

# City of Albany Capital Resource Corporation

21 Lodge Street  
Albany, New York 12207  
Telephone: (518) 434-2532

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

Ashley Mohl, Interim Chief Executive Officer  
Andy Corcione, Chief Operating Officer  
Marisa Franchini, Agency Counsel  
A. Joseph Scott, Special Counsel

To: Darius Shahinfar  
Elizabeth Staubach  
Christopher Betts  
John Maxwell

Lee Eck  
Joseph Better  
Anthony Gaddy

CC: Ashley Mohl  
Marisa Franchini  
Joe Scott

Emma Fullem  
Andy Corcione  
Cassidy Roberts

Date: December 1, 2023

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## CRC FINANCE COMMITTEE MEETING

A meeting of the Finance Committee of the City of Albany Capital Resource Corporation will be held on **Wednesday, December 6<sup>th</sup>, 2023 at 12:15 pm** (or directly following the Finance Committee Meeting of the City of Albany IDA) at 21 Lodge Street Albany, NY 12207.

### AGENDA

**Roll Call, Reading & Approval of the Minutes of the Finance Committee Meeting of September 13, 2023**

**Report of Chief Financial Officer**

A. None

**Unfinished Business**

A. None

**New Business**

- A. Professional Services Agreements 2024
  - i. Legal Services – General Counsel
  - ii. Legal Services – Bond Counsel
  - iii. Professional Services
  - iv. Contract for Services - IDA

- B. Annual Review of Corporation Policies
  - i. Procurement Policy
  - ii. Investment Policy

**Other Business**

- A. Corporation Update
- B. Compliance Update

**Adjournment**

# City of Albany Capital Resource Corporation

21 Lodge Street  
Albany, NY 12207  
Telephone: (518) 434-2532

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

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

## MINUTES OF CRC FINANCE COMMITTEE MEETING

Wednesday, September 13, 2023

Attending: Darius Shahinfar, Anthony Gaddy, Elizabeth Staubach, and John Maxwell

Absent: Christopher Betts and Lee Eck

Also Present: Sarah Reginelli, Andy Corcione, Emma Fullem, Renee McFarlin,  
Ashley Mohl, Mike Bohne, Amy Horwitz and Tom Libertucci

Chair Darius Shahinfar called the Finance Committee meeting of the CRC to order at 1:07 p.m.

### **Roll Call, Reading and Approval of Minutes of the June 14, 2023, Finance Committee Meeting**

A roll call of the Committee members present was held. Finance Committee Chair Darius Shahinfar reported that all Committee members were present, with the exception of Christopher Betts and Lee Eck. Since the minutes of the previous meetings 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 June 14, 2023. A motion was made by Elizabeth Staubach and seconded by Anthony Gaddy to accept the minutes as presented. The motion to accept the minutes as presented was passed with all members present voting aye.

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

None.

### **Old Business**

None.

### **New Business**

#### **2024 Draft CRC Budget**

Staff reviewed the CRC Draft Budget for 2024, acknowledging a projected deficit for 2024. The projected variance to budget for the year ending 2023 is \$764. The projected deficit total for the proposed 2024 budget is \$76,075. YTD, projected ending cash balance at 12/31/2024 is projected to be \$371,000. It was noted that this represents a reserve of approximately 13.7 years at the current projected operating level. Chair Shahinfar called for a motion to move the budget forward for review by the full Board. The motion was made by Anthony Gaddy and was seconded by Elizabeth Staubach. A vote being taken, the motion passed with all members voting aye. The CRC will seek approval of the 2024 Budget at the October RC Board meeting.

**Other Business**

Corporation Update

None.

Compliance Update

Annual Review of Corporation Insurance Policy

Staff provided the Annual Review of Agency Insurance Policy which outlined the coverages currently in place noting that both the type and level of the coverages were recommended by the Agency's carrier.

No action was required from the Committee at this time.

There being no further business, Chair Shahinfar called for a motion to adjourn the meeting. Upon a motion made by Anthony Gaddy and seconded by Elizabeth Staubach, the meeting of the Finance Committee was adjourned at 1:13 p.m.

Respectfully submitted,

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Anthony Gaddy, Secretary

**PROFESSIONAL SERVICES AGREEMENT**

**Between**

**CITY OF ALBANY**

**and**

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY**

**and**

**CITY OF ALBANY CAPITAL RESOURCE CORPORATION**

This professional services agreement, made this \_\_\_\_ day of January, 2024 (the “Agreement”) between the CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 21 Lodge Street, Albany, New York (hereinafter referred to as the “Agency”), the CITY OF ALBANY CAPITAL RESOURCE CORPORATION a not-for-profit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 21 Lodge Street, Albany, New York (hereinafter referred to as the “Corporation”), and the CITY OF ALBANY, having its principal office at City Hall, Eagle Street, Albany, New York (hereinafter referred to as the “City”):

**WITNESSETH:**

**WHEREAS**, the Agency and the Corporation need general counsel services in connection with their operations;

**WHEREAS**, the City through its office of the Corporation Counsel has offered to provide such general legal services to the Agency and the Corporation; and

**WHEREAS**, the Agency, the Corporation and the City desire to enter into this Agreement to formally provide for the terms of the general counsel services to be provided to the Agency and the Corporation.

**NOW, THEREFORE, THE PARTIES HERETO DO MUTUALLY COVENANT AND AGREE AS FOLLOWS:**

## **ARTICLE 1 -SERVICES TO BE PERFORMED**

The office of the Corporation Counsel (the “General Counsel”) shall perform the general legal services set forth under Article 2 entitled “SCOPE OF PROFESSIONAL SERVICES” during the period commencing on January 1, 2024 and continuing until December 31, 2024. In the performance and acceptance of the services herein, the parties understand, acknowledge, and agree that the General Counsel is assuming no managerial role, nor undertaking any oversight responsibilities with regard to the powers and duties of the Agency or the Corporation or the actions or non-actions of its members and board of directors. Nothing in this Agreement should be construed to transfer governance, oversight, or fiduciary responsibilities from the Agency or the Corporation to General Counsel.

## **ARTICLE 2 - SCOPE OF PROFESSIONAL SERVICES**

During the period of this Agreement, the General Counsel agrees to provide general legal services for the Agency and Corporation, including but not limited to the following:

1. attendance at meetings of the Agency and the Corporation;
2. representing the Agency and the Corporation on general litigation matters;
3. provision of local counsel opinions on Agency and Corporation projects and financings;
4. provision of general counsel advice, including rendering opinions on Open Meetings Law, Freedom of Information Law, General Municipal Law – Conflicts issues; and
5. conference with and assistance to the Agency and Corporation finance team, including bond counsel on Agency and Corporation matters.

## **ARTICLE 3 - PROFESSIONAL SERVICES FEE**

In consideration of the terms and conditions of this Agreement, the Agency and the Corporation agree to pay and the City agrees to accept, as full compensation for all services rendered under this Agreement an amount equal to \$42,000 per year. The General Counsel shall provide professional staff time towards fulfillment of this Agreement, including all administrative clerical, secretarial, accounting, compliance, and information technology support as required.

## **ARTICLE 4 - METHOD OF PAYMENT**

The Agency and the Corporation will pay the City the professional services fee referenced under Article 3 of this Agreement in a single installment due and payable no later than December 31, 2024.

## **ARTICLE 5 – TERMINATION**

This Agreement may be terminated at any time by any party upon thirty (30) days prior written notice. In the event of termination, General Counsel shall be entitled to compensation for all work performed pursuant to this Agreement to the date of termination.

## **ARTICLE 6 - EQUAL EMPLOYMENT OPPORTUNITY**

General Counsel shall comply with all Federal, State, and Local equal employment opportunity laws, rules, and regulations relating, to all matters contained in this Agreement.

## **ARTICLE 7 - ACCOUNTING RECORDS**

General Counsel shall make all reasonable efforts to keep accurate and systematic accounts and records with respect to the services provided pursuant to this Agreement. The aforementioned records shall be made available for inspection or audit by the Agency if required. General Counsel shall not be required to maintain or submit itemized hourly records with respect to the services rendered. All records produced to the Agency pursuant to this Agreement shall be kept confidential and their contents shall not be disclosed by anyone in violation of the attorney-client privilege.

## **ARTICLE 8 –ASSIGNING AGREEMENT**

The General Counsel shall not assign or transfer this Agreement or any interest herein without first receiving written approval of the Agency and the Corporation.

## **ARTICLE 9 – OWNERSHIP OF WORK PRODUCT**

All final and written or tangible products completed by the General Counsel shall belong to the Agency and the Corporation. In the event of premature discontinuance of performance, the General Counsel agrees to deliver all existing products and data files to the Agency and the Corporation.

## **ARTICLE 10 - SURETY AND INSURANCE**

The City will defend and indemnify the Agency for all claims, demands and causes of action arising out of the provision of legal services contemplated by this Agreement by General Counsel, agents or employees of the City.

#### **ARTICLE 11 – ARBITRATION**

In any event and notwithstanding any provisions made in the Agreement, the parties hereto will submit to arbitration any question or dispute arising between said parties as to the interpretation of any term or condition herein contained or with respect to any matter of compliance or non-compliance with the terms hereof, in accordance with and pursuant to Article 75 of the Civil practice Law and Rules of the State of New York.

#### **ARTICLE 12 - EXTRA WORK**

It is understood and agreed between the parties hereto that no claim for damages or extra work shall be made in connection with this Agreement except such as may be ordered in writing and further evidenced by the execution of a supplemental Agreement between the Agency and Corporation and the City.

#### **ARTICLE 13 – AMENDMENT**

Each and every provision of law and clause required to be inserted in this Agreement shall be deemed to have been inserted herein and, if through mistake or otherwise, such provision is not inserted then, upon the application of either party, this Agreement shall be amended forthwith to make such insertion.

#### **ARTICLE 14 - SUCCESSORS AND ASSIGNS**

All of the terms, covenants, and Agreements herein contained shall be binding upon and shall inure to the benefit of successors and assigns of the respective parties hereto.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be executed the day and year first above written.

**CITY OF ALBANY INDUSTRIAL  
DEVELOPMENT AGENCY**

By: \_\_\_\_\_  
Chair

**CITY OF ALBANY CAPITAL RESOURCE  
CORPORATION**

By: \_\_\_\_\_  
Chair

**CITY OF ALBANY**

By: \_\_\_\_\_  
Mayor



A. Joseph Scott, III  
Partner  
DIRECT: 518-433-2419  
ascott@hodgsonruss.com

January \_\_, 2024

City of Albany Capital Resource Corporation  
21 Lodge Street  
Albany, New York 12207  
Attention: Elizabeth Staubach, Chair

Re: City of Albany Capital Resource Corporation  
Legal Services – 2024

Dear Chair Staubach:

We are very pleased that the City of Albany Capital Resource Corporation (the “Corporation”) has requested us (the “Firm”) to perform certain legal services for the Corporation as Bond Counsel to the Corporation. The scope of the work you have asked us to undertake is briefly described on Schedules A and B attached to this letter. A description of our policy with respect to certain administrative matters, including attorney representation conflicts and client communications is attached as Schedule D to this letter.

For each type of work described on a schedule attached hereto, we propose to bill for such work in the manner described on the respective schedule relating thereto. If such bill is sent to a party other than the Corporation, a courtesy copy of such bill will be sent to the Corporation upon request.

In connection with performing legal services, we will typically incur expenses, such as photocopying, shipping of documents, travel, long distance telephone calls and filing fees. Such expenses are not included as part of our fee for professional legal services, and periodic statements showing the amount of such disbursements will be rendered to the party responsible for paying for the legal services to which such expenses relate. Such out-of-pocket expenses are not included as part of our fee for professional legal services, and periodic statements showing the amount of such disbursements will be made available for review by the Applicant and/or the Corporation upon request. For your information, we have attached hereto as Schedule C our policy with respect to the recovery of client disbursements. If such bill is sent to a party other than the Corporation, a courtesy copy of such bill will be sent to the Corporation upon request.

In the unlikely event that a dispute arises between us relating to our fees, you may have the right to arbitration of the dispute pursuant to Part 137 of the Rules of the Chief Administrator of the Courts, a copy of which will be provided to you upon request.

During the course of this engagement, the firm may collect certain personal information relating to the services contemplated by this letter. When we do so, we require that clients provide the minimum amount of personal information necessary for us to perform our legal services. The collection of any such personal information will be governed by, and such personal information will be processed in accordance

with, the firm's Privacy Policy, as well as any applicable privacy laws and codes of professional conduct. You can obtain a copy of the firm's Privacy Policy on our website at [www.hodgsonruss.com](http://www.hodgsonruss.com) or by requesting one from us.

This agreement to provide legal services may be terminated by either party upon thirty (30) days prior written notice. Further, the Firm reserves the right to vary the services offered to the Corporation from those illustrated above upon sixty (60) days prior written notice to the Corporation.

Please acknowledge your agreement to the above by signing and returning a copy of this letter for our records.

We appreciate the opportunity to represent you.

Very truly yours,

HODGSON RUSS LLP

By: \_\_\_\_\_  
A. Joseph Scott, III

Agreed and Accepted as of this  
\_\_ day of January, 2024

CITY OF ALBANY  
CAPITAL RESOURCE CORPORATION

By: \_\_\_\_\_  
Chair

## SCHEDULE A

### **Applicant Projects**

#### **Services as Bond Counsel**

Where an applicant (the “Applicant”) requests that the Corporation undertake a particular project (an “Applicant Project”) and such Applicant Project will be financed out of proceeds of taxable or tax-exempt revenue bonds issued by the Corporation (each separate issue of bonds being sometimes hereinafter referred to as the “Bonds”), we would anticipate acting as bond counsel to the Corporation with respect to said transaction. We understand that the Corporation has retained Marisa Franchini, Esq., the Corporation Counsel of the City of Albany, as local counsel or Corporation Counsel. We further understand that the Corporation would retain the option of using other law firms as Bond Counsel to the Corporation where our firm has a legal conflict, or where there are special circumstances. In our capacity as Bond Counsel to the Corporation, we would work with Ms. Franchini on Applicant Projects.

As a matter of custom and prudence, both the issuers and purchasers of taxable and tax-exempt Bonds require an opinion of nationally recognized bond counsel. Such opinion ordinarily states that (1) the Bonds have been properly authorized and issued and are legal, valid and binding obligations of the Corporation, (2) the legal documentation effectively provides the intended security for the Bonds, (3) interest on the Bonds is exempt from personal income taxes imposed by the State of New York (if the interest on the Bonds is excludable from gross income for federal income tax purposes), and (4), if the Bonds are intended to be issued as federally tax-exempt obligations, interest on the Bonds is excludable from gross income for federal income tax purposes. We anticipate rendering such opinions in connection with the issuance of each issue of the Bonds issued by the Corporation during the period of our engagement.

In order to establish the factual basis for the legal conclusions expressed in such opinion, we will prepare a record of proceedings (or transcript) for each issue of Bonds, which transcript will contain all documents and other materials necessary to assure that the form and substance of the transaction conform with the applicable requirements of the Internal Revenue Code of 1986, as amended (the “Code”), the New York Not-For-Profit Corporation Law (the “Act”) and other applicable New York laws. The record of proceedings for each such transaction will typically include the following, as appropriate: (A) a copy of the application made by the Applicant to the Corporation with respect to the particular project (the “Applicant Project”), together with documents relating to the Corporation’s actions accepting said application, holding a public hearing with respect thereto, and obtaining any required approvals with respect to the Applicant Project from the governing board or “chief elected official” of the municipality for whose benefit the Corporation was created; (B) a loan agreement, whereby (1) the Corporation agrees to loan the proceeds of the Bonds to the Applicant, and (3) the Corporation agrees to repay the loan; (C), if the transaction includes multiple holders of the Bonds, a trust indenture between the Corporation and a corporate trustee acting as representative of the owners of the Bonds; (D), if required by the purchasers of the Bonds, a mortgage and/or security agreement from the Corporation and the Applicant to the trustee (or the owner of the Bonds); (E) a guaranty of the Bonds from the Applicant to the trustee (or the owner of the Bonds); (F) various other security documents; (G), if the Bonds are intended to be issued as federally tax-exempt bonds, various tax compliance documents; (H) a bond purchase agreement among the Corporation, the Applicant and the initial purchaser of the Bonds; and (I), if the Bonds are intended to

be offered to multiple potential purchasers, various bond offering documents (including a preliminary and a final official statement or private placement memorandum relating to the Bonds). As Bond Counsel, we typically draft all of such documents (excepting the bond offering documents, which are typically drafted by counsel to the initial purchaser of the Bonds, with input from us), as well as other documents which are customary and appropriate in such transactions. In addition, we assume responsibility for certain administrative matters, such as coordinating meetings, preparing bond forms, making arrangements for the closing and coordinating with counsel to the other parties to the transaction.

We typically assume no responsibility for any disclosure which may be required under state or federal securities law in connection with the issuance and sale of the Bonds (excepting only the description of the Bonds and the bond documents appearing in the bond offering documents) or for the accuracy, completeness or fairness of statements, representations, information or financial data supplied by the Applicant, or any of its affiliates.

Where we represent a capital resource corporation on a regular basis, we typically provide certain pre-application services at no cost to the Corporation (or the applicant) unless an application is subsequently filed with the Corporation and the transaction subsequently moves beyond the inducement phase. Such pre-application services include providing advice to Corporation staff as to whether a proposed transaction meets the requirements of the Act and the Corporation's Certificate of Incorporation; attendance at pre-application meetings with prospective applicants whenever requested by Corporation staff; and attendance at seminars and other marketing events organized by Corporation staff.

Upon receipt from the Corporation of an application and accompanying documentation relating to a particular project, we review the application to ascertain conformity of the proposed project with applicable state and federal laws affecting the Corporation; prepare an opinion letter to the Corporation regarding the legality of the proposed project; assuming said project appears legal, prepare the necessary documentation allowing the Corporation to indicate preliminary acceptance of said application and allowing the Corporation to conduct a public hearing relating to the transaction; assist the Corporation in complying with the requirements of the New York State Environmental Conservation Law applicable to said application; and, if the Corporation determines to reject an application, advise the Corporation on how best to accomplish said rejection. We typically request that our capital resource corporation clients include as part of their application an indemnity agreement, whereby the Applicant agrees to pay all legal expenses incurred by the Corporation, whether the transaction closes or not. Notwithstanding said indemnity agreement, we typically do not seek payment from either the Applicant or the Corporation if the transaction does not proceed beyond the final inducement resolution.

Once the Corporation has adopted a final inducement resolution with respect to the Applicant Project (and, if the transaction includes Bonds, we have received a draft commitment letter from the initial purchaser of the Bonds), we will prepare a first draft of the basic documents relating to the transaction. Upon receipt of comments from the relevant parties, we will finalize the basic documents and distribute drafts of the various supplemental documents to be delivered at closing for approval of the various parties. If the transaction includes Bonds and the Bonds are intended to be reoffered to multiple parties, once the documents are in good order, (A) the initial purchaser will circulate the preliminary official statement or preliminary private placement memorandum to judge market interest in the Bonds, (B) once the preliminary official statement or preliminary private placement memorandum has been circulated, the initial purchaser of the Bonds will "price" the Bonds (i.e., set the interest rates and other

business terms of the Bonds), and (C), if the Applicant accepts the pricing on the Bonds, the various parties would then enter into the bond purchase agreement and the other documents relating to the sale of the Bonds, and the sale of the Bonds will be consummated.

Upon closing and delivery of our opinion, our responsibilities as Bond Counsel will be concluded with respect to the transaction; specifically, but without implied limitation, we do not undertake (unless separately engaged) to provide continuing advice to the Corporation or any other party relating to the transaction.

Once an application is filed with the Corporation, if the Applicant requests that we begin drafting the basic documents for the transaction and for any reason thereafter the transaction does not close, we typically bill the Applicant for our legal fees on an hourly basis, based on our standard hourly billing rates, as well as our disbursements incurred in connection therewith.

With respect to taxable and/or tax-exempt bond transactions, once the structure of said transaction is decided upon, based on our understanding of the proposed structure of the transaction, the anticipated timing of the closing, our normal hourly rates and our educated guess as to the amount of time it will take us to conclude a particular transaction, we will discuss with the Corporation and/or furnish to the Applicant an estimate of our anticipated fees for such transaction. For certain transactions where the amount of required legal services which are predictable, we will if requested furnish a fixed fee for such transaction. Our fees as bond counsel are generally in the range of \$15,000-\$115,000, plus disbursements, again, depending on the size, type, timetable and complexity of the bond financing.

Our statement for services for an applicant transaction will be rendered at closing. If the structure of the transaction changes significantly, or the closing of the transaction occurs beyond a reasonable period (6 months for a bond transaction), and such restructuring or delay results in an increase in the time that we must expend on the transaction, we reserve the right to renegotiate any fixed fee. Any fee estimate is based upon the foregoing assumptions and further assumes that there will be no extraordinary questions of law, that the structure of the transaction does not change significantly once the initial draft of the basic documents are prepared and that we will not need to prepare more than the normal 3 or 4 drafts of the documents prior to closing. It also assumes that our firm will not be called upon to perform additional services with regard to securities law disclosure or other aspects of the transaction falling outside the traditional responsibilities of Bond Counsel outlined above. In the event that the facts do not bear out the foregoing assumptions, we expect to charge for our additional services on an hourly basis. In any event, we will discuss with the Corporation any additional services to be performed by us prior to our performing them.

We recognize that the Corporation will have more applicants and more repeat business if project beneficiaries feel that they have been fairly treated by the Corporation and its staff, including legal counsel. In this regard, we feel almost as a partner with the Corporation and often sacrifice short-term gain for the long term interests of the Corporation. Accordingly, we take pains to ensure that the project beneficiary is advised early on in the process regarding what magnitude of legal bills to expect, and endeavor to enter into an engagement letter with the client spelling out both his and our expectations prior to performing significant work beyond the inducement stage. We also endeavor to ensure that our bills do not exceed comparable bills rendered by upstate firms on comparable transactions.

Sometimes, our client will advise us early on in a transaction that the transaction is “fee-sensitive”-i.e., that the applicant will only utilize the Corporation in the transaction if total fees are kept below a certain ceiling. In these circumstances, we will advise our client whether it is possible to keep our fees below a ceiling, and if we agree that it is possible, we will thereafter ensure that our fees do not exceed the ceiling. Similarly, if we agree to include our disbursements in such a ceiling, we will ensure that our total bill does not exceed the ceiling.

If the Corporation or the Applicant requests that we perform additional services beyond those described above, our fee for those additional services will be based on the time which we devote to said additional services. Our firm’s hourly rates presently range between \$235 and \$885 for lawyers and between \$130 and \$400 for legal assistants. The current hourly rate for A. Joseph Scott, III is \$525/hour. Periodic statements showing the current legal fee due will be made available for review by the Applicant and/or the Corporation upon request.

In connection with the issuance of the Bonds, we typically incur significant out-of-pocket expenses, such as photocopying, shipping of documents, travel, long distance telephone calls and filing fees. In addition, we compile a closing transcript after the Bonds are issued is completed, which is distributed to each of the parties to the transaction and which involves additional photocopying costs and binding fees. Such out-of-pocket expenses are not included as part of our fee for professional legal services, and periodic statements showing the amount of such disbursements will be made available for review by the Applicant and/or the Corporation upon request. For your information, we have attached hereto as Schedule C our policy with respect to the recovery of client disbursements. The actual amount of the disbursements may be minimized by shipping documents first class mail rather than by overnight courier and by limiting the number of drafts of documents. Upon request, we will discuss with the Applicant or the Corporation in more detail the steps we can take to minimize disbursements.

In performing our services as Bond Counsel, our primary client relationship will be with the Corporation, although the transaction will be for the primary benefit of the Applicant. We assume that the Applicant and the other parties to the transaction will retain such counsel as they deem necessary and appropriate to represent their respective interests in the transaction.

## SCHEDULE B

### **Non-Applicant Projects**

#### General

Where the Corporation proposes to undertake a transaction involving a project which does not involve an applicant (a “Non-Applicant Project”), we would anticipate acting as counsel to the Corporation with respect to said transaction. Examples of Non-Applicant Projects undertaken by capital resource corporations around New York State include offices for the capital resource corporation, incubator buildings, industrial parks, shortline rail facilities, community centers, an airport, a parking garage and similar examples of “economic development infrastructure”. Examples of transactions involving Non-Applicant Projects might include obtaining financing (in the form of grants and/or loans) with respect thereto; reviewing real estate title records and/or title reports relating thereto; reviewing acquisition and/or construction documentation relating thereto; documenting the leasing and/or sale thereof, in whole or in part; and handling other matters relating thereto. Other examples include the review of Corporation policies and procedures, including policies relating to the Public Authorities Accountability Act of 2006, and the preparation of Application Forms and Policy Manuals.

Once we understand the scope of the work which the Corporation desires us to undertake with respect to a particular transaction, we will discuss with the Corporation an estimate of our anticipated fees for said transaction. We would expect to bill such matters at our normal hourly rates. Once we and the Corporation reach an understanding as to the legal budget for said transaction, the source for payment thereof and the billing schedule related thereto, we will send a letter to the Corporation memorializing said understanding. Periodic statements showing the current legal fee due will be made available for review by the Corporation upon request.

## SCHEDULE C

### **Firm Policy With Respect to Client Disbursements**

In the course of providing legal services to its clients, the Firm will from time to time incur various expenses on their behalf. These expenses are generally invoiced to the client in addition to the fees for legal services rendered. It is the policy of the Firm to attempt to keep these charges as low as possible, consistent with the timely performance of high quality legal services. Further, the Firm reserves the right to adjust the various charges for client disbursements on an annual basis, in the course of the Firm's customary review of attorney hourly rates and charges. Any adjustments in such charges will be made available to the client at the client's request.

The client is entitled to establish certain parameters in an attempt to limit disbursement charges, but it must be recognized that certain charges may be inevitable due to the nature of the transaction or legal services involved. Clients who desire to establish parameters for disbursements should contact the attorney-in-charge of the specific matter.

Certain of the disbursements described below are increased by a multiplier to compensate the Firm for various costs not identifiable to a particular client.

Set forth below are summary descriptions of the categories of disbursements commonly incurred on behalf of our clients. This list is by no means exhaustive, and other charges not described below will be invoiced to the client in an appropriate manner. Furthermore, the charges for certain of the items described below are imposed by third parties and may be increased without notice to us or to our clients:

1. **BINDING:** The entire cost of binding transcripts for circulation to various financing participants is invoiced to the client. The total cost is a function on the number and size of the transcripts to be bound and the charges for photocopies (see below).
2. **COMPUTER TIME SHARING:** The actual cost of computer time sharing for access to legal and other data bases will be passed through to the client. These charges are generally incurred in the course of performing legal research.
3. **FILING AND RECORDING FEES AND CERTIFICATE CHARGES:** The cost of various filings and recordings with federal, state and local agencies is borne by the client. Charges for obtaining certified copies of documents from federal, state and local agencies are also invoiced to the client. Occasionally, due to the nature and timing of the transaction involved, filings or requests for certified copies will be handled through service companies which may charge a premium rate.
4. **PUBLICATION:** Certain transactions require the publication of legal notices. The charges for such publication are established by the respective newspaper or periodical, and it is the policy of the Firm to pay the vendor directly and then forward the invoice to the client for reimbursement of same to the Firm.
5. **STAFF OVERTIME:** When secretarial or other support staff are required to work overtime with respect to a specific transaction, the cost is invoiced to the client at the rate of \$32.00 per hour. In



addition, all employees who work 10.5 consecutive hours or more are entitled to receive either lunch or dinner at the Firm's expense. These meal costs will be charged to the client responsible for the overtime costs.

6. **PHOTOCOPIES:** Photocopies are charged at a rate of 10 cents per page. For large quantities of photocopying which do not require immediate turnaround, we will use a local photocopying service if it can provide copies at a lower rate.
7. **SHIPPING AND LOCAL DELIVERY:** The cost of shipment by Federal Express, United Parcel Service, Express Mail, U.S. Mail or other delivery service at the retail price charged for such service is invoiced directly to the client. The actual amount of the charges will depend upon the number, weight, and carrier of packages and letters sent. The client will also be charged for local delivery by outside couriers at their normal rates, and for our in-house courier (\$7.50 per delivery or package).
8. **TELEPHONE:** The Firm's telephone system allows for the attribution of long distance charges to the appropriate client and file. These charges include long distance charges for telecopies, as well as conference calls arranged through Soundpath Conferencing Services. Most of our long distance calls are placed through RCI Long Distance Service at rates approximately the same as AT&T rates.
9. **TELECOPY:** Telecopies are charged at 50 cents per page. The charge is designed to amortize the cost of acquiring and maintaining our telecopiers, as well as to cover the cost of administrative expenses associated with telecopy charges, the cost of collection and the time-value of money.
10. **TRAVEL:** The actual cost of travel, including charges for mileage for firm-owned or attorney-owned automobiles at 62.5 cents per mile, parking, plane or train fares, taxi, hotel, meals, etc., will be invoiced to the client.

## SCHEDULE D

### **Firm Policy With Respect to Various Administrative Matters**

#### General

For your information, Part 1215 of the Joint Rules of the Appellate Division requires that a letter of engagement be sent to any person or entity that is responsible for the payment of attorney's fees. Further, in the unlikely event that a dispute arises between us relating to our fees, you may have the right to arbitration of the dispute pursuant to Part 137 of the Rules of the Chief Administrator of the Courts, a copy of which will be provided to you upon request.

#### Attorney Representation Conflicts and Waivers

In performing our services to the Corporation, we represent only the Corporation. We assume that other parties to a transaction involving the Corporation will retain such counsel as they deem necessary and appropriate to represent their interest in the transaction. As we have discussed, you are aware that we represent many other clients in numerous and diverse matters. It is possible that, during the time that we are representing the Corporation, some of our past, present or future clients will have transactions with the Corporation. The Corporation agrees that we may continue to represent, or may undertake in the future to represent, existing or new clients in any matter that is not substantially related to our work with the Corporation (even if the interests of such clients in those other matters is directly adverse to the interests of the Corporation); however, we agree that your prospective consent to conflicting representation shall not apply in any instance where, as a result of our representation of the Corporation, we have obtained proprietary or other confidential information of a non-public nature, that, if known to such other client, could be used in any such other matter by such client to your material disadvantage. Further, any consent herein would not extend to acting adverse to the other client in a negotiation or a dispute situation.

In certain circumstances, a past or present client of our Firm may ask us to represent that client directly in a transaction involving the Corporation. In such situation, if the Corporation obtains separate counsel to represent the Corporation and if the Corporation consents to our representation of such client in such transaction, we may represent such client in such transaction, even if the interests of such client in such transaction is directly adverse to the interests of the Corporation; however, we agree that your prospective consent to such conflicting representation shall not apply in any instance where, as a result of our representation of the Corporation, we have obtained proprietary or other confidential information of a non-public nature, that, if known to such other client, could be used in such transaction by such client to your material disadvantage.

Acceptance of this proposal further constitutes authorization by the Corporation to permit the Chair or the Chief Executive Officer of the Corporation to execute any writing required by our conflicts partner to resolve any such "potential" conflicts of interest that may arise in the future.

### Client Communications

As noted above, in performing our services as bond counsel to the Corporation, our client is the Corporation, and we represent its interests in connection with the particular matter. While the Corporation takes formal action by resolution of its board (the “Corporation Board”), the Chief Executive Officer typically has the day-to-day responsibility for the operations of the Corporation and the undertaking of Applicant and Non-applicant Projects. Further, since the members of the Corporation Board are appointed officials and not full-time employees of the Corporation, we anticipate that the majority of our conversations and discussions will be with the Chair, the Vice Chair, the Chief Executive Officer, the Chief Financial Officer and other officers of the Corporation.

Accordingly, when we need to communicate information to the Corporation, you agree that communicating same to the Chair, the Vice Chair, the Chief Executive Officer, the Chief Financial Officer or any other official of the Corporation shall be treated as if we had communicated such information to the full membership of the Corporation. Further, if in our reasonable judgment we believe it necessary to communicate directly with the full membership of the Corporation, we will be permitted to do so.

**PROFESSIONAL SERVICES AGREEMENT**  
**Between**  
**CAPITALIZE ALBANY CORPORATION (CAC)**

**and**

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY (CAIDA)**

**and**

**CITY OF ALBANY CAPITAL RESOURCE CORPORATION (CACRC)**

This agreement, made this \_\_\_\_ day of January, in the year Two Thousand and Twenty Four between the City of Albany Industrial Development Agency (hereinafter referred to as the (“CAIDA”), the City of Albany Capital Resource Corporation (hereinafter referred to as the (“CACRC”), and the Capitalize Albany Corporation, a not for profit corporation having its principal place of business at 21 Lodge Street, Albany, New York 12207 (hereinafter referred to as the “CAC”):

**WITNESSETH:**

**WHEREAS**, the CAC has offered to provide professional economic development management and administrative support services to the CAIDA and the CACRC, and,

**WHEREAS**, the CAIDA and the CACRC has accepted the offer of the CAC for such professional services.

**NOW, THEREFORE, THE PARTIES HERETO DO MUTUALLY COVENANT AND AGREE AS FOLLOWS:**

**ARTICLE 1 -SERVICES TO BE PERFORMED**

The CAC shall perform the professional and administrative support services set forth under Article 2 entitled “SCOPE OF PROFESSIONAL SERVICES” during the period commencing on January 1, 2024 and continuing until December 31, 2024. In the performance and acceptance of the services

herein, the parties understand, acknowledge and agree that the CAC is assuming no managerial role, nor undertaking any oversight responsibilities with regard to the powers and duties of the CAIDA or the CACRC or the actions or non-actions of its Board of Directors. Nothing in this agreement should be construed to transfer governance, oversight or fiduciary responsibilities from the CAIDA or the CACRC to CAC.

## **ARTICLE 2 - SCOPE OF PROFESSIONAL SERVICES**

During the period of this agreement, the CAC agrees to provide staffing, office equipment, utilities, phone and computer networking to perform the administrative, managerial, accounting, marketing, compliance, and project development functions of the CAIDA and the CACRC. Additionally, CAC will provide support to assist the Chief Executive Officer and Chief Financial Officer of the CAIDA and the CACRC in the execution of their CAIDA and CACRC duties. CAC shall be responsible for the services described on Schedule A attached.

## **ARTICLE 3 - PROFESSIONAL SERVICES FEE**

In consideration of the terms and conditions of this agreement, the CAIDA agrees to pay and the CAC agrees to accept, as full compensation for all services rendered under this agreement an amount not to exceed \$632,228. The CAC shall provide professional staff time towards fulfillment of this agreement, including all administrative clerical, secretarial, accounting, compliance, and information technology support as required.

## **ARTICLE 4 - METHOD OF PAYMENT**

The CAIDA will pay CAC its professional services fee referenced under Article 3 of this agreement in twelve (12) monthly installments due and payable no later than the fifteenth day of each month.

## **ARTICLE 5 - TERMINATION**

This agreement may be terminated at any time by any party for cause upon thirty (30) days written notice. In the event of termination, CAC shall be entitled to compensation for all work performed pursuant to this agreement to the date of termination.

## **ARTICLE 6 – MUTUAL INDEMNIFICATION**

a. CAC shall defend, indemnify and hold harmless CAIDA and CACRC and their agents and employees from and against claims, damages, losses and expenses, including, but not limited to reasonable attorneys' fees, arising out of or resulting from the negligence or willful misconduct of CAC in CAC's performance of the tasks detailed in this Agreement, except if such claims, damages, losses or expenses are caused by CAIDA's and/or CACRC's negligence or willful misconduct.

b. CAIDA shall defend, indemnify and hold harmless CAC and CACRC and their agents and employees from and against claims, damages, losses and expenses, including, but not limited to reasonable attorneys' fees, arising out of or resulting from the negligence or willful misconduct of CAIDA in CAIDA's performance of the tasks detailed in this Grant Agreement, except if such claims, damages, losses or expenses are caused by CAC's and/or CACRC's negligence or willful misconduct.

c. CACRC shall defend, indemnify and hold harmless CAIDA and CAC and their agents and employees from and against claims, damages, losses and expenses, including, but not limited to reasonable attorneys' fees, arising out of or resulting from the negligence or willful misconduct of CACRC in CACRC's performance of the tasks detailed in this Grant Agreement, except if such claims, damages, losses or expenses are caused by CAIDA's and/or CAC's negligence or willful misconduct.

## **ARTICLE 7 - EQUAL EMPLOYMENT OPPORTUNITY**

CAC shall comply with all Federal, State, and Local equal employment opportunity laws, rules, and regulations relating, to all matters contained in this agreement.

## **ARTICLE 8 - ACCOUNTING RECORDS**

Proper and full accounting records, including time sheets, shall be maintained by CAC for all services provided pursuant to this agreement. All applicable records shall be available for inspection or audit by the CAIDA if required.

**IN WITNESS WHEREOF**, the parties hereto have caused this agreement to be executed the day and year first above written.

### **City of Albany Industrial Development Agency**

By: \_\_\_\_\_  
Chairperson

### **City of Albany Capital Resource Corporation**

By: \_\_\_\_\_  
Chairperson

### **Capitalize Albany Corporation**

By: \_\_\_\_\_  
Chairperson

## **SCHEDULE A**

### **DESCRIPTION OF SERVICES**

#### A. City of Albany Industrial Development Agency:

1. Implementation, execution and compliance with the CAIDA Policy Manual that was adopted at the June 2016 CAIDA Meeting.
2. Provide for the deposit and investment of the funds of CAIDA in accordance with Part 4 of the CAIDA Policy Manual.
3. Provide for the preparation of reports of the deposit and investment of the funds of CAIDA in accordance with Part 4 of the CAIDA Policy Manual.
4. Ensure that procurement of goods or services by CAIDA complies with Part 5 of the CAIDA Policy Manual.
5. Prepare an annual budget of CAIDA and the filing of such budget in accordance with Part 6 of the CAIDA Policy Manual.
6. Monitor the activities of Bond Counsel to CAIDA to ensure compliance with Part 7 of the AIDA Policy Manual.
7. Provide for the preparation of financial statements and reports of CAIDA and the filing of such materials with appropriate State offices in accordance with Part 8 of the CAIDA Policy Manual.
8. Provide for compliance with the provisions of Part 9 of the CAIDA Policy Manual.
9. Report on questions involving potential conflicts of interest under Part 10 of the CAIDA Policy Manual.
10. Provide for distribution of materials in accordance with Part 11 of the CAIDA Policy Manual.
11. Consult with CAIDA agency counsel regarding membership and proper appointment of members of CAIDA pursuant to Part 12 of the CAIDA Policy Manual.
12. Act as Records Access Officer with regard to any requests for information under the Freedom of Information Act in accordance with Part 13 of the CAIDA Policy Manual.
13. Consult with Agency Counsel to CAIDA regarding proper notice of CAIDA meetings under Part 14 of the CAIDA Policy Manual.



14. Prepare, organize, and distribute minutes of each CAIDA meeting in accordance with Part 14 of the CAIDA Policy Manual.
15. Coordinate the scheduling and noticing of public hearings and the delivery of notification letters in accordance with Part 15 of the CAIDA Policy Manual.
16. Organize and maintain files relating to SEQRA compliance in accordance with Part 17 of the CAIDA Policy Manual.
17. Monitor and maintain files regarding the Uniform Tax Exemption Policy of CAIDA, including ensuring that any filings required under Part 18 of the CAIDA Policy Manual are made.
18. Provide for the preparation and distribution of Applications by applicants in accordance with Part 19 of the CAIDA Policy Manual.
19. Monitor and provide for the volume cap of CAIDA in accordance with Part 20 of the CAIDA Policy Manual.
20. Monitor and maintain files regarding the collection of administrative fees of CAIDA under Part 21 of the CAIDA Policy Manual.
21. Monitor compliance with Agency requirements relating to the exemptions from certain sales and use taxes, real property taxes, real property transfer taxes, mortgage recording taxes, job creation, job retention and job reporting in accordance with Part 22 of the CAIDA Policy Manual.
22. Provide guidance in connection with any proposed assignment of an existing PILOT agreement in accordance with Part 23 of the CAIDA Policy Manual.
23. Ensure that applicants are utilizing local labor in accordance with Part 24 of the CAIDA Policy Manual.
24. Monitor project applicants to ensure that the applicant is not subject to recapturing of benefits in accordance with Part 25 of the CAIDA manual.
25. Follows the media relations policy in accordance with Part 26 of the CAIDA manual.
26. Provide uniform criteria for the evaluation of projects in accordance with Part 27 of the CAIDA manual.
27. Review, organize, monitor and maintain policies and files relating to the requirements imposed on the CAIDA relating to the Public Authorities Accountability Act ("PAAA") and the Public Authorities Reform Act

("PARA"), including, but not limited to, working with CAIDA Agency Counsel and CAIDA Bond Counsel with respect to such policies.

B. City of Albany Capital Resource Corporation:

CAC will provide services similar to those described in Section A. above to CACRC.

## CONTRACT FOR SERVICES

THIS AGREEMENT dated as of January\_\_\_\_, 2024 (the “Agreement”) between **CITY OF ALBANY CAPITAL RESOURCE CORPORATION** (the “Corporation”), a not-for-profit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 21 Lodge Street, Albany, New York, and **CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY** (the “Agency”), a public benefit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 21 Lodge Street, Albany, New York;

### WITNESSETH:

WHEREAS, the Corporation was created pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended (the “Enabling Act”), and pursuant to the provisions of the Enabling Act, Revenue Ruling 57-187, Private Letter Ruling 200936012, the Common Council of the City of Albany, New York (the “City”) adopted a resolution on March 15, 2010 (the “Sponsor Resolution”) (A) authorizing the incorporation of the Corporation under the Enabling Act and (B) appointing the initial members of the board of directors of the Corporation. In April, 2010, a certificate of incorporation was filed with the New York Secretary of State’s Office (the “Certificate of Incorporation”) creating the Corporation as a public instrumentality of the City; and

WHEREAS, the Corporation is authorized and empowered by the provisions of the Enabling Act to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities, and lessen the burdens of government and act in the public interest, and in carrying out the aforesaid purposes and in exercising the powers conferred in the Enabling Act, the Enabling Act declares that the Corporation will be performing essential governmental functions; and

WHEREAS, to accomplish its stated purposes, the Corporation is authorized and empowered under the Enabling Act to acquire real and personal property; to borrow money and issue negotiable bonds, notes and other obligations therefore; to lease, sell, mortgage or otherwise dispose of or encumber any of its real or personal property upon such terms as it may determine; and otherwise to carry out its corporate purposes in the territory in which the operations of the Corporation are principally to be conducted; and

WHEREAS, pursuant to a professional services contract dated January\_\_\_\_, 2024 (the “Professional Services Agreement”) by and among the Corporation, the Agency and Capitalize Albany Corporation (the “CAC”), the Corporation has contracted with the CAC for the management of the operations of the Corporation; and

WHEREAS, the CAC develops and implements the economic development strategy of the City of Albany and, in connection with the development and implementation of such strategy, the CAC undertakes various economic development programs and projects (the “Economic Development Program”); and

WHEREAS, in order to provide the Agency with funds to pay for the services to be delivered by CAC under the Professional Services Agreement, the Corporation proposes to enter into this Agreement under which the Corporation will provide funds to the Agency to pay a portion of the fees payable under the Professional Services Agreement; and

WHEREAS, the Corporation will provide funds to the Agency as a one-time disbursement during the term of this Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Corporation and the Agency agree as follows:

1. **Services and Program.** The Corporation and the Agency agree as follows:
  - (a) That the Corporation will make available to the Agency an aggregate amount not to exceed the current budgeted amount of \$20,000. Actual aggregate amount due will be based on the Corporation's percentage of total project fees collected of both the Agency and the Corporation in 2024.
  - (b) That the proceeds will be used for the express purpose of funding a portion of the costs of the amounts payable under the Professional Services Agreement.
2. **Disbursement.** Proceeds shall be paid by the Corporation to the Agency on or about the last day of 2024. Disbursement of proceeds is based upon available cash.
3. **Compliance with Law.** The Agency covenants that it is aware of the laws governing the Corporation and the use of moneys of the Corporation, and the Agency agrees to use the moneys disbursed under this Agreement only in the manner so allowed.
4. **Repayment.** Nothing herein shall be construed to require the Agency to reimburse the Corporation.
5. **Information.** The Agency agrees to furnish to the Corporation, the following: (a) a financial report indicating how the proceeds are being spent; and (b) such other information as the Corporation may request. In addition, the Agency shall provide the Corporation with a copy of an annual report regarding the Economic Development Program.
6. **Indemnification.** To the fullest extent permitted by law, the Agency shall defend, indemnify and hold harmless the Corporation and its agents and employees from and against claims, damages, losses and expenses, including, but not limited to reasonable attorneys' fees, arising out of or resulting from the negligence or willful misconduct of Agency related to Agency's obligations in this Agreement, except if such claims, damages, losses or expenses are caused by the Corporation's gross negligence or willful misconduct.

7. **Notices.** (a) All notices and other communications hereunder shall be in writing and shall be deemed given when mailed by United States registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

- (1) To the Corporation: at the address set forth in the initial paragraph of this Grant Agreement, with a copy to:

City of Albany  
City Hall  
Albany, New York 12207  
Attention: Corporation Counsel

- (2) To the Agency: at the address set forth in the initial paragraph of this Grant Agreement.

(b) The Corporation and the Agency may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates and other communications shall be sent.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the day and date first written above.

CITY OF ALBANY CAPITAL RESOURCE  
CORPORATION

BY: \_\_\_\_\_  
Authorized Officer

CITY OF ALBANY INDUSTRIAL  
DEVELOPMENT AGENCY

BY: \_\_\_\_\_  
Authorized Officer

## CITY OF ALBANY CAPITAL RESOURCE CORPORATION

### PROCUREMENT POLICY

SECTION 1. PURPOSE AND AUTHORITY. The purpose of this procurement policy (the "Policy") is to outline the procurement policy of City of Albany Capital Resource Corporation (the "Corporation") applicable to procurements of goods and services paid for by the Corporation for its own use and benefit.

SECTION 2. SECURING GOODS AND SERVICES. All goods and services will be secured by use of written requests for proposals, written quotations, verbal quotations, or any other method that assures that goods will be purchased at the lowest price and that favoritism will be avoided except for in the following circumstances: Purchases costing less than \$500; goods purchased from agencies for the blind or severely handicapped pursuant to Section 175-b of the State Finance Law; goods purchased from correctional institutions pursuant to Section 186 of the Correction Law; Purchases under state contracts pursuant to Section 104 of the General Municipal Law; Purchases under county contracts pursuant to Section 103(3) of the General Municipal Law; or Purchases pursuant to Section 4 of this Policy.

SECTION 3. METHOD OF PURCHASE. The following method of Purchase will be used when required by this Policy in order to achieve the highest savings:

<u>Estimated Amount of Purchase Contract</u>	<u>Method</u>
\$500-\$2,999	2 verbal quotations
\$3,000 and above	3 written/fax quotations or written request for proposals
<u>Estimated Amount of Public Works Contract</u>	<u>Method</u>
\$500-\$2,999	2 verbal quotations
\$3,000-\$4,999	2 written/fax quotations
\$5,000 and above	3 written/fax quotations or written request for proposals

(B) Number of Proposals or Quotations. A good faith effort shall be made to obtain the required number of proposals or quotations. If the purchaser is unable to obtain the required number of proposals or quotations, the purchaser will document the attempt made at obtaining the proposals. In no event shall the failure to obtain the proposals be a bar to the procurement.

(C) Documentation. Documentation is required of each action that is taken in connection with any procurement. Documentation and an explanation is required whenever a contract is awarded to other than the lowest responsible offeror. This documentation will include an explanation of how the reward will achieve savings or how the offeror was not responsible. A determination that the offeror is not responsible shall be made by the purchaser and may not be challenged under any circumstances.

SECTION 4. CIRCUMSTANCES WHERE SOLICITATION OF ALTERNATIVE PROPOSALS AND QUOTATIONS NOT IN BEST INTEREST. This Policy may contain circumstances when, or types of procurements for which, in the sole discretion of the directors of the Corporation, the solicitation of

alternative proposals or quotations will not be in the best interest of the Corporation. In the following circumstances, it may not be in the best interests of the Corporation to solicit quotations or document the basis for not accepting the lowest bid:

(A) Professional Services. Professional services or services requiring special or technical skill, training or expertise. The individual, company or firm must be chosen based on accountability, reliability, responsibility, skill, conflict of interests, reputation, education and training, judgement, integrity, continuity of service and moral worth. Furthermore, certain professional services to be provided to the Corporation, e.g., legal and accounting services, impact liability issues of the Corporation and its directors, including securities liability in circumstances where the Corporation is issuing bonds. These qualifications and the concerns of the Corporation regarding its liability and the liability of its directors are not necessarily found or addressed in the individual, company or firm that offers the lowest price and the nature of these services are such that they do not readily lend themselves to competitive procurement procedures.

In determining whether a service fits into this category, the Corporation shall take into consideration the following guidelines: (a) whether the services are subject to state licensing or testing requirements; (b) whether substantial formal education or training is a necessary prerequisite to the performance of the services; and (c) whether the services require a personal relationship between the individual and the directors of the Corporation. Professional or technical services shall include but not be limited to the following: services of an attorney (including bond counsel); services of a physician; technical services of an engineer engaged to prepare plans, maps and estimates; securing insurance coverage and/or services of an insurance broker; services of a certified public accountant; investment management services; printing services involving extensive writing, editing or art work; management of Corporation-owned property; real estate brokerage services; appraisers; and computer software or programming services for customized programs, or services involved in substantial modification and customizing of pre-packaged software.

(B) Emergency Purchases. Due to the nature of this exception, these goods or services must be purchased immediately and a delay in order to seek alternate proposals may threaten the life, health, safety or welfare of the public. This section does not preclude alternate proposals if time permits.

(C) Purchases of Secondhand Goods. If alternate proposals are required, the Corporation is precluded from purchasing surplus and second-hand goods at auctions or through specific advertised sources where the best prices are usually obtained. It is also difficult to try to compare prices of used goods and a lower price may indicate an older product.

(D) Goods or Services Under \$500. The time and documentation required to Purchase through this Policy may be more costly than the item itself and would therefore not be in the best interests of the taxpayer. In addition, it is not likely that such de minimis contracts would be awarded based on favoritism.

(E) Special Findings. In the event the Corporation determines that the solicitation of alternative proposals or quotations is not in the best interests of the Corporation, the Corporation must make such determination by resolution duly adopted and entered into the minutes of the Corporation. Such resolution should include any findings described in this Section 4 supporting such determination.

**SECTION 5. EQUAL EMPLOYMENT OPPORTUNITIES FOR MINORITY GROUP MEMBERS AND WOMEN.** (A) All Corporation documents soliciting bids or proposals for Corporation contracts shall contain or make reference to the following provisions:

1. The Corporation will not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, and will undertake or continue existing programs of affirmative action to ensure that minority

group members and women are afforded equal employment opportunities without discrimination. For purposes of this Section, affirmative action shall mean recruitment, employment, job assignment, promotion, upgradings, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation; and

2. The Corporation shall state, in all solicitations or advertisements for employees, that, in the performance of the Corporation contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

(B) Any contract awarded by the Corporation will include the provisions of Section 5(A) hereof in any subcontract, in such a manner that the provisions will be binding upon each subcontractor as to work in connection with the Corporation contract.

(C) The provisions of this Section 5 shall not be binding upon contractors or subcontractors in the performance of work or the provision of services or any other activity that are unrelated, separate or distinct from the Corporation contract as expressed by its terms.

(D) In the implementation of this Section 5, the Corporation shall consider compliance by a contractor or subcontractor with the requirements of any federal law concerning equal employment opportunity which effectuates the purpose of this Section. The Corporation shall determine whether the imposition of the requirements of the provisions hereof duplicate or conflict with any such law and if such duplication or conflict exists, the Corporation shall waive the applicability of this Section 5 to the extent of such duplication or conflict.

(E) The Corporation shall ensure that “certified businesses” (as defined in Section 310 of the Executive Law of the State of New York) shall be given the opportunity for meaningful participation in the performance of Corporation contracts and to identify those Corporation contracts for which certified businesses may best bid to actively and affirmatively promote and assist their participation in the performance of Corporation contracts so as to facilitate the award of a fair share of Corporation contracts to such businesses.

SECTION 6. POLICY REVIEW. This policy will be reviewed annually.



## **CITY OF ALBANY CAPITAL RESOURCE CORPORATION**

### **INVESTMENT POLICY**

**SECTION 101. PURPOSE AND AUTHORITY.** (A) Corporation Funds. The purpose of this Part is to implement Section 858-a(3) of Title One of Article 18-A of the General Municipal Law (the “Act”), and to make the Act applicable to deposits and investments made by City of Albany Capital Resource Corporation (the “Corporation”) of funds for the use and account of the Corporation (“Corporation Funds”).

(B) Non-Corporation Funds. The provisions of this Policy shall not apply to funds derived from the sale of bonds, notes or other obligations issued to fund a particular project for the benefit of a particular applicant, or any other funds of the Corporation which are not Corporation Funds.

**SECTION 102. DEPOSITS OF CORPORATION FUNDS.** (A) Designation of Depositories. The Corporation shall by resolution or resolutions of the directors of the Corporation designate one or more banks or trust companies (each, a “Depository”) for the deposit of Corporation Funds received by the treasurer or any other officer of the Corporation authorized by law or the by-laws of the Corporation to make deposits. Such resolution or resolutions shall specify the maximum amount that may be kept on deposit at any time in each Depository. Such designations and amounts may be changed at any time by a further resolution of the directors of the Corporation.

(B) Security. All Corporation Funds in excess of the amount insured under the provisions of the Federal Deposit Insurance Act as now or hereinafter amended shall be secured in accordance with the provisions of Section 10(3) of the General Municipal Law. Generally, Section 10(3) of the General Municipal Law provides that Corporation Funds may be secured by (1) a pledge of “eligible securities” (as defined in Section 10(1) of the General Municipal Law), together with a security agreement and custodial agreement meeting the requirements of Section 10(3)(a) of the General Municipal Law, or (2) an “eligible surety bond” or an “eligible letter of credit” (as such quoted terms are defined in Section 10(1) of the General Municipal Law) securing 100% of such Corporation Funds.

**SECTION 103. INVESTMENTS OF CORPORATION FUNDS.** (A) Investment Policy. It is the general policy of the Corporation that Corporation Funds not required for immediate expenditure shall be invested in the types of investments as described in subsection (C) below. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived. The Corporation has considered issues of yield, convenience and safety and its general policy regarding the investment of Corporation Funds will be to purchase from local banks the investments described in Section 103(C)(1) hereof. The Corporation has considered issues of yield, convenience and safety and its general policy regarding the investment of Corporation Funds will be to purchase from local banks the investments described in Section 103(C)(1) hereof.

(B) Designation of Investment Officers. The Treasurer, the Chairman and any other officer or employee of the Corporation so authorized by the by-laws of the Corporation or by resolution of the directors of the Corporation (each, an “Investment Officer”) are authorized to temporarily invest Corporation Funds not required for immediate expenditure. Any designation of an Investment Officer

made by resolutions of the directors of the Corporation may be changed at any time by a further resolution of the directors of the Corporation.

(C) Types of Investments. Except as otherwise provided by resolution of the directors of the Corporation, an Investment Officer may invest Corporation Funds in any obligation described in Section 11(2) and Section 11(3) of the General Municipal Law. Generally, Sections 11(2) and 11 of the General Municipal Law permit the following types of investments:

- (1) special time deposits in, or certificates of deposit issued by, any bank or trust company located and authorized to do business in the State of New York, provided that such deposit account or certificate of deposit is secured in the same manner as is provided for securing deposits of Corporation Funds by Section 10(3) of the General Municipal Law;
- (2) obligations of, or obligations where the payment of principal and interest are guaranteed by, the United States of America;
- (3) obligations of the State of New York; and
- (4) with the approval of the State Comptroller, tax anticipation notes and revenue anticipation notes issued by any municipality or school district or district corporation organized under the laws of the State of New York.

(D) Custodians. The Corporation may, by resolution of the directors of the Corporation, authorize the Investment Officers to turn over the physical safekeeping and evidences of the investments made pursuant to subsection (C) of this Section ("Corporation Investments") to any entity authorized pursuant to Section 11(4) of the General Municipal Law to act as a custodian of Corporation Investments, but only upon compliance with the requirements of Section 11(4) of the General Municipal Law. Generally, Section 11(4) of the General Municipal Law allows the following types of entities to act as custodians of Corporation Investments:

- (1) any bank or trust company incorporated in the State of New York;
- (2) any national bank located in the State of New York; and
- (3) any private banker duly authorized by the New York State Superintendent of Banks to engage in business in New York State which maintains a permanent capital of not less than one million dollars in New York State.

(E) Commingling. Any Corporation Funds invested pursuant to this Section may be commingled for investment purposes upon compliance with the requirements of Section 11(6) of the General Municipal Law. Generally, Section 11(6) of the General Municipal Law allows commingling of Agency Investments so long as (1) such investment is payable or redeemable at the option of the Corporation within such time as the proceeds are needed by the Corporation, (2) the separate identity of such funds are maintained at all times, and (3) income received on such commingled monies is credited on a pro rata basis to the fund or account from which the monies were invested.

(F) Proper Records. The treasurer of the Corporation shall maintain (or cause the Investment Officers to maintain) a proper record of all books, notes, securities or other evidences of indebtedness held by or for the Corporation for purposes of investment. Such record shall at least (where applicable) (1)

identify the security, (2) the fund for which held, (3) the place where kept, (4) the date of sale or other disposition, and (5) the amount received from such sale or other disposition.

(G) Sample Resolution. Attached hereto as **Schedule A** is a sample form of resolution naming Depositories and Investment Officers pursuant to this Part and restricting the types of investments in which an Investment Officer may invest Corporation Funds.

**SECTION 104. INTERNAL CONTROLS.** (A) Periodic Reviews. To the maximum extent possible, the Executive Director of the Corporation shall prepare and submit to the directors of the Corporation at each regular meeting of the Corporation (but not more often than monthly), a summary showing the amount of Corporation Funds on deposit in each Depository and the general nature of the investment of such Corporation Funds. Such reports shall be prepared within thirty (30) days of the end of each fiscal quarter. The treasurer shall in turn present such reports at the next regularly scheduled meeting of the Corporation following the completion of such report.

(B) Annual Report. Within thirty (30) days of the end of each fiscal year, the Chief Executive Officer of the Corporation shall prepare and submit to the directors of the Corporation an annual investment report (the "Annual Investment Report") showing the deposits and investments of Corporation Funds as of the beginning of such fiscal year, a summary of the changes in such amounts during such fiscal year, a summary of the earnings thereon during such fiscal year, and the balance thereof as of the end of such fiscal year. The Treasurer of the Corporation shall then present said report to the directors of the Corporation at the last regular meeting of the Corporation for the fiscal year.

(C) Annual Audit. The Annual Investment Report shall be audited by the Corporation's independent certified public accountant as part of the Corporation's annual general audit.

(D) Annual Review. The directors of the Corporation shall review the Annual Investment Report and the annual audit and this Part, and shall make any amendments to this Part necessary to achieve the purposes of this Part.