

City of Albany Industrial Development Agency

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Susan Pedo, *Chair*
Lee Eck, *Vice Chair*
Darius Shahinfar, *Treasurer*
Anthony Gaddy, *Secretary*
Robert Schofield

Sarah Reginelli, *Chief Executive Officer*
Thomas Conoscenti, *Chief Operating Officer*
Mark Opalka, *Chief Financial Officer*
Andy Corcione, *Project Services Director*
Marisa Franchini, *Agency Counsel*
A. Joseph Scott, *Special Counsel*

IDA MINUTES OF FINANCE COMMITTEE MEETING

Wednesday, September 15, 2021

Attending: Darius Shahinfar, Susan Pedo, Lee Eck, and Robert Schofield

Absent: Anthony Gaddy

Also Present: Sarah Reginelli, Mark Opalka, Ashley Mohl, Erin Grace, Andy Corcione, Mike Bohne, Renee McFarlin, Tom Conoscenti, Nora Culhane, Marisa Franchini, Chris Canada and Joe Scott

Public Present: Stephen Reilly, Jacob Lamme, Brian Colon, Paul Augello, Robert McLaughlin, Nicole Katz, Martha Snyder, Joe Perniciaro, Zachary Gohl, Jeff Mirel, Mark Aronowitz, Elizabeth Young Jo Jo, Marcia White, Lisa Haley Thomson, Bill Hoblock, Michelle Kennedy, Michael Dentico and Debbie Polley

Chair Darius Shahinfar called the Finance Committee meeting of the IDA to order at 12:16 p.m.

Roll Call, Reading and Approval of Minutes of the August 11, 2021 Finance Committee Meeting

A roll call of the Committee members present was held. Chair Darius Shahinfar reported that all Committee members were present with the exception of Anthony Gaddy. Since the minutes of the previous meeting had been distributed to Committee members in advance for review, Mr. Shahinfar made a proposal to dispense with the reading of the minutes. Mr. Shahinfar proposed to approve the minutes of the Finance Committee meeting of August 11, 2021. A motion was made by Susan Pedo and seconded by Lee Eck to accept the minutes as presented. The motion to accept the minutes as presented was passed with all other members voting aye.

Report of Chief Financial Officer

None.

Unfinished Business

Holland Ave. OZ, LLC

Staff introduced the *Holland Ave. OZ, LLC* project located at 25 Holland Ave. at Hackett Blvd. The project involves the construction of an approximately 67,132 square foot market rate apartment complex containing 60 residential rental units with approximately 59 parking spaces on a 1.2-acre site. The Applicant is currently requesting exemptions from sales and use tax, mortgage recording tax, and real property tax exemptions consistent with what is provided for within the Project Evaluation and Assistance Framework

for projects assessed at over \$100,000 per unit. The Applicant was present to answer questions from Committee members. Staff and the Committee discussed the benefits of the project. Staff indicated that they had followed up on the Committees request for further financial analysis including implications of the Opportunity Zone program on the project's financials.

A motion was made by Susan Pedo to go into Executive Session to discuss the financial history and status of the Applicant and was seconded by Lee Eck. All members voting aye, the committee went into Executive Session at 12:24. The committee returned from Executive Session at 12:32, no action was taken during Executive Session.

A motion was made by Lee Eck to positively recommend a Public Hearing Resolution to the IDA Board regarding the *Holland Ave. OZ, LLC* project, and was seconded by Susan Pedo. A vote being taken, the motion passed with all members voting aye.

Robert Schofield entered the meeting at 12:32.

New Business

21 Erie Assoc., LLC

Staff introduced the *21 Erie Assoc., LLC* Project to the Finance Committee. A presentation of the project was made to the committee by the Applicant. The project consists of the historic redevelopment of the warehouse at 19-21 Erie Boulevard in the Warehouse District. The redevelopment includes more than 275 market-rate apartments, 45,000 square feet of commercial space, indoor and outdoor amenities, and drastic site improvements. The project scope consists of selective demolition of interior walls and finishes, asbestos and lead paint abatement, construction of 275 new apartments and 45,000 square feet of commercial space. The project will retain all 46 existing full-time equivalent jobs and add three additional full-time equivalents over the course of the first two years. The existing business, Huck Finn's Warehouse, will remain an occupant of the project. Project representatives were present to speak about the project and answer any questions from the committee. The Applicant is seeking sales and mortgage recording tax exemptions only.

A motion was made by Susan Pedo to positively recommend a Public Hearing Resolution to the IDA Board regarding the 21 Erie Assoc., LLC project, and was seconded by Lee Eck. A vote being taken, the motion passed with all members voting aye.

745 Broadway Albany, LLC

Staff introduced the *745 Broadway Albany, LLC* project to the committee. The proposed project is on a 1.38 acre-parcel of real property in the City of Albany and consists of an approximately 80-unit, five-story residential apartment building with approximately 90 parking spaces. As part of the Applicant's expected purchase of the site, the Applicant is requesting an assignment of the original project approving documents from 745 Broadway Albany Apartments, LLC f/n/a 915 Broadway LLC pursuant to the City of Albany Industrial Development Agency's October 22, 2020 Approving Resolution and subsequent Resolutions. The Applicant plans to reincorporate ground floor commercial/retail space into the Project, which will be subject to the Agency's standard commercial PILOT abatement schedule on a pro-rata share of the Project square footage. An updated PILOT analysis and pro forma were updated to reflect those changes and provided to the Committee. The Applicant is requesting an increase in the originally approved mortgage recording tax exemption and an increase in the NYS sales and compensating use tax exemption. The requested total increase in estimated tax exemptions totals less than \$100,000, obviating the need for a public hearing per Agency policy. Both current and future project representatives were on hand to discuss the project.

A motion to positively recommend the Transfer of Approving Resolutions for 745 Broadway Albany, LLC was made by Susan Pedo and seconded by Lee Eck. A vote being taken, the motion passed with all members voting aye.

AFP107 Corp.

Staff introduced the *AFP107 Corp*, Hilton Albany request for relief and a modification to its current obligations to the IDA. Through the Project Benefits Agreement with the City of Albany IDA, the Hilton Albany is obligated to maintain an employment level equal to 160 full time equivalent employees and pay an annual community development fee of \$100,000 every January 15th through 2026. As a follow-up to is letter which was discussed by the Finance Committee in June 2021, the Hilton Albany modified their original request and have requested relief in the form of leniency and understanding with respect to the hotel's FTE requirements given the COVID-19 pandemic, and deferral of the 2021-2025 annual community development fees until 2027, 2028, 2029, 2030 and 2031, respectively. The requested five-year deferral of the Hilton Albany's annual community development fees has been sought based on their expectation that the hospitality and tourism industry will not recover to pre-COVID pandemic levels until 2024 at the earliest. The Committee discussed the request and suggested the requestor consider an additional payment be added onto the deferred amount to cover inflation. Staff agreed to follow-up with the Hilton Albany after the meeting. A representative from the Hilton Albany was present at the meeting to answer any questions.

No action was taken on this request at the time of the meeting.

2022 Draft IDA Budget

Staff presented the Draft 2022 Budget, noting it was also delivered to the Treasurer's office on August 31st in accordance with policy. Staff reviewed the draft budget memo that was part of the Finance Committee materials including revenues/expenses that deviated from prior levels in 2021. Staff and Committee discussed the "strategic activities" line that was included to cover market studies and related activities requested by the Board for 2022. Staff noted that the draft budget will be posted at City Hall for twenty days prior to any potential board approval, as per policy.

A motion was made by Lee Eck to move the 2022 Draft Budget to the Board with a positive recommendation pending any changes from the public posting and was seconded by Susan Pedo. A vote being taken, the motion passed with all other members voting aye.

Other Business

Agency Update

Staff reported to the committee that L. Lloyd Stewart had stepped down from the IDA/CRC Boards, currently leaving two openings. Staff informed the committee that the Governance Committee would be convening to discuss board candidate qualifications and make recommendations on such qualifications to the Common Council to fill those vacancies.

Compliance Update

Staff performed an annual review of the Agency's insurance policies with the Committee. No changes were proposed following the discussion.

There being no further business, the meeting was adjourned at 1:07 pm by motion made by Mr. Eck and seconded by Ms. Pedo, with the motion passing unanimously.

Respectfully submitted,

DocuSigned by:

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Anthony Gaddy, Secretary