



2021 Year in Review

City of Albany
Industrial Development Agency (CAIDA) &
Capital Resource Corporation (CACRC)

Presented: August 2022

Albany 2030

Comprehensive Plan for the City of Albany

VISION

Albany in 2030 has built on its history and diverse natural, cultural, institutional, and human resources to become a global model for sustainable revitalization and urban livability. The City promotes a balanced approach to economic opportunity, social equity, and environmental quality that is locally driven, encourages citizen involvement and investment and benefits all residents.

Mission, Purpose & Powers

City of Albany Industrial Development Agency (CAIDA)

MISSION

The mission of the City of Albany Industrial Development Agency (CAIDA) is to assist in the enhancement and diversity of the economy of the City of Albany by acting in support of projects within the City that create and/or retain jobs and/or promote private sector investment utilizing the statutory powers of the Agency as set forth under the provisions of the laws of the State of New York.

PURPOSE

The City of Albany established CAIDA in 1974 to support various types of projects that advance the job opportunities, health, general prosperity and/or the economic welfare of the people of the City of Albany.

POWERS

CAIDA is authorized and empowered by the provisions of the laws of New York State to, among other things: acquire, own, lease and dispose of property as well as provide certain financial assistance to qualifying projects. CAIDA can provide conduit bond financing, real property tax exemptions, mortgage recording tax exemptions and sales and use tax exemptions to qualifying projects for the purpose of promoting, developing, encouraging and assisting in the acquisition, construction, reconstruction, improvement, maintenance, equipping and/or furnishing of commercial facilities - among others.

CAIDA is governed by a board of seven members appointed by the City of Albany Common Council. CAIDA reports on an annual basis to the Office of the New York State Comptroller and the New York State Authorities Budget Office. CAIDA also reports on its activities to the City of Albany Common Council.

Albany Tax Structure & Budgetary Impacts

City of Albany Industrial Development Agency (CAIDA)

TAX STRUCTURE

The tax structure within the City of Albany poses a challenge for attracting and retaining investment and businesses. One reason is that approximately 64% of assessed property in the City is tax-exempt, one of the highest proportions among cities within New York State. This imbalance places more pressure on the taxable properties to generate the City's real property tax revenues. Another challenge is that the City of Albany and its School District use the homestead tax option, authorized by the New York State Real Property Tax Law. Under the homestead option, there are two separate real property tax rates, one rate for commercial properties (the non-homestead rate) and one rate for residential properties (the homestead rate). Of the 1,545 cities, towns and villages located in NYS, only 48 municipalities use this option. In 2021, the City of Albany's tax rate for non-homestead property was 21% higher than the homestead property tax rate and the City of Albany School District tax rate for non-homestead property was 32% higher than the homestead property tax rate. According to the Office of the New York State Comptroller's 2014 Fiscal Profile of the City of Albany, "the disparity between the homestead and non-homestead tax rates places pressure on local businesses that could impact local development." This structure places Albany at a competitive disadvantage, vying for a regional market with neighboring municipalities that offer significantly lower real property tax rates. Overall, Albany has the second highest commercial property tax rate in the Capital Region, comparable to Schenectady and considerably higher than its neighbors. The aim of CAIDA assistance is to mitigate these challenges and level the playing field.

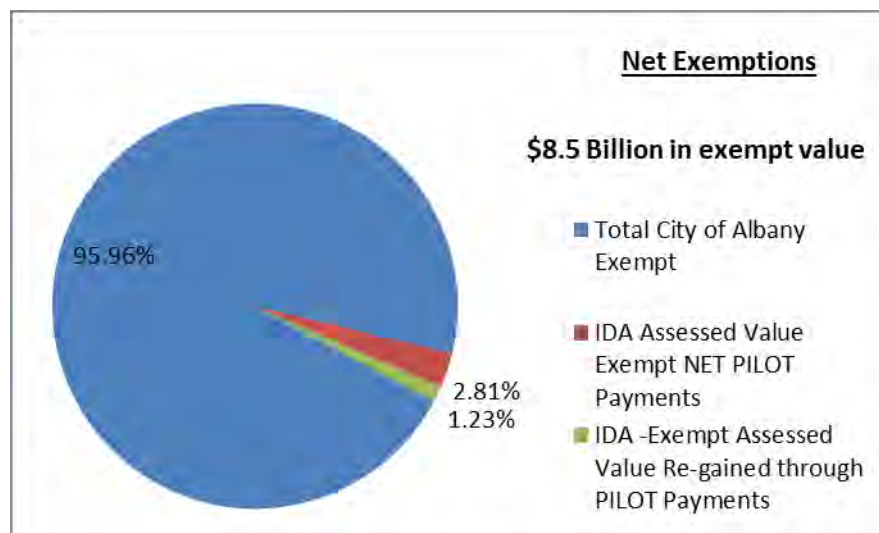
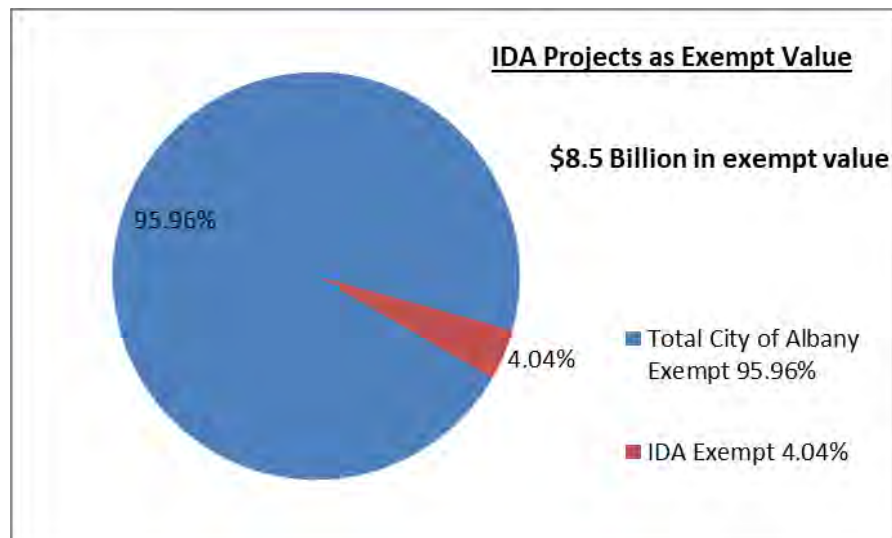
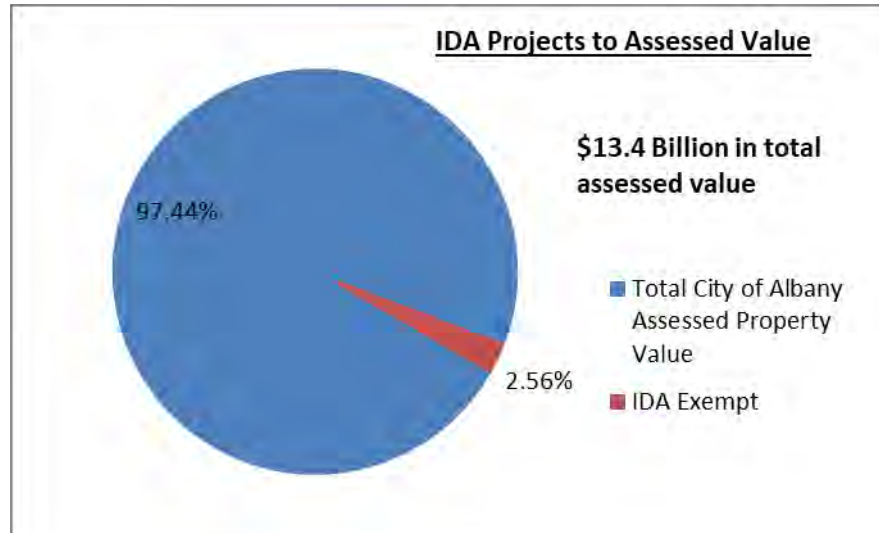
BUDGETARY IMPACTS

As a part of Impact Downtown Albany initiative of 2014, the IDA retained Sarah Woodworth of W-ZHA, Inc. a national development advisory firm established in 1975 specializing in redevelopment, financial feasibility and public financing to analyze the fiscal impacts of the most aggressive forms of tax exemptions on local jurisdictions. The review found that new market-driven development would have neutral or positive fiscal impacts on City of Albany revenues, even with maximum continued tax abatement incentives in place well beyond average CAIDA levels. W-ZHA analyzed the maximum possible estimates of the added costs of new development to City of Albany services, including police and fire services and taking into account minimum revenues with a tax abatement program in place. The study found a net gain to City of Albany revenues overall. The impact would also have a net positive gain on County and New York State revenues. This analysis does not include the additional indirect and induced benefits resulting from new consumers and businesses.

Furthermore, in order to fully understand the budgetary impact of the Agency's decisions, it is important to place the effect of CAIDA tax exemptions in context of the broader taxation structure of the City of Albany. CAIDA assisted projects make up approximately 2.56% of assessed property value in the City of Albany compared to approximately 64% of assessed property value in the City Albany exempted from taxes for other reasons not associated with CAIDA (i.e. NYS, city and/or non-profit owned property among other reasons). Furthermore, CAIDA assisted projects make payments in lieu of taxes (PILOTs) and when you take into account these PILOT payments, the value exempted is further reduced from 2.40% to 1.78% of the city-wide assessed property value. These trends have held from 2016 through 2021.

Albany Tax Structure & Budgetary Impacts Continued

City of Albany Industrial Development Agency (CAIDA)



Performance Measures

City of Albany Industrial Development Agency (CAIDA)

EFFECTIVENESS

Assistance by CAIDA catalyzed over \$388 million in estimated capital investments from 2019-2021. CAIDA, among other things, has assisted with the transformation of vacant, underutilized and/or tax-exempt properties into income producing properties. For example, out of the 20 projects assisted by the CAIDA from 2019-2021, all were previously either vacant, underutilized and/or tax-exempt. This investment increases the value of the real property, and as such, taxing jurisdictions will receive significantly more revenues over the life of the PILOTs than if the properties had remained “as-is”. Furthermore, from 2019-2021, CAIDA assisted projects are expected to generate an estimated 2,330 construction jobs and 240 new or retained permanent jobs. The effect of \$388 million in investment has both one-time and ongoing annual economic benefits that flow through the local economy in the form of direct, indirect and induced benefits. In order to further benefit the local economy, CAIDA shapes private sector decisions through administrative policies such as including job creation as a criteria in the project review and encouraging the private sector to hire local workers through CAIDA’s Local Labor Policy.

Effectiveness:	2021	2020	2019
# of New Projects Assisted (Closed) ⁽¹⁾⁽²⁾	9	4	7
Units of Affordable Housing Assisted (Closed)	40	0	21
Projects located in a Distressed Census Tract	1	1	1
Projects located in a High Vacancy Census Tract	7	4	7
Projects located in a Previously Tax Exempt/Vacant Parcel	4	1	4
Historic Preservation Projects	3	2	1
Projects Resulting from Neighborhood Plan Implementation	5	3	5
Downtown Residential Units	113	66	409
Estimated Capital Investment Assisted	> \$208,000,000	> \$24,000,000	> \$156,000,000
Projected Construction Jobs	1,320	213	797
Projected New Jobs/Retained Jobs	83	82	75
Estimated Net Revenues to Taxing Jurisdictions (Over Life of PILOT) ⁽³⁾	> \$16,000,000	> \$500,000	> \$13,000,000

Notes:

1) Impacted by COVID-19 Pandemic

2) Not all projects close in the year approvals received.

In addition to job opportunities, it is an important objective of IDAs to promote health, general prosperity and economic welfare for the people of the City. These “revitalization” goals are less measurable than investment levels, jobs created, etc., but they are no less important to the overall mission of the City. Staff memos presented to the Board regarding IDA projects incorporate these “revitalization” goals, in addition to other goals, in order to evaluate a more complete analysis of each project.

EFFICIENCY

CAIDA does not receive city, county, state, federal or any other public funds to support its operations. Rather, CAIDA funds its own operations by charging fees to project applicants. While CAIDA does not have a staff of its own, CAIDA operations are supported through a professional services agreement (staff, office space, supplies, etc.) with Capitalize Albany Corporation, the City of Albany's economic development organization. As is detailed below, CAIDA ranked favorably when comparing "expenses per job gained" and "expenses per project" to other IDA's statewide. In both "expenses per job gained" (\$677) and "expenses per project" (\$11,880), CAIDA reported lower expenses than the statewide average by over \$5,050 per job gained and \$15,323 per project, respectively.

CAIDA's financial audit is performed annually by an independent certified public accountant (CPA) within 90 days of the close of its fiscal year. In 2021, CAIDA received an "unqualified opinion," the best opinion an auditor can give as it represents a clean audit.

Efficiency:	2021	2020	2019
Income ⁽¹⁾	\$1,925,558	\$412,252	\$1,679,658
Operating Expenses ⁽²⁾	\$1,083,691	\$962,306	\$799,162
Excess of Fee Over Operating Expenses ⁽³⁾	\$841,867	(\$550,054)	\$880,496
Net Assets	\$3,649,187	\$2,807,320	\$3,357,374
Auditors Opinion	Unqualified ⁽⁴⁾	Unqualified ⁽⁴⁾	Unqualified ⁽⁴⁾
Notes: 1) Not all projects close in the year approvals received. Agency fee paid upon project closing. 2) For the reporting years shown Agency paid a total of \$187,575 in operating costs for Arbor Hill Community Center and over \$1,329,603 since 2003. 3) 2020 Impacted by COVID-19 Pandemic 4) An "Unqualified Opinion" is the best opinion an auditor can give as it represents a clean audit.			

STATEWIDE COMPARISONS

For the reporting year 2020, CAIDA compares favorably amongst its statewide counterparts according to the most recent annual report issued by the Office of the New York State Office of the State Comptroller (OSC) which analyzes the activities of 105 New York State IDAs. The annual report was released in June of 2022.

- A strong investment in the City of Albany's economy is shown through the total value of projects that were catalyzed by assistance through the City of Albany IDA. Supported City projects in total were valued at over \$953 million, which is 23% higher than the average total investment created by IDAs statewide (excluding NYC).
- Regarding (PILOTs), the City of Albany IDA generated \$4.5 million, which is higher than its statewide counterparts.
- On a per project level, the City of Albany IDA's project exemptions in 2020 were \$155,940 less per project compared to the statewide average. That is 27% lower than the average exemption per project on a statewide level.
- In relation to job creation, the City of Albany IDA's net tax exemptions per job gained were also 58% lower than the average for IDAs statewide, and this is without negatively impacting job creation numbers. Estimated net job changes from Albany IDA supported projects were shown to be much greater, with 1,422 jobs created – nearly 19% higher than the average for IDAs statewide.
- The City of Albany IDA also ranked favorably when measuring efficiency. In both expenses per job gained (\$677) and expenses per project (\$11,880) the IDA performed more efficiently, with lower expenses than the statewide averages by nearly \$5,050 per job and \$15,323 per project respectively.

A similar, favorable comparison was evident as part of the 2017, 2018 and 2019 OSC annual reports. The OSC annual IDA performance report lags behind the reporting year as the OSC collects data and performs the necessary analyses. Thus the OSC annual IDA performance report for 2021 will be released in the Spring/Summer of 2023. The City of Albany IDA has consistently implemented OSC recommended best practices, improving processes, procedures and project evaluation methods further.

Accountability, Integrity & Transparency

City of Albany Industrial Development Agency (CAIDA)

GOVERNANCE

CAIDA is governed by a seven member board who executes direct oversight of the Agency.

REPORTING

CAIDA reports on an annual basis to the Office of the New York State Office of the State Comptroller (OSC) and the New York State Authorities Budget Office (ABO). CAIDA is required to complete an annual report for the OSC and ABO known as the PARIS report (Public Authority Reporting Information System) along with a financial audit prepared by an independent, certified public accountant by March 31st for the previous fiscal year. CAIDA also reports on its activities to the City of Albany Common Council.

PROJECT REVIEW

CAIDA project review involves a rigorous process with a typical timeframe of 3-6 months between application submittal, analysis and discussion and approval consideration. During the process, a project will be discussed at a number of open, public meetings (including Finance Committee and Board) and a public hearing. The number of meetings varies depending on the complexity of the project. The robust process can be summarized into three stages: Application & Presentation, Analysis & Public Comment, and Review & Decision.

Stage One: Application and Presentation

This stage begins with the receipt of an application. Staff reviews the application for completeness, requests any missing documentation and provides initial observations to the applicant. Once an application is complete, the applicants make a preliminary presentation to the Finance Committee and Board. At this time, the Finance Committee and Board are able to provide their initial observations, request specific pieces of supplemental information and provide initial direction to staff for analysis.

Presented to the Board:

Complete Application

Applicant project overview presentation to Finance Committee/Board

Community Benefits Letter

Stage Two: Analysis and Public Comment

During this stage, staff conducts an analysis of the requested assistance. In addition to the standard analysis, staff also solicits and analyzes supplemental requests made by the Finance Committee and Board. A public hearing is also held at this time, so that the public response can be weighed into the analysis. Staff provides a detailed memorandum outlining the analysis. The Finance Committee continues its dialogue related to the proposal in light of staff analysis and works with the applicant through staff to address deficiencies or concerns, which may include additional analysis. This stage results in a final request.

Presented to the Board:

Analysis from staff (Project Summary; PILOT Analysis, Project Evaluation and Assistance Framework Analysis)

Supplemental information in response to all previous requests

PROJECT SUMMARY MEMO

A summary of the project, including costs and benefits, is provided to the Finance Committee and Board and is distributed to the City of Albany Common Council before the Finance Committee meeting. The Project Summary Memo is also available to the general public on the City of Albany IDA website. The Project Summary Memo is updated and reposted to the website throughout the review process.

Stage Three: Review and Decision

Once the Finance Committee has deemed the analysis sufficient and the applicant finalizes the request, staff provides a memorandum detailing the final request and results of the analysis. Upon review of this memo, the Finance Committee forwards a recommendation for approval, denial, or approval with conditions to the full Board for its consideration. At this time, the applicant may be invited back to make a final presentation to the Board. The full Board reviews the Finance Committee's recommendation, engages in final deliberation and takes action.

Presented to the Board:

Final request and presentation of analysis from staff

Recommendation from Finance Committee

Final resolution

RECENT AGENCY ENHANCEMENTS

In response to the proposed best practices recommended by the Office of the New York State Comptroller ("OSC") and the New York State Authorities Budget Office ("ABO") in a number of audits of industrial development agencies performed over the past year and in anticipation of the industrial development agency reform legislation adopted by the New York State Legislature on June 19, 2015 (the "Reform Legislation"), the City of Albany Industrial Development Agency (the "Agency") retained Hodgson Russ LLP, by resolution on February 19, 2015, to assist the Agency staff in addressing certain administrative and policy updates.

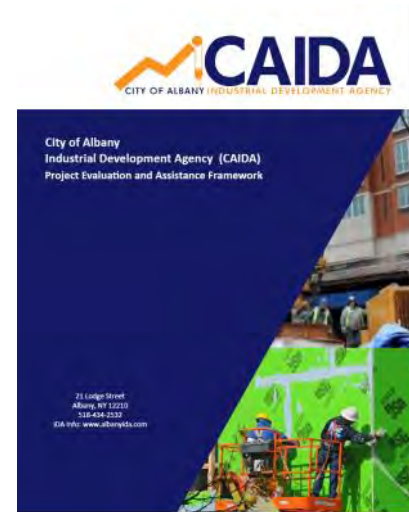
The following policies, procedures, provisions, and form documents were developed and/or updated over the years to (a) align the Agency's policies, procedures, and documents with the best practices recommended by the OSC and the ABO and (b) bring the Agency into compliance with the Reform Legislation:

1. Policy Respecting Recapture of Project Benefits (Clawback Policy) – developed to provide for the recapture of Agency Benefits provided (i.e., sales tax exemption, mortgage recording tax exemption and/or payments in lieu of taxes ["PILOTs"]) to projects that fail to deliver on projected public benefits (i.e., job creation/retention).
2. Model Public Benefits Agreement – developed to enforce the Clawback Policy.
3. Media Relations Policy and Guidelines – developed to provide uniform procedures for the marketing and media coverage of Agency projects.
4. Conduct & Notifications of Public Hearings Policy – updated to include new policy/procedure requirements.
5. Policy Compliance Calendar – developed to outline procedures for compliance with state law and Agency policies by the Agency Board and Committees.
6. Project Monitoring and Enforcement Policy – updated to monitor both the progress of projects towards their projected public benefits (i.e., job creation/retention) and the accuracy of the Agency Benefits provided (i.e., sales tax exemption, mortgage recording tax exemption and/or PILOTs).
7. Accuracy of Financial Information Representation provision for Agency Documents – developed to hold project applicants accountable to the financial information provided in Project Applications.
8. Verification of Capital Investment at Completion of a Project provision for Agency Documents – developed to hold project applicants accountable for the capital investments projected in the Project Application and any changes that occur as of completion of the project.
9. Change in Control Policy— provides guidance in the instance there is a change in control/equity ownership, mergers or consolidations of Agency assisted projects.

10. Post Completion Project Cost Affidavit – developed to enforce the Verification of Capital Investment provisions.
11. Project Application – updated to incorporate new policy and procedure requirements.
12. Model PILOT Termination Letter – developed letter for distribution to project applicants outlining the options and requirements for termination of a PILOT Agreement at the maturity of a project.
13. Uniform Tax Exemption Policy – reviewed and updated (a) the interim sales tax provisions for projects under construction prior to closing and (2) the mortgage recording tax provisions for proposed refinancings and assignments of project facilities.

PROJECT EVALUATION AND ASSISTANCE FRAMEWORK

In 2017, the CAIDA implemented a Project Evaluation and Assistance Framework to enhance transparency, accountability and predictability of IDA's PILOT process. The Board directed its Governance Committee and staff to standardize and formalize the structure by which CAIDA supports responsible planning and management of future tax dollars while growing the City's tax base by attracting and retaining investment. The requested structure was also intended to prioritize and highlight the analysis of community benefits delivered by proposed projects. Due to changing market conditions, among other factors, the Framework may be subject to periodic review and updates.



The Framework was developed throughout 2016 by engaging a third-party specialist who evaluated CAIDA existing process and previous projects; analyzed Albany market conditions; researched industry standards; and tested realistic capital, operating and financial assumptions for each prospective land use. This data was used to construct a standardized PILOT schedule framework, which was tested against sensitivity analyses controlling for a variety of project conditions that would meet local development economics needs while ensuring maximum returns for the taxing jurisdictions.

The Board coupled this standardized assistance framework with a new standardized scoring mechanism to evaluate projects. The process established a matrix of Community Benefit Metrics to ensure that projects must meet a minimum standard based on defined measures of revitalization, investment and employment to be considered for assistance through the program. This scoring mechanism was tested against previous CAIDA projects as well as sample prototype projects.

The CAIDA Board of Directors approved the Project Evaluation and Assistance Framework in 2016 to take effect for 2017 project applications seeking deviations from Uniform Tax Exemption Policy assistance. The project evaluation criteria ensure that projects that receive assistance will meet baseline requirements and have a significant impact on the local economy and positive community benefits for example, projects that generate substantial private. Investment, result in a large number of jobs and/or are located within distressed census tracts. Assistance through CAIDA is still reserved for projects that would not be feasible in the absence of the assistance. Utilizing guidance set forth in the program guidelines and CAIDA Policy Manual, the Board of Directors will continue to make the final determination for assistance for each application. All projects, regardless of the assistance being sought, are subject to CAIDA Policy Manual.

In 2022, the Agency entered into a contract for services with a 3rd party consultant as part of a long-contemplated refresh of the framework. Given current market conditions, the consultant will reexamine the framework to analyze what updates will better serve the interests of investors, the community and the City of Albany taxing jurisdictions.

The table below shows that from 2019-21, CAIDA held a total of 116 meetings and public hearings, including regular monthly board meetings, special meetings, committee meetings and annual meetings. All meetings were open to the public and meeting notices, agendas, minutes and materials were posted on the CAIDA website at www.albanyida.com. Also, as required by NYS law, CAIDA held public hearings in which the public was given the opportunity to comment on the proposed financial assistance before CAIDA Board approval consideration. Public hearing notices were published in advance in a local newspaper and posted at City Hall and on the CAIDA website. Furthermore, from 2016-21 all required Public Authority Accountability Act (PAAA) reports were filed on time and posted on CAIDA's website. CAIDA filed its 2021 Annual Report by March 31, 2022.

Accountability, Integrity & Transparency	2021	2020	2019
Filing of Required PAAA Reports	All reports were filed on time	All reports were filed on time	All reports were filed on time
Annual Meeting	Annual meeting held in January	Annual meeting held in January	Annual meeting held in January
Board Meetings	Dates of the Board meetings were posted to the website in January	Dates of the Board meetings were posted to the website in January	Dates of the Board meetings were posted to the website in January
	12 Board meetings held	12 Board meetings held	13 Board meetings held
	Meeting agendas and materials were posted to website prior to meetings	Meeting agendas and materials were posted to website prior to meetings	Meeting agendas and materials were posted to website prior to meetings
	Meeting minutes posted to website	Meeting minutes posted to website	Meeting minutes posted to website
Committee Meetings	16 Committee meetings held	17 Committee meetings held	18 Committee meetings held
	Meeting agendas and materials were posted to website prior to meetings	Meeting agendas and materials were posted to website prior to meetings	Meeting agendas and materials were posted to website prior to meetings
	Meeting minutes posted to website	Meeting minutes posted to website	Meeting minutes posted to website
Public Hearings ⁽¹⁾	10 Public hearings held	5 Public hearings held	10 Public hearings held
	Notices published as required	Notices published as required	Notices published as required
Notes: 1) Not all projects close in the calendar year the public hearing takes place. 2) Beginning in January 2020, all Agency Board and Committee meetings and Public Hearings were live streamed.			

Activity Highlights

City of Albany Industrial Development Agency (CAIDA)

During 2021 the City of Albany Industrial Development Agency (CAIDA) continued to assist eligible projects with conduit taxable and tax-exempt debt financings and other financial assistance.

Projects Closed

745 Broadway Apartments (the Industrie)

This \$22.7 M investment will construct a 99,535 SF, 5-story apartment complex on what was an underutilized parking lot. The project will consist of a total of 80 studio, one and two-bedroom apartments as well as +/- 2,200 SF of ground floor retail space. Of note the structure will be zero-emission, utilizing roof-top solar panels and fully electric systems that combine with geothermal heat pumps that achieve at least 30% higher efficiencies than current code-compliant buildings. The project is expected to create 2 new permanent jobs and approx. 140 construction jobs. Construction on site commenced in May of 2022 and is expected to be completed in summer 2023.



413 North Pearl Street

The \$18.7 M historic redevelopment of 413-25 N. Pearl St comes after experiencing strong demand for nearly 300 recently completed apartments as part of its \$80 million investment in downtown. The vacated 90,000 SF warehouse building, will be transformed into +/- 80 market-rate apartments with approximately 13,500 SF of retail/commercial space and 54 off-street parking spots. The project will create at least 75 construction jobs and 2 permanent full-time equivalent jobs.



21 Erie Blvd (Huck Finn's Warehouse)

This \$65 M investment will further strengthen the City's growing warehouse district, transforming a downtown land-mark – The Warehouse at Huck Finns – into a mix of +/- 260 market-rate apartments and +/- 48,000 SF of commercial space while preserving the furniture business and adjacent amusement park. The project is expected to create at least 300 construction jobs, while retaining 46 existing full-time jobs, with three additional positions added over the course of the first two years. Planned amenities include an indoor climbing wall, dog park, and gym, along with 48,000 SF of commercial space. The project also will feature significant outdoor improvements, such as extensive new plantings, and additional sidewalks and parking along Erie Boulevard.



The Gallery on Holland

This new construction multi-family residential complex is located at 25 Holland Ave. near the intersection of Delaware and Holland Avenues. This project will transform the 1.2-acre vacant site and involves the construction of a 67,132 SF market rate apartment complex containing 60 multi-family apartment units, and 59 on-site parking spaces. This investment will create at least 115 construction and two permanent jobs, and improve connectivity between Delaware Avenue, University Heights, the Park South neighborhoods and large healthcare & higher education institutions.



The Reserve on Hackett

Developer Ron Stein continues to invest in Albany with this third installment of The Reserve projects. The \$6.7 M investment will construct a four-story 39-unit market-rate apartment complex including 44 off-street covered parking spaces fronting on Hackett Blvd on a currently vacant .67-acre site. The project will also incorporate infrastructure upgrades including new sidewalks, a crosswalk and subterranean storm water run-off mitigation.



191 North Pearl St

A new construction multi-family residential project located at 191 North Pearl St. will transform a long-vacant lot into a 26,000 SF apartment complex with 18 residential units and 15 off-street covered parking spaces. The \$2.35 M investment will create at least 150 construction jobs.



New Scotland Village

The New Scotland Village project will bring 188 market-rate rental units and approximately 15,000 SF of retail/commercial space to a bustling neighborhood commercial corridor. Situated on 3.3 acres, the project will construct, in phases, four structures totaling over 300,000 SF. When complete, the \$40 M project will include a five-story building with a mix of apartments and retail space, two four-story buildings that will house multi-family units, a two-story structure that will also be for multi-family use and a total of 255 off-street parking spaces. Project tenants and employees will have access to the CDPHP Cycle bike share program, Capital CarShare and free, unlimited CDTA bus rides. This investment will create at least 85 construction jobs, retain 2 full-time jobs and create 13 new permanent jobs.



1211 Western Ave

A \$35.7 million project will transform 30,000 SF of underutilized commercial space at 1211 Western Avenue and return activity to the site — creating a 190,968 SF mixed-use complex encompassing 136 multi-family apartment units, 1,840 SF. of commercial retail space and an internal garage with 150 parking spaces. A 30,000 SF vacant commercial office building has been demolished. The project is expected to create at least 90 construction jobs and 5 new permanent jobs.



61 North Pearl St

The \$4.7 M historic redevelopment of 61 N. Pearl St. will convert the upper floors of the 39,400 SF four-story building into 15 market-rate apartments while maintaining the 13,000 SF of existing ground-level retail spaces along Steuben St, with the intention to re-tenant the existing restaurant space with a new commercial/retail entity. The project will retain eight existing full-time equivalent jobs and create at least 25 construction jobs, while also attracting new residents to downtown and support walkability of the nearby Steuben pedestrian alley and Tricentennial Park.



Other Activity

ARBOR HILL COMMUNITY CENTER

In 2002, CAIDA entered into a three party agreement with the City of Albany and, what was at the time, New Covenant Charter School, to construct an educational facility in Arbor Hill that would provide for a permanent, full-service Community Center for the neighborhood. CAIDA's annual payment on its lease of the property provides ongoing operating support for the Community Center. This agreement transferred to the City School District of Albany when it took ownership of the facility in 2013, and the three parties are working together to offer this needed and valued amenity to the community.



Mission, Purpose & Powers

City of Albany Capital Resource Corporation (CACRC)

In January of 2008, the authority of IDAs to issue bonds for civic facility projects expired. As a result, municipalities including the City of Albany, established local development corporations to assist not for profit organizations with financing needs.

MISSION

The Mission of the City of Albany Capital Resource Corporation (CACRC) is to assist in the enhancement and diversity of the economy of the City of Albany by acting in support of projects in the City that create and/or retain jobs and/or promote private sector investment utilizing the statutory powers as set forth under the provisions of the laws of the State of New York.

PURPOSE

CACRC is a not for profit corporation established by the City of Albany to promote community and economic development and the creation of jobs in the nonprofit and for profit sectors for the citizens of the City by providing access to low interest tax-exempt and non-tax-exempt financing for eligible projects; mortgage recording tax exemptions, as well as issuing and selling one or more series or classes of bonds.

POWERS

CACRC is authorized and empowered to, among other things: acquire, own, lease and dispose of property as well as provide certain financial assistance to qualifying projects. CACRC can provide conduit bond financing and mortgage recording tax exemptions to qualifying projects.

CACRC is governed by a board of seven members appointed by the City of Albany Common Council. CACRC reports on an annual basis to the Office of the New York State Comptroller and the New York State Authorities Budget Office. CAIDA also reports on its activities to the City of Albany Common Council.

Performance Measures

City of Albany Capital Resource Corporation (CACRC)

EFFECTIVENESS

From 2019-2021, CACRC assisted 2 civic facility projects that resulted in new or continued investments in the City of Albany of approximately \$95.5 million. During that same time period, CACRC assisted projects are expected to generate an estimated 908 new or retained permanent jobs.

Effectiveness:	2021	2020	2019
# of New Projects Assisted (Closed) ⁽¹⁾⁽²⁾	3	0	1
Estimated Capital Investment Assisted	\$85,335,000	\$0	\$10,200,000
Projected Construction Jobs	-	-	-
Projected New Jobs/Retained Jobs	848 ⁽³⁾	0	60 ⁽⁴⁾
Notes:			
1) Impacted by COVID-19 Pandemic			
2) Not all projects close in the year approvals received.			
3) Job number does not include jobs created / retained at St. Peter's Hospital (Public Hearing for 3rd party bond issuance)			
4) Job number does not include jobs created / retained at St. Peter's Hospital (Public Hearing for 3rd party bond issuance)			

EFFICIENCY

CACRC does not receive city, county, state, federal or any other public funds to support its operations. Rather, CACRC funds its own operations by charging fees to project applicants. While CACRC does not have a staff of its own, CACRC operations are supported through a professional services agreement (staff, office space, supplies, etc.) with Capitalize Albany Corporation, the City of Albany's economic development organization. CACRC's annual financial audit is performed and completed by an independent certified public accountant (CPA) within 90 days of the close of its fiscal year. In 2021, CACRC received an "unqualified opinion," the best opinion an auditor can give as it represents a clean audit.

Efficiency:	2021	2020	2019
Income ⁽¹⁾	\$407,158	\$3,092	\$125,847
Operating Expenses	\$23,746	\$255,908	\$32,470
Excess of Fee over Operating Expenses	\$383,439	(\$252,816) ⁽²⁾	\$93,377 ⁽³⁾
Net Assets	\$589,352	\$205,913	\$458,729
Auditors Opinion	Unqualified ⁽⁴⁾	Unqualified ⁽⁴⁾	Unqualified ⁽⁴⁾
Notes:			
1) Not all projects necessarily close in the year approvals received. Agency fee paid upon project dosing.			
2) Includes \$250,000 in Economic Development Support used to fund CAC grant programs.			
3) Includes \$200,000 in Economic Development Support used to fund CAC grant programs.			
4) An "Unqualified Opinion" is the best opinion an auditor can give as it represents a clean audit.			

Accountability, Integrity & Transparency

City of Albany Capital Resource Corporation (CACRC)

GOVERNANCE

CACRC is governed by a seven member board who executes direct oversight of the Corporation.

REPORTING

CACRC reports on an annual basis to the Office of the New York State Comptroller (OSC) and the New York State Authorities Budget Office (ABO). CACRC is required to complete an annual report for the ABO known as the PARIS report (Public Authorities Reporting Information System) along with a financial audit prepared by an independent, certified public accountant by March 31st for the previous fiscal year. CACRC also reports on its activities to the City of Albany Common Council.

PROJECT REVIEW:

CACRC review involves a rigorous process that mirrors the three stage process of The City of Albany Industrial Development Agency, including Application & Presentation, Analysis & Public Comment, and Review & Decision.

The table below shows that from 2019-2021, CACRC held a total of 68 meetings and public hearings, including regular monthly board meetings, committee meetings and annual meetings. All meetings were open to the public with meeting notices, agendas, minutes and materials posted on the CACRC website at www.albanyida.com. Also, CACRC held public hearings in which the public was given the opportunity to comment on the proposed financial assistance before CACRC Board approval consideration. Public hearing notices were published in advance in a local newspaper and posted at City Hall and on the CACRC website. Furthermore, from 2016-2021 all required Public Authority Accountability Act (PAAA) reports were filed on time and posted on the CACRC 's website.

Accountability, Integrity & Transparency	2021	2020	2019
Filing of Required PAAA Reports	All reports were filed on time	All reports were filed on time	All reports were filed on time
Annual Meeting	Annual meeting held in January	Annual meeting held in January	Annual meeting held in January
Board Meetings	Dates of the Board meetings were posted to the website in January	Dates of the Board meetings were posted to the website in January	Dates of the Board meetings were posted to the website in January
	9 Board meetings held	8 Board meetings held	7 Board meetings held
	Meeting agendas and materials were posted to website prior to meetings	Meeting agendas and materials were posted to website prior to meetings	Meeting agendas and materials were posted to website prior to meetings
	Meeting minutes posted to website	Meeting minutes posted to website	Meeting minutes posted to website
Committee Meetings	12 Committee meetings held	11 Committee meetings held	12 Committee meetings held
	Meeting agendas and materials were posted to website prior to meetings	Meeting agendas and materials were posted to website prior to meetings	Meeting agendas and materials were posted to website prior to meetings
	Meeting minutes posted to website	Meeting minutes posted to website	Meeting minutes posted to website
Public Hearings ⁽¹⁾	4 Public hearings held	0 Public hearings held	2 Public hearings held
	Notices published as required	Notices published as required	Notices published as required

Notes:

1) Not all projects necessarily close in the calendar year its public hearing takes place.

Activity Highlights

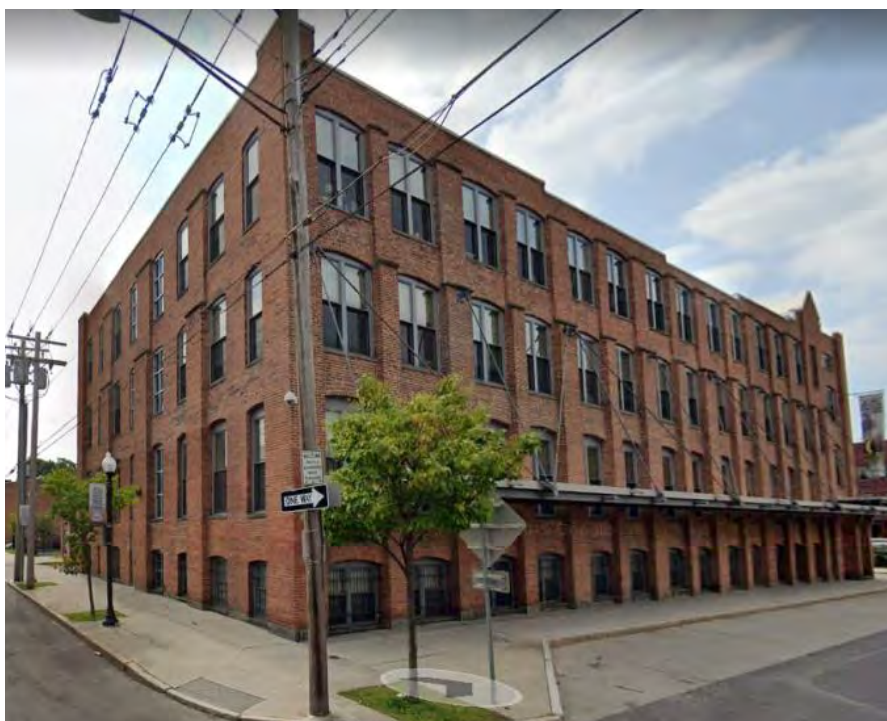
City of Albany Capital Resource Corporation (CACRC)

Brighter Choice Charter Elementary Schools

In 2021, the CRC facilitated the issuance of tax exempt and taxable bonds totaling \$12,165,000 to assist Brighter Choice, a tax-exempt nonprofit organization, in refinancing existing CAIDA debt for both its boys and girls schools. The project is expected to further enable the retention of 54 jobs.



250 Central Ave



116 N. Lake Ave

Activity Highlights

City of Albany Capital Resource Corporation (CACRC)

College of Saint Rose

In 2021, the CRC assisted in the issuance of tax exempt bonds totaling \$48,150,000. This bond issuance enabled St. Rose, a tax-exempt nonprofit organization, to refinance existing CACRC debt allowing the College to operate more efficiently. The project is expected to assist in the retention of 597 jobs.



Activity Highlights

City of Albany Capital Resource Corporation (CACRC)

Equitable School Revolving Fund

The \$25,020,000 in CRC facilitated bond proceeds will be used to reimburse ESRF for a loan made to KIPP Albany Community Public Charter Schools. That loan allowed KIPP to refinance debt associated with the merger and acquisition of multiple public charter school facilities in Albany. The project is expected to retain 197 permanent jobs.



KIPP Tech Valley Primary School

Albany Community Charter Elementary School



Albany Community Charter Middle School



KIPP Tech Valley
Middle School

Activity Highlights

City of Albany Capital Resource Corporation (CACRC)

Saint Peter's Hospital

In 2018 , 2019 and 2021, the CRC assisted in the facilitation of the issuance of Tax Exempt Bonds of up to \$4,000,000, \$3,500,000 and \$50,000,000, respectively. These bond issuances assisted St. Peter's Hospital, a tax-exempt nonprofit organization, in financing routine capital expenditures and additions and improvements to, and equipment for, hospitals and other related health care facilities. The project is expected to assist in the retention of over 700 jobs.



Other Activity

CAPITALIZE ALBANY CORPORATION GRANT PROGRAMS

In March 2016, Capitalize Albany Corporation announced the launch of two grant programs; one to assist local businesses and one to facilitate neighborhood commercial activity. Capitalize Albany, with support from the Albany Community Development Agency, launched its administration of the Small Business Façade Improvement Program in October 2017. Each of these programs are supported by City of Albany Capital Resource Corporation through funding allocated to catalyze strategic initiatives. Awareness of the programs continues to build as new retailers and initiatives and development projects come online.

AMPLIFY ALBANY GRANT PROGRAM

The Amplify Albany Grant Program has created and supported numerous initiatives, programs and events in over 10 different neighborhoods and commercial districts throughout the City of Albany including Downtown, Lark St, Pine Hills, Upper Madison, Washington Park, Upper New Scotland, Central Ave, Warehouse District, South End, Arbor Hill, and Lower New Scotland.

Total Awards	40
Total Funds	\$124,751
Estimated Foot Traffic Created	>35,000 People
New Programming Created	25 / 40 Awards
Neighborhoods Touched	12



Other Activity

DOWNTOWN ALBANY RETAIL GRANT PROGRAM

The Downtown Albany Retail Grant Program has seen tremendous success since its inception, having awarded 10 grants to strategic projects in key areas of Downtown Albany. Of note, in just over four years in existence, the program has been able to attract five key retailers that were identified in the Impact Downtown Tactical Plan. To date, these projects have brought over 32,000 SF of vacant retail space back into productive use and are projected to create more than 150 permanent, full time equivalent jobs in the City's Central Business District. Over 50% of these permanent jobs are expected to be filled by City residents.

Total Funds Awarded	\$319,417
Total Investment Leveraged	>\$2.75 M
Activated Vacant Retail Space	32,115 SF
Estimated Permanent Jobs Created	151
Estimated Construction Jobs Created	167

Impact Downtown Retail Attraction Targets	
"Third Place" coffeehouse	✓
"Cross-over" concepts	✓
Soft goods retailer	✓
Full service dining	✓
Regional chainlet	✓



Other Activity

SMALL BUSINESS FAÇADE IMPROVEMENT PROGRAM

With funding from the Albany Community Development Agency (“ACDA”) and the CRC, Capitalize Albany Corporation has administered four funding rounds of the Small Business Façade Improvement Program. 35 awards have been made to properties throughout the City of Albany, including in all five of ACDA’s identified Neighborhood Strategy Areas — West Hill, Arbor Hill, the South End, the Central Business District and North Albany.

Total Awards to Date:	35
Funds Awarded	\$308,156
Total Investment Leveraged	> \$570,000
Awards in NSAs	30 /35
Neighborhoods Touched	12



Other Activity

SMALL BUSINESS EMERGENCY RESPONSE GRANT PROGRAM

In the wake of the civil unrest in 2020 and the subsequent damage done to numerous City businesses, applications for relief were made available as part of an emergency response using the Small Business Façade Improvement and Retail Grant programs. Application fees and investment match requirements were be waived to ensure there were no impediments to local businesses. This round of programming provided grants up to \$10,000 to small businesses and/or commercial property owners with an existing small business tenant for exterior renovations or repairs as part of the emergency response.

Total Awards:	32
Funds Awarded	\$161,527
MWBE business	20 / 32
Awards in NSAs	27 / 32



Other Activity

SMALL BUSINESS ADAPTATION PROGRAM

In direct response to the state disaster emergency declared on March 7, 2020 and the impacts that COVID-19 has made on businesses and their continuing operations, with financial assistance provided by ACDA and the CAIDA, this grant program provided up to \$10,000 in reimbursable grants to assist with recovery. The program aimed to help businesses by assisting with expenses necessary to resume regular operations or adapt the business for the new regulatory environment and strengthen or expedite their growth and recovery, while maintaining the health and safety of their employees and customers. Disadvantaged business enterprises (minority, woman or veteran-owned businesses) were eligible for up to \$20,000. The program assisted business in 14 neighborhoods throughout the City of Albany.

Total Awards:	57	
Funds Awarded	\$508,529	
MWBE/DBE businesses	36 /57	
Not-for-Profit businesses	12 /57	
Low-moderate income microenterprise owners:	20	

Other Activity

NEIGHBORHOOD RETAIL GRANT PROGRAM

Many existing retail facilities in the City of Albany require upgrades to suit today's business needs, and private investment cannot bear the burden of these costs alone. To make these projects feasible and to attract and retain the specific retail businesses that are most complementary to Albany's current housing, office, and visitor market, Capitalize Albany developed the Neighborhood Retail Grant Program. This program was designed to create an incentive to attract new and enhance existing retail businesses in selected commercial corridors in the Arbor Hill, North Albany, South End, and West Hill neighborhoods.

