

City of Albany Industrial Development Agency

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Elizabeth Staubach, Chair
Lee Eck, Vice Chair
Darius Shahinfar, Treasurer
Anthony Gaddy, Secretary
Joseph Better
Christopher Betts
John Maxwell

Sarah Reginelli, Chief Executive Officer
Thomas Conoscenti, COO/Interim CFO
Andy Corcione, Project Services Director
Marisa Franchini, Agency Counsel
A. Joseph Scott, Special Counsel

IDA MINUTES OF REGULAR BOARD MEETING

June 22, 2023, at 12:15 p.m.

Attending: Elizabeth Staubach, John Maxwell, Joseph Better, Anthony Gaddy, Darius Shahinfar

Absent: Christopher Betts, Lee Eck

Also Present: Sarah Reginelli, Tom Conoscenti, Andy Corcione, Emma Fullem, Renee McFarlin, Mike Bohne, Tom Libertucci, Amy Horwitz, Marisa Franchini, Joseph Scott, Patrick Owens

Public Present: Patrick Rafferty

Chair Elizabeth Staubach called the Regular Board Meeting of the IDA to order at 12:15 p.m. at 21 Lodge St., Albany, NY.

Roll Call, Reading and Approval of Minutes of the May 18, 2023, Regular Board Meeting

A roll call of the Board members present was held. Chair Elizabeth Staubach reported that all members were present except Christopher Betts and Lee Eck. Since the minutes of the previous meeting had been distributed to Board members in advance for review, Ms. Staubach made a proposal to dispense with reading and approve the minutes of the Regular Board meeting of May 18, 2023. A motion was made by Darius Shahinfar and seconded by Joseph Better 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

Staff asked BST to provide an update on the financials. BST reported on agency fees and interest income collected for the month of May and projections for the month of June. BST advised that all known expenses for May were previously approved and that based on projections, the IDA is on track to have a year to end cash balance of approximately \$4 million.

Unfinished Business

None.

New Business

48 North Pearl Street, LLC (Public Hearing Resolution)

Staff introduced the *48 North Pearl Street, LLC* project to the Board. The project entails the renovation of an existing 3-story commercial structure and the additional construction of two new floors totaling +/- 7,000 square feet each. The project will include +/- 20 apartment units, and approx. 21,000 square feet of commercial/retail space. It was noted that this project was discussed in detail at the previous Finance Committee meeting. A representative for the Applicant was on hand to answer questions from the Committee.

Chair Elizabeth Staubach asked for a motion to approve the *Public Hearing Resolution* for the *48 North Pearl Street LLC* project. A motion was made by Darius Shahinfar and seconded by Joesph Better. A vote being taken, the resolution passed unanimously with all members voting aye.

563 New Scotland Avenue, LLC (Resolution Authorizing Consent & Subordination Agreement)

Staff reviewed the request for the *Resolution Authorizing Consent and Subordination Agreement* for the *563 New Scotland Avenue LLC* project. The Project, which was approved by the Agency for STE, MRTE and RPTE in January of 2020, involves the construction of 188 residential market rate apartment units in four (4) buildings on 3.31 acres of land totaling +/- 300,000 SF. With parking for +/- 255 cars and approx. 15,000 SF of ground floor retail/commercial space available. Staff described the request at hand involving Agency consent to an easement allowing for free flow of access and utilities among the parcels, due to the Project being developed in three separate phases and over multiple parcels. Staff advised the Board that the request is administrative in nature with no additional financial assistance being requested.

Chair Elizabeth Staubach asked for a motion to approve the *Resolution Authorizing Consent and Subordination Agreement* for the *563 New Scotland Avenue LLC* project. A motion was made by Darius Shahinfar and seconded by Anthony Gaddy. A vote being taken, the resolution passed unanimously with all members voting aye.

The Lofts at Pine Hills, LLC (237 Western Ave.) (Resolution Approving Third & Final Extension of Amended Approving Resolution.)

Staff reviewed the request for the *Resolution Approving Third and Final Extension of Amended Approving Resolution* for the *Lofts at Pine Hills, LLC* project. Staff described the applicant's request and history of the Project. In March of 2021, the Agency approved sales, mortgage recording and real property tax abatements through the Project Evaluation & Assistance Framework. The Project originally proposed to construct a +/- 124,300 SF, 5-story mixed-use residential commercial retail structure containing approximately 97 residential market rate apartment units and 6,000 SF of commercial retail space on the ground floor intended for two tenants. Due to site conditions, the developer needed to reexamine the scope of the project. An amended project was approved by the planning board and consists of the construction of two new buildings totaling +/- 105,610 SF containing approximately 83 residential market rate apartment units and +/- 5,563 SF of commercial/retail space on the ground floor and +/- 69 off-street parking spaces. A nine-month extension was approved by the Board in March of 2022 and, as a result of increases in both materials costs and capital costs, an additional extension through the end of this month (June 2023) was approved in December 2022. The Applicant requests what is anticipated to be a final extension through December 31, 2023 to allow the project to potentially attract additional investors. The Project Applicant was present to answer questions, and the Board discussed the request.

Chair Elizabeth Staubach asked for a motion to approve the *Resolution Approving Third and Final Extension of Amended Approving Resolution* for the *Lofts at Pine Hills, LLC* project. A motion was made by Joseph Better and seconded by Darius Shahinfar. A vote being taken, the resolution passed unanimously with all members voting aye.

Other Business

Agency Update

Staff provided an update to the Board regarding One Columbia Place, LLC project approved in 2015.

Staff reported on a recent discussion with the City Assessor regarding current revaluation proceedings underway and identified significant impacts the anticipated revaluation outcome is likely to have on the Agency's process for updating the Project Evaluation and Assistance Framework ("Framework") relating to assessed commercial property values, tax rate and equalization rate. The Board discussed staff's recommendation to pause analysis and postpone finalizing standardized abatement deviation schedules until these critical variables are confirmed. A discussion was held about potential structural changes to possible abatement schedules to accommodate uncertain assessment valuations, and the Board concurred that it was prudent to extend the project timeline until the revaluation had concluded.

Related to the ongoing Framework and the 'interim period' of the updating process during which the Board

had previously resolved to require each project requesting real property tax abatements be subject 3rd party analysis, regardless of its adherence to the Project Evaluation and Assistance Framework, staff discussed the previous cost structure and noted the fees for service had been the responsibility of the Applicant. Chair Elizabeth Staubach asked for a *motion from the floor to share the expense of third-party analysis on a 50%-50% basis between the Agency and the Applicant.* A motion was made by Darius Shahinfar and seconded by Joseph Better. A vote being taken, the resolution passed unanimously with all members voting aye.

Staff noted the recent conclusion of the NYS Legislative session and provided updates regarding specific pieces of Legislation provided by the NYS Economic Development Council.

Compliance Update

Staff provided an update on the Regulatory Agreement request from Home Leasing regarding their financing with NYS Homes & Community Renewal noting that the current documents provide sufficient ability for this to occur without direct Board action.

Staff noted the positive response from the NYS Comptroller's Office, regarding The Agency's initial response to an inquiry regarding the 2022 Annual Report submitted through PARIS. The Report is expected to be reopened so staff can make the necessary amendments to the report per guidance from the Comptroller's office.

The Board's materials packet contains the monthly status update for the 1211 Western Avenue Property Associates, LLC project. The Agency had previously requested formal monthly updates on the progress of construction on site. The letter stated a new general contractor was selected and has begun the mobilization process on the project site.

As a follow-up to an inquiry made by the Agency regarding employment on-site and concerns about property conditions, the TMG-NY Albany I, LP project (400 Hudson Ave) provided an update stating they have hired a new property maintenance superintendent and a maintenance technician.

Staff and the Board discussed the newly released NYS Comptroller's 2021 Annual IDA Performance report. It was noted that overall, the Agency performs favorably in comparison to its statewide counterparts. It was also noted that due to the Agency's strategic focus on encouraging multi-fam commercial development and coupled with the roll-off of existing bond projects will serve to compress the job creation/retention figures reported by the Agency annually.

COO/Interim CFO, Thomas Conoscenti, announced his resignation from Capitalize Albany Corporation and therefore resignation from the City of Albany IDA/CRC, and noted this will be his last Board Meeting. Agency staff and Board members expressed gratitude for the leadership and service he provided to the Agency during his tenure.

A motion to adjourn the meeting was made by Darius Shahinfar and seconded by Joseph Better, and a vote being taken, the meeting was adjourned at 12:39 p.m.

Respectfully submitted,

DocuSigned by:



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Anthony Gaddy, Secretary