

# City of Albany Industrial Development Agency

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Tracy Metzger, *Chair*  
Susan Pedo, *Vice Chair*  
Darius Shahinfar, *Treasurer*  
Lee Eck, *Secretary*  
Anthony Gaddy  
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 January 13, 2021

Attending: Darius Shahinfar, Tracy Metzger, Lee Eck, Anthony Gaddy and L. Lloyd Stewart

Also Present: Susan Pedo, Robert Schofield, Sarah Reginelli, Mark Opalka, Joe Scott, Charles Malcomb, Dick Weisz, 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, Patrick Rafferty, John Wyatt, Pierre Bruno, Dan Hershberg, Any Brick, Evan Podob, Mike Pullman, Matt Tyler, Dennis Rigosu, Sally Krauss, Jeff Buell, Joe Perniciaro and Mike Demasi

*These minutes are of a meeting conducted telephonically pursuant to Executive Order No. 202.87 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 Acting Chair Tracy Metzger called the Finance Committee meeting of the IDA to order at 12:20 p.m.

### **Roll Call, Reading and Approval of Minutes of the December 9, 2020 Finance Committee Meeting**

A roll call of the Committee members present was held. Acting Chair Tracy Metzger reported that all Committee members were present. Since the minutes of the previous meeting had been distributed to Committee members in advance for review, Acting Chair Tracy Metzger made a proposal to dispense with the reading of the minutes. Acting Chair Tracy Metzger proposed to approve the minutes of the Finance Committee meeting of December 9, 2020. Darius Shahinfar made a motion and Lee Eck seconded to accept the minutes as presented. The motion passed with all members voting aye, minutes were accepted.

### **Report of Chief Financial Officer**

Staff reviewed the quarterly budget with the board.

### **Unfinished Business**

#### Clinton Avenue Apartments II, LLC (Home Leasing)

Tracy Metzger, having identified a previously-disclosed potential conflict of interest with the Applicant, recused herself from the discussion, and left the room at 12:23pm.

Staff reviewed 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 to be owned by Albany Center for Economic Success (ACES) that would be used as an incubator for women, minorities

and people of low income. 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.

A Public Hearing was held prior to the meeting. There were no comments made in person or submitted in writing pertaining to the project. 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 prior to the meeting. An executive summary of the memo was made part of the Finance Committee materials. The findings of the analysis by the 3<sup>rd</sup> 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 Darius Shahinfar to positively recommend the Approving Resolutions to the IDA Board and seconded by Lee Eck. A vote being taken, the motion passed with all other members voting aye.

Tracy Metzger returned to the room at 12:34pm.

## **New Business**

Staff gave a brief overview of the application inception process and reviewed the typical timelines and cadence of an application approval process.

### The Lofts at Pine Hills, LLC, (237 Western Ave)

#### *Project Introduction*

Staff introduced the *Lofts at Pine Hills, LLC* project to the Committee. The proposed project at 237 Western Avenue involves the demolition of an existing vacant residential structures and the construction of a 5 story mixed-use, multi-family dwelling complex which would contain 97 residential apartment units, approximately 6,000 square feet of commercial space and both covered/uncovered parking for 99 vehicles. The Applicant is requesting sales and use tax exemptions, mortgage recording tax exemptions and real property tax exemption. The Applicant gave a presentation on the proposed project and was present to answer any questions from Committee members related to the status of commitments from potential retailers, the ownership history of the site and the potential relocation of any existing/previous tenants. The Committee discussed the merits of the project. Staff noted that due to the project requesting a deviation from what is provided via the Project Evaluation & Assistance Framework, a third party analysis and assessment of the reasonable ness of the request will be sought. No other actions were taken.

### 1415 Washington Property, LLC (1415 Washington Ave)

#### *Project Introduction*

Staff introduced the *1415 Washington Property, LLC* project to the Committee. The proposed project involves the demolition of an existing hotel and the construction of a 5 story, +/- 414,000 square foot private student housing dormitory complex which will contain approx. 240 units and approx. 560 beds and over 200 parking spaces. The Applicant is requesting sales and use tax exemptions, mortgage recording tax exemptions and real property tax exemptions consistent with what is provided for within the Project Evaluation and Assistance Framework for projects assessed between \$70,000 - \$79,999,000 per unit. The Applicant gave a presentation on the proposed project and was present to answer any questions from Committee members related to the 11 existing jobs on site and projected future potential job creation. The Committee discussed the merits of the project. The Project Applicant noted that in conjunction with the City of Albany Planning Department and the City of Albany Traffic Engineering, the Applicant will be instituting a pedestrian safety measures/improvements as part of the Project. No other actions were taken.

### 413 N Pearl Assoc., LLC

#### *Project Introduction*

Staff introduced the *413 N Pearl Assoc., LLC* project to the Committee. The proposed project involves the historic renovation, redevelopment and conversion of an existing +/- 90,000 square foot warehouse structure into approx. 80 market rate residential apartment units and +/- 13,500 square feet of commercial space and include 54 off-street parking spots. The Applicant is requesting sales and use tax exemptions and mortgage recording tax exemptions. The Applicant gave a presentation on the proposed project was present to answer any questions from Committee members. The Committee discussed the merits of the project. No other actions were taken.

#### The Rep, LLC

Counsel reviewed a previous request for Agency approval involving a Resolution Consenting to Mortgage in Connection with New Market Tax Credits. At the time the request was considered in December 2020, it was the Applicant's understanding that due to the involvement of New York State in the financing, there was not a need to seek an additional mortgage recording tax exemption ("MRTE"), as was indicated in the language of the resolution. However, subsequent to the meeting, upon further discussions with NYS on the structuring of the new mortgage, there was in fact a need for the Agency to contemplate a MRTE. The original project Approving Resolutions contemplated a mortgage recording tax exemption. The amended request at hand does not exceed the original MRTE amount approved. Counsel advised the applicant is seeking a ratification to the Resolution Consenting to Mortgage in Connection with New Market Tax Credits to now include the additional MRTE request. A positive motion was made by Lee Eck to move the ratification of the modified Resolution Consenting to Mortgage in Connection with New Market Tax Credits to the Board and was seconded by Darius Shahinfar. A vote being taken, motion passes with all members voting aye.

#### Property Acquisition/ Disposition Report

Staff advised the committee that the Agency must prepare an annual report of the Agency's real property, in order to be compliant with Public Authority Law. Staff reviewed the annual report with the committee, which states that the Agency does not own any real property as of December 31, 2020.

#### Annual Investment Report

Staff advised the committee that in compliance with Public Authority Laws, the Agency prepares an annual report of the Agency's investments. Staff reviewed the annual investment report with the committee. Staff noted that Teal, Becker & Chiaramonte has been engaged to perform an audit of the 2020 financial activity of the Agency and which is underway and is expected to be complete in March 2021.

#### **Other Business**

##### Agency Update

Staff advised the Committee of the Governor's recent announcement regarding the selection of the Port of Albany for the nation's first offshore wind tower manufacturing facility. Staff stated both Capitalize Albany Corp. and the IDA stand ready to assist the project in any way possible, including through workforce development assistance.

Staff updated the committee on new legislation relating to the 485-a exemption program and noted that staff will be monitoring proposed non-residential conversion projects which may be impacted.

Staff stated the NYS State Economic Development Conference is convening virtually on January 20<sup>th</sup> and 21<sup>st</sup>. As in previous years, the Agency will be a sponsor at the \$1,500 rate, which was previously budgeted. Staff and Board members were encouraged to attend.

##### Compliance Update

Staff informed the Committee that they are in process of responding to the Office of the State Comptroller regarding the questions received for the 2019 Annual Report submission. Additionally, it was noted that the 2020 annual compliance reporting has commenced.

#### **New Business (continued)**

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

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 1:28 PM.

There being no further business, Acting Chair Metzger adjourned the meeting at approximately 1:58 PM.

Respectfully submitted,

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Lee Eck, Assistant Secretary