

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
L. Lloyd Stewart

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

IDA MINUTES OF FINANCE COMMITTEE MEETING

Wednesday December 9, 2020

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

Also Present: Susan Pedo, L. Lloyd Stewart, Sarah Reginelli, Mark Opalka, Joe Scott, Charles Malcomb, Joe Castiglione, Amy Lavine, Tammie Fanfa, Andy Corcione, Virginia Rawlins, Tom Conoscenti, Nora Culhane Friedel, Ashley Mohl, Michael Bohne, and Sarah Horne

Public Present: Linda MacFarlane, Adam Driscoll, Brett Garwood, Jacque Vincent

These minutes are of a meeting conducted telephonically pursuant to Executive Order No. 202.79 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 1:00 p.m.

Roll Call, Reading and Approval of Minutes of the November 10, 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 November 10, 2020. Tracy Metzger made a motion and Dominick Calsolaro seconded to accept the minutes as presented. The motion passed with all members voting aye, minutes were accepted.

Report of Chief Financial Officer

None

Unfinished Business

Clinton Avenue Apartments II, LLC (Home Leasing)

Tracy Metzger identified a previously-disclosed conflict of interest with the Applicant, recused herself from the discussion, and left the room at 1:02pm.

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 61 residential affordable housing units benefiting households with incomes up to 80% of the Area Median Income. Additionally, the mixed use building incorporates approx. 12,000 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 is expected to be approximately \$23.9 million.

Staff noted that due to the unique nature of the project and its financial needs, the applicant is requesting a deviation in assistance from the Agency Policy Manual in the form of a 5% shelter rent PILOT. Additionally, Staff noted the applicant is requesting a deviation in assistance from the commercial abatement schedules laid out within the Project Evaluation and Assistance Framework for the ACES-occupied commercial space. As such, at the request of the Board, a third party review was undertaken to assess the appropriateness of the requested level of Agency assistance. A memorandum was received by staff and was disseminated to the Board. An executive summary of the memo was part of the Finance Committee materials. The findings of the analysis by the 3rd party consultant supported the requested assistance and deemed both the request and developer assumptions as reasonable. The Committee discussed details of the project related to the unit mix, marketing efforts, financing terms and needs of the surrounding community. The Applicant responded to questions from the Committee regarding the status and development dynamics of Phase I of the project and the current Phase II portion.

A motion was made by Dominick Calsolaro to recommend to the IDA Board the resolution to hold a public hearing for the Clinton Avenue Apartments II, LLC project and seconded by Lee Eck. A vote being taken, the motion passed with all other members voting aye.

Member Tracy Metzger returned to the room at 2:33pm.

New Business

2021 Professional Services Agreements

Legal Services – General Counsel

The Committee reviewed the 2021 Professional Services Agreement for General Counsel Services for the Agency with the Committee. No changes were proposed to the agreement from the previous year. A motion to advance the contract to the full Board with positive recommendation was made by Lee Eck and seconded by Dominick Calsolaro. A vote being taken, the motion passed unanimously.

Legal Services – Bond/Special Counsel

The Committee reviewed the 2021 Professional Services Agreement for Bond/Special Counsel services for the Agency. Staff noted the administrative changes to the Agreement from the previous year including an adjustment to the privacy policy and a rate adjustment. The Committee discussed Counsel's previous excellent service, and the benefits of continuing relationships with professional service providers with prior excellent experience with the Agency. A motion to advance the contract to the full Board with positive recommendation was made by Lee Eck and seconded by Dominick Calsolaro. A vote being taken, the motion passed unanimously.

Professional Services

Susan Pedo and staff reminded the Committee that Susan is on the Capitalize Albany Corporation Board of Directors and that staff is employed by Capitalize Albany. The Committee reviewed the Professional Services Agreement between Capitalize Albany Corporation, and Capital Resource Corporation, in which Capitalize Albany Corporation provides professional economic development management and administrative support services to the Capital Resource Corporation. No changes to the agreement were proposed from the previous year. A motion to advance the contract to the full Board with positive recommendation was made by Dominick Calsolaro and seconded by Lee Eck. A vote being taken, the motion passed unanimously. Susan Pedo, although present, is not a member of the Finance Committee, and as such, did not vote.

Contract for Services – Economic Development

Susan Pedo and staff reminded the Committee that Susan is on the Capitalize Albany Corporation Board of Directors and that staff is employed by Capitalize Albany. The Committee reviewed the Contract for Services for economic development between the City of Albany IDA and Capitalize Albany Corporation. No changes were proposed to the agreement from the previous year. A motion to advance the contract to the full Board with positive recommendation was made by Dominick Calsolaro and seconded by Lee Eck. A vote being taken, the motion passed unanimously. Susan Pedo, although present, is not a member of the Finance Committee and as such, did not vote.

Contract for Services – IDA

The Committee reviewed the Contract for Services between the City of Albany IDA and the Capital Resource Corporation. A motion to advance the contract to the full Board with positive recommendation was made by Lee

Eck and seconded by Dominick Calsolaro. A vote being taken, the motion passed unanimously.

Financing Guideline Review

The Committee reviewed the Statement of Intent and Financing Guidelines Regarding Debt, which had been previously distributed. Staff explained that that it is a best practice that the Committee reviews these guidelines annually. There were no recommended changes.

Finance Committee Self Evaluation

Staff reviewed the Finance Committee's Self Evaluation with the Committee, which had been previously distributed. Staff explained that it is a best practice that the Committee performs this evaluation annually. Staff summarized the meetings, activities and accomplishments taken place over the course of the year. There were no recommended changes.

Other Business

Agency Update

Staff noted the project pipeline is building up and anticipates bringing new applications to the Committee.

To augment the periodic economic development activity updates made and correspondence delivered throughout the previous year, staff highlighted Capitalize Albany's 2020 Annual Report, which was previously distributed to the Board, pursuant to the Professional Services Agreement.

Compliance Update

Staff informed the Committee that they are beginning to receive proactive inquiries about PILOT relief due to the impact of the COVID-19 pandemic.

The Committee discussed potential impacts to annual project reporting due to the economic effects of the public health crisis and mandated restrictions. Staff recapped the annual PARIS reporting process during which the Board will look at extenuating circumstances relating to job creation/retention and report findings to the Board in February/March as per the usual annual compliance timeframe.

Capitalize Albany Corporation (Liberty Park Acquisition Assistance)

Upon repeating the previously-made disclosure of their relationships with Capitalize Albany Corporation, Member Susan Pedo and the Capitalize Albany Corporation Staff recused themselves and left the meeting before the discussion started at 1:52 PM.

Capitalize Albany Corporation (Liberty Park Acquisition Assistance) – Minutes provided by Hodgson Russ

Chair Darius Shahinfar asked Attorney Scott to report on the status of the matter. Attorney Scott noted that the Agency had held a Public Hearing with respect to the matter in November. The stenographic record is being prepared and will be made available to the members of the Agency. In the meantime, we are working on reviewing the public record and will be preparing materials for moving forward on the matter. We would expect to be in a position to take additional formal action at the January meeting of the Agency.

There being no further business, Darius Shahinfar adjourned the meeting at approximately 2:10 PM.

Respectfully submitted,

Lee Eck, Assistant Secretary