

# 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  
Elizabeth Staubach  
Joseph Better

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

## IDA MINUTES OF REGULAR BOARD MEETING

Thursday, December 16, 2021

Attending: Susan Pedo, Lee Eck, Darius Shahinfar, Robert Schofield, Elizabeth Staubach and Joseph Better

Absent: Anthony Gaddy

Also Present: Sarah Reginelli, Ashley Mohl, Erin Grace, Andy Corcione, Mike Bohne, Renee McFarlin, Tom Conoscenti, Emma Fullem, Jesse McCaughey, Joe Scott, Marisa Franchini and Nicole Brown

Public Present: Joe Perniciaro

Chair Susan Pedo called the Regular Board Meeting of the IDA to order at 12:15 p.m. Per the notice, the meeting was conducted telephonically pursuant to S.50001/A.40001.

### **Roll Call, Reading and Approval of Minutes of the November 18, 2021 Regular Board Meeting**

A roll call of the Board members present was held. Chair Susan Pedo reported that all members were present, with the exception of Anthony Gaddy. Ms. Pedo invited the two new Board members, Elizabeth Staubach and Joseph Better, to introduce themselves. Since the minutes of the previous meeting had been distributed to Board members in advance for review, Ms. Pedo made a proposal to dispense with the reading of the minutes. Ms. Pedo proposed to approve the minutes of the Regular Board meeting of November 18, 2021. A motion was made Darius Shahinfar and seconded by Lee Eck to accept the minutes as presented. The motion to accept the minutes as presented was passed. Elizabeth Staubach and Joseph Better abstained from the vote, since their confirmation by the Common Council had not been completed at the time of the previous meeting.

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

Staff informed the Board that year-to-date revenues stood at approximately \$1.3M and expenses were approximately \$975,000. The projected end-of-year cash balance was approximately \$3.2M dollars.

### **Unfinished Business**

#### 21 Erie Assoc., LLC

Staff provided a project synopsis to the Board. The proposed project involves the \$65M historic renovation and conversion of a +/- 225,000 SF warehouse on Erie Blvd into +/- 260 market rate apartments and +/- 48,000 SF of commercial/retail space. The project is seeking sales and mortgage recording tax exemptions

only and was previously discussed at length at the Finance Committee meeting. A public hearing was held in October with no comments received from the public received. The Applicant was present to answer questions from Board members.

Chair Susan Pedo presented to the Board the *SEQR Resolution 21 Erie Assoc., LLC* project. A motion to approve the *SEQR Resolution 21 Erie Assoc., LLC* was made by Darius Shahinfar and seconded by Joseph Better. A vote being taken, the resolution passed with all members present voting aye.

Chair Susan Pedo presented to the Board the *Commercial Retail Findings Resolution 21 Erie Assoc., LLC*. A motion to approve the *Commercial Retail Findings Resolution 21 Erie Assoc., LLC* was made by Darius Shahinfar and seconded by Joseph Better. A vote being taken, the resolution passed unanimously with all members voting aye.

Chair Susan Pedo presented to the Board the *Approving Resolution 21 Erie Assoc., LLC*. A motion to approve the *Approving Resolution 21 Erie Assoc., LLC* was made by Darius Shahinfar and seconded by Lee Eck. A vote being taken, the resolution passed unanimously with all members voting aye.

### **New Business**

#### Albany Medical Center – Medical Office Building (391 Myrtle Ave)

Staff provided background information to the Board on the PILOT agreement history of this project. In 2014, the City of Albany IDA approved the AMC Medical Office Building Project located at 391 Myrtle Avenue. The Project involved a PILOT Agreement relating to the privately leased portions of the building as well as tax-exempt and taxable bond issuances to finance the building's construction which were concurrently approved through the City of Albany Capital Resource Corporation.

Because AMC anticipated having both private and tax-exempt uses in the building fluctuating over time, the PILOT Agreement laid out two scenarios for calculating the PILOT payments, which were generally based on the percentage of private occupancy in the building. Per the PILOT Agreement, the project was required to submit annual tenant affidavits certifying to the building's square footage to determine which of the two scenarios was to be used. Over time however, as the percentages of private occupancy shifted, the formula became increasingly difficult to administer each year. This has resulted in significantly more square-footage of the building being taken up by AMC space versus private occupancy than originally anticipated.

Further, in 2019, the City of Albany CRC approved a reallocation of the tax-exempt and taxable series of the CRC Bonds to align the allocation of the CRC Bonds to the actual allocation of hospital/private tenant use of the MOB.

The current request at hand involves an amendment to the PILOT Agreement to (A) reduce the amount of square footage subject to the PILOT Agreement and (B) to provide that the "Scenario 2" PILOT structure will be in effect for the remainder of the PILOT term through 2027. This amendment will align the PILOT Agreement with the reality of hospital/private tenant use of the MOB and reconcile the PILOT Agreement allocation with the CRC Bonds allocation. The request had been discussed at previous Finance Committee meetings and the taxing jurisdictions had been notified of the request.

Chair Susan Pedo presented to the Board the *Resolution Authorizing Amendment to PILOT Agreement Albany Medical Center – Medical Office Building (391 Myrtle Ave) Project*. A motion to approve the *Resolution Authorizing Amendment to PILOT Agreement Albany Medical Center – Medical Office Building (391 Myrtle Ave) Project* was made by Darius Shahinfar and seconded by Lee Eck. A vote being taken, the resolution passed unanimously with all members voting aye.

#### Resolutions for Professional Services Agreement 2022

*Professional Services*

The Board reviewed the Professional Services Agreement between the City of Albany IDA, Capitalize Albany Corporation and Capital Resource Corporation, in which Capitalize Albany Corporation provides professional economic development management and administrative support services to the City of Albany IDA and Capital Resource Corporation which had been previously discussed at the Finance Committee meeting. A motion to approve the *Professional Services Agreement Resolution-2022* was made by Robert Schofield and seconded by Darius Shahinfar. A vote being taken, the motion passed with all members voting aye.

*Contract for Services – Economic Development*

The Board reviewed the Contract for Services for economic development between the City of Albany IDA and Capitalize Albany Corporation which had been previously discussed at the Finance Committee meeting. There are no changes to the agreement from the previous year. A motion to approve the *Contract for Services Approval Resolution-2022* was made by Robert Schofield and seconded by Darius Shahinfar. A vote being taken, the motion passed with all members voting aye.

*Contract for Services – IDA*

The Board reviewed the Contract for Services between the City of Albany IDA and the Capital Resource Corporation which had been previously discussed at the Finance Committee meeting. A motion to approve the *Contract for Services Acceptance Resolution-2022* was made by Robert Schofield and seconded by Darius Shahinfar. A vote being taken, the motion passed with all members voting aye.

Capitalize Albany Corporation (Liberty Park Acquisition Assistance) – This portion of the meeting minutes were provided by Hodgson Russ.

Capitalize Albany Corporation staff, as well as Chair Susan Pedo, citing previously disclosed conflicts of interest, recused themselves from the meeting before the discussion commenced at 12:34 p.m.

Treasurer Darius Shahinfar provided a summary of the Liberty Park Acquisition Matter for the benefit of the new members and described the action item for consideration by the board members. Mr. Shahinfar then asked Attorney Scott for any additional information and Mr. Scott suggested that the members may want to go into Executive Session/Exempt Session (for the purpose of discussing the acquisition of real estate/obtaining the advice of legal counsel). A motion to go into Executive Session/Exempt Session was made by Mr. Schofield and seconded by Mr. Eck and adopted by a vote of 5-0.

The board came out of Executive Session/Exempt Session at 12:47 and no action was taken in Executive Session/Exempt Session.

Treasurer Darius Shahinfar then noted the following resolution as an action item for the board: **RESOLUTION AUTHORIZING FURTHER ACTION WITH RESPECT TO PROCEEDING WITH THE PROPERTY ACQUISITION FOR THE LIBERTY PARK PROJECT.** The motion was moved by Mr. Eck and seconded by Mr. Better. After some discussion, the motion was adopted by a vote of 5-0.

Chair Pedo and Staff rejoined the meeting at 12:51 p.m.

**Other Business**

Agency Update

Staff informed the Board that they would be meeting with new City Council members to provide an introduction to the mission, functions and responsibilities of the IDA and the ongoing economic development efforts in the City. Staff notified the Board that they would be receiving hard copies of the Capitalize Albany Corporation annual report in the coming days, and Staff provided a year-end update comprising highlights from the annual report.

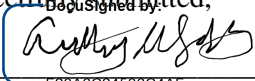
Compliance Update

Staff apprised the Board that annual compliance documents were being prepared for the Authorities Budget Office (ABO) to be submitted in the coming months, pursuant to PARIS reporting requirements.

**Adjournment**

There being no further business, the meeting was adjourned at 1:10 p.m. by motion made by Darius Shahinfar and seconded by Lee Eck. The motion passed unanimously.

Respectfully submitted,

  
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Anthony Gaddy, Secretary