Also Present: Susan Pedo, Robert Schofield, Sarah Reginelli, Mark Opalka, Joe Scott, Amy Lavine, Ashley Mohl, Tammie Fanfa, Andy Corcione, Mike Bohne, Virginia Rawlins, Thomas Conoscenti

Public Present: Jeffery Amengual, Christian O’Lone, Ariel Hai, Jacky He, Mark Aronowitz, Adam Driscoll, Bret Garwood, Linda MacFarlane, Jennifer Higgins, Sarah Woodworth

These minutes are of a meeting conducted telephonically pursuant to Executive Order No. 202.1 issued by New York State Governor Andrew M. Cuomo, which suspended provisions of Article 7 of the Public Officers Law requiring public in-person access to public meetings and authorizing board members to participate in said meetings by conference call or similar service. Each of the members and staff present participated by conference call.

Finance Committee Chair Darius Shahinfar called the Finance Committee meeting of the IDA to order at 12:53 p.m.

Roll Call, Reading and Approval of Minutes of the July 8, 2020 Finance Committee Meeting

A roll call of the Committee members present was held. Chair Darius Shahinfar reported that all Committee members were present. Since the minutes of the previous meeting had been distributed to Committee members in advance for review, Chair Darius Shahinfar made a proposal to dispense with the reading of the minutes. Chair Darius Shahinfar proposed to approve the minutes of the Finance Committee meeting of July 8, 2020. Tracy Metzger made a motion and Lee Eck seconded to accept the minutes as presented. The motion passed with all members voting aye, minutes were accepted.

Sarah Reginelli continued her recusal from any discussion around 1211 Western Avenue and left the meeting at 12:55pm.

Unfinished Business

1211 Western Ave Property Associates LLC

Members of the Finance Committee engaged in a discussion regarding the Public Hearing for 1211 Western Avenue and the comments provided by the public. Staff noted that representatives of 1211 Western Ave Property Associates LLC were present at the meeting to answer any questions the Finance Committee may have. Staff provided a summary of project to date, recapping that the application was first introduced in March of 2020 requesting \$16.3 M in real property tax, sales tax and mortgage recording tax exemptions however resubmitted the application in June 2020 requesting \$13.6 M in real property, sales tax and mortgage recording tax exemptions after the initial review from both staff and the third party analysis did not support the assistance originally sought. The proposed Project, which represents an investment of approximately \$35.7 M, consists of a six story, approximately 190,000 SF, mixed-use multifamily rental complex with approximately 136 residential apartments, 1,800 SF of commercial retail space and 150 parking spaces. The existing 30,000 SF structure would be demolished as part of the Project. The estimated real property benefits over the 18 year of requested assistance is expected to result in status quo taxes of approximately \$567,000 with projected PILOT payments of \$8.4 M, resulting in a net benefit to the taxing jurisdictions of approximately \$7.8 M.

Staff briefed the Committee on the findings of a CDPRC economic impact analysis the IDA commissioned on the direct, indirect and induced impacts of the Project and reviewed the applicant's score of 10 on the Project Evaluation and Assistance Framework (PEAF). The Project is estimated to have a temporary construction impact of \$37.4 M, permanent operations impact of \$2.5 M. The project is expected to yield 5 full time equivalent (FTE) jobs and 90 construction jobs.

Committee members asked the applicant for clarifications in regards to comments made at the public hearing. Member Calsolaro expressed concerns generally about the financing of multifamily projects during the COVID-19 crisis as well as the current home ownership rate in the City of Albany and South End neighborhood. Member Calsolaro recommended that the Board consider commissioning a market study in light of COVID-19. Member Eck highlighted the need for job creation and the role development plays in that.

Following the discussion, Chair Shahinfar recommended staff prepare a letter summarizing the comments received from the public hearing, which was supported by Board Chair Metzger and Member Calsolaro. Staff agreed to prepare a letter summarizing comments.

A motion was made by Dominick Calsolaro to table a recommendation on moving the 1211 Western Ave Property Associates LLC to the Board and the motion was seconded by Lee Eck. The motion passed with all members voting aye. No action was taken.

Sarah Reginelli returned to the meeting at 1:30 pm.

Broadway 915, LLC

Staff introduced the Broadway 915, LLC project to the Committee. Staff advised the Committee that this project has undergone changes since it was previously introduced/discussed in February 2020. Project representatives were present for the meeting to discuss the project and to answer any questions. The application involves the construction of an approximately 99,000 SF eighty (80) unit market rate apartment complex at 745 Broadway. The five story structure will also include approximately 6,900 SF of tenant amenity space on the ground floor and approximately 93 off-street parking spaces. It is anticipated that this project will create approximately one (1) FTE job. The total investment in the project is expected to be approximately \$22.7 million. Staff noted the applicant is requesting a deviation in assistance from the PEAFF as the applicant is requesting the base assessed value of the project remain at the current 2019 assessment for the duration of the requested assistance and the abatement schedule to be utilized will be for projects assessed at over \$100,000 per unit, and as such, a third party review has been undertaken to assess the appropriateness of the requested level of Agency assistance.

Clinton Avenue Apartments II, LLC

Staff introduced the Clinton Avenue II Apartments, LLC project to the Committee. Staff noted that the Applicant was present for the meeting to discuss the project and to answer any questions. The Project proposes to revitalize 6 properties located on Clinton Avenue in Arbor Hill including the historic preservation of four vacant rowhomes, the adaptive reuse of a vacant former school building and the new construction of a 3-story mixed use building into a total of 60 residential affordable housing units benefiting households with incomes up to 80% of the Area Median Income. Additionally, the mixed use building incorporates approx. 11,000 SF of commercial space dedicated to the Albany Center for Economic Success (ACES) with the intention of it housing space for technical assistance and incubator services. It is anticipated that this project will create approximately 17 full time equivalent jobs. The total investment in the project will be approximately \$24.4 million. Staff noted the applicant is requesting a deviation in assistance from the Agency Policy Manual as the applicant is requesting the shelter rent payment be set at 5% shelter rent. Per standard procedures, staff indicated they will continue to work with the applicant and a third-party analyst to review the request for assistance.

Other Business

It was determined the other business on the agenda will be discussed at the upcoming IDA Board Meeting. There being no further business, Chair Darius Shahinfar adjourned the meeting at 2:06 p.m.

Respectfully submitted,


DocuSigned By:

Lee Eck, Assistant Secretary