



Tuesday, October 23, 2012
21 Lodge Street 8:00 a.m.

CAPITALIZE ALBANY
CORPORATION

Capitalize Albany Corporation
Board of Directors Meeting
Agenda

1. Review of Minutes from the Regular Meeting of September 25, 2012
2. Governance Committee Update
 - a. Director Attendance Requirement Resolution 20-2012
3. Finance & Investment Committee Update
 - a. 2013 Budget Approval Resolution 21-2012
 - b. Quarterly Financial Report
4. Plan of Action Update 526 Central Avenue
5. Plan of Action Update Delaware Avenue
6. Downtown Tactical Plan
7. Convention Center
8. Administrative Matters
9. Executive Session (if necessary)

Capitalize Albany Corporation Board Meeting

October 23, 2012

Agenda Item #1: Review of Minutes from the Regular Board Meeting of September 25, 2012

Materials:

- 9/25/12 Capitalize Albany Corporation Board Minutes

DRAFT – NOT APPROVED

**Capitalize Albany Corporation Board Meeting
MINUTES
Tuesday, September 25, 2012**

The meeting of the Capitalize Albany Corporation Board of Directors was held at 8:00 a.m., Tuesday, September 25, 2012 at 21 Lodge.

The following were in attendance:

Board of Directors:

Michael Castellana	Robert Curley	Jeff Sperry
Anders Tomson	John Harris	John Vero
Mark Sullivan	Michele Vennard	
Dorsey Whitehead	Lee McElroy	
David Parente	Michael Fancher	

Other:

Thomas M. Owens, Esq.

Staff:

Michael Yevoli, Erik Smith, Sarah Reginelli, Ashley D’Antonio, Brad Chevalier and Amy Gardner.

Chairman Michael Castellana called the regular meeting of the Capitalize Albany Corporation Board to order at 8:05 a.m.

Approval of Minutes for August 28, 2012 Board Meeting

The Board reviewed the minutes of the August 28, 2012 meeting. Dorsey Whitehead made a motion for approval. Jeff Sperry seconded. The Board agreed unanimously to approve the minutes.

Bylaw Amendment to Increase Number of Directors Resolution 19-2012

Staff advised the Board that they would like to increase the number of Board members to 15 to create an uneven number of members. The Board suggested capping the number of Board members to prevent the Board from becoming too large.

A motion to pass the Resolution was made by Bob Curley and seconded by Jeff Sperry. A vote being taken, the Resolution passed unanimously.

Staff advised that Dr. Nancy L. Zimpher, Chancellor of the State University of New York, was a potential candidate to become a Board member and that this topic would be discussed at the next Governance Committee meeting. The Board discussed that there was no substantive reason to spend additional time discussing the question of whether Dr. Zimpher should be extended an invitation to join the Board.

DRAFT – NOT APPROVED

A motion to accept the nomination was made by Bob Curley and seconded by Jeff Sperry. Michael Fancher abstained from voting. A vote being taken the nomination of Dr. Zimpher was accepted unanimously.

Director Attendance Requirement Resolution 20-2012

Staff presented the attendance policy to the Board. The policy would require Board members to attend at least two thirds of all Board meetings within a calendar year and miss no more than three consecutive meetings. The Board expressed concern that the resolution did not state that exceptions would be made if mitigating circumstances existed. Mark Sullivan, Chair of the Governance Committee stated that he wanted the Committee to review the resolution before the Board voted on it.

A motion to table the resolution was made by Dorsey Whitehead, seconded by Jeff Sperry, and unanimously passed.

Staffing Update

Staff advised the Board that they would like to hire a Communications and Marketing Assistant and an Accountant in the near future. The yearend budget with the addition of the positions staff would like to fill was presented to the Board. The Board advised staff because the Board had already approved the Budget, including the amount of funds used for personnel costs and the positions being discussed, that CAC management staff has the authority to act on such hirings and fill the positions.

Regional Council Update

Staff reviewed the projects that would be receiving funding through the Regional Economic Development Council. Staff advised the Board that they targeted funding streams that were related to the projects throughout the CFA process. The Blight to Betterment project and how it corresponds to the proposed land bank was discussed.

Downtown Strategic Plan

Staff advised the Board that the first Downtown Stakeholder Forum was held September 12th. The forum's topic was commercial business development and retention. Staff also informed the Board that the topic of the next forum would be public safety and greater attendance was expected. Staff advised the Board that a professional consultant is needed to assist in the development of a long range broad plan for downtown. Staff stated that they would like the Board to commit \$125,000 to aid in the development of a plan for downtown. The Board advised staff to ensure they create a very detailed request for proposal when looking for a consultant to ensure the consultant meets expectations.

A motion to commit \$125,000 to aid in the development of a downtown strategic plan was made by Lee McElroy and seconded by Mark Sullivan and passed unanimously.

DRAFT – NOT APPROVED

Convention Center Discussion

The project was reviewed. While the Board supports the project, they do not support the current financial structure of the proposed project.

A motion to make a public statement in support of the convention center was made by Mark Sullivan and seconded by John Harris and passed unanimously.

Other Business

Staff advised the Board that the company they had been in negotiations with to purchase the Central Avenue site had decided against the project and would not be purchasing the site. The environmental clean up of the site will continue.

Executive Session

A motion to enter into executive session was made by Dorsey Whitehead, seconded by Robert Curley and passed unanimously to discuss potential litigation matters. The Board entered into executive session at 9:25am. Staff was excused and the following Directors were present: Michael Castellana, Anders Tomson, Mark Sullivan, Dorsey Whitehead, David Parente, Robert Curley, Jeff Sperry, John Harris, Michelle Vennard, Lee McElroy, Michael Fancher and John Vero. The Board left executive session at 9:30am. No actions were taken during executive session.

There being no further business the Capitalize Albany Corporation Board of Directors regular meeting was adjourned at 9:35 a.m.

Capitalize Albany Corporation Board Meeting
October 23, 2012

Agenda Item #2: Governance Committee Update

Materials:

- Director Attendance Requirement Resolution 20-2012

**RESOLUTION 20-2012
OF THE
CAPITALIZE ALBANY CORPORATION**

WHEREAS, Article III, Section 6 of the By-Laws of the Capitalize Albany Corporation (CAC) establishes the “Regular Meetings of the Board of Directors”; and

WHEREAS, Article IX of the By-laws provides that the By-laws may be amended at any meeting of the Board by a vote of a majority of the Entire Board; and

WHEREAS, it is recommended that the Board of Directors adopt a requirement that directors must attend a minimum of two-thirds of the meetings during a calendar year and not miss more than three consecutive meetings due to unexcused absences; and

WHEREAS, it is also recommended that non-compliance with the above requirement will result in the termination of a director’s term unless a motion is passed by the Board of Directors stating otherwise;

NOW, therefore be it resolved that the CAC’s By-laws are amended to include the director attendance requirement as described above.

Signed: _____
Michael Yevoli
President

Date of Authorization: October 23, 2012
Prepared by Erik J. Smith

Capitalize Albany Corporation Board Meeting

October 23, 2012

Agenda Item #3: Finance & Investment Committee Update

Materials:

- 2013 Proposed Budget
- 2013 Budget Approval Resolution 21-2012
- Quarterly Financial Report
 - 3rd Quarter Financial Report Memorandum
 - Revenue and Expense Summary
 - Comparative Balance Sheets
 - Statements of Revenue and Expenses and Changes in Assets
 - Statement of Cash Flow

DRAFT

CAPITALIZE ALBANY CORPORATION
2013 PROPOSED BUDGET

Category	2012 Budget	2012 Projected	Variance		Variance	
			2012 Projected	2013 Budget	2013 Budget v.	2013 Budget v.
			v. 2012 Budget		2012 Projected	2012 Projected
				- \$	- %	
Grant Income	\$ 492,800	\$ 492,800	\$ -	\$ 492,800	\$ -	0.00%
Direct Financing Lease Income	229,628	229,628	-	213,979	(15,649)	-6.81%
Program Support	350,000	375,000	25,000	125,000	(250,000)	-66.67%
Fee Income	335,023	330,475	(4,548)	426,378	95,904	29.02%
Rental Income	281,618	283,292	1,674	280,742	(2,551)	-0.90%
Loan Interest Income	64,564	83,208	18,644	111,157	27,949	33.59%
Interest & Investment Income	48,570	121,598	73,028	63,209	(58,389)	-48.02%
Other Revenue	-	-	-	-	-	-
	<u>\$ 1,802,203</u>	<u>\$ 1,916,001</u>	<u>\$ 113,798</u>	<u>\$ 1,713,264</u>	<u>\$ (202,736)</u>	<u>-11.25%</u>

Category	2012 Budget	2012 Projected	Variance		Variance	
			2012 Projected	2013 Budget	2013 Budget v.	2013 Budget v.
			v. 2012 Budget		2012 Projected	2012 Projected
				- \$	- %	
Salaries & Fringe	\$ 706,000	\$ 536,481	\$ (169,519)	\$ 689,000	\$ 152,519	28.43%
Administrative Expenses	278,308	445,827	167,519	476,991	31,164	6.99%
Program Expenses	350,000	375,000	25,000	250,000	(125,000)	-33.33%
Depreciation Expense	223,516	219,807	(3,709)	219,807	-	0.00%
Financing Expense	103,793	103,793	-	92,202	(11,591)	-11.17%
21 Lodge Street Expenses	41,611	39,111	(2,500)	39,713	602	1.54%
Project Expenses	62,000	15,853	(46,147)	5,545	(10,308)	-65.02%
Rental Property Expenses	36,976	38,147	1,172	34,647	(3,500)	-9.17%
	<u>\$ 1,802,203</u>	<u>\$ 1,774,020</u>	<u>\$ (28,184)</u>	<u>\$ 1,807,905</u>	<u>\$ 33,885</u>	<u>1.88%</u>

Net Income/Loss	\$ -	\$ 141,981	\$ 141,981	\$ (94,640)	\$ (236,621)	-166.66%
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CAPITALIZE ALBANY CORPORATION
2013 PROPOSED BUDGET

	2011 Actual	2012 Budget	2012 Projected	2013 Budget	Variances					
					2012 Projected V. 2012 Budget		2013 Budget V. 2012 Budget		2013 Budget V. 2012 Projected	
					\$	%	\$	%	\$	%
REVENUE										
Fee Income										
Commitment Fees	\$ 11,100.00	\$ -	\$ 4,000.00	\$ 5,000.00	\$ 4,000		\$ 5,000		\$ 1,000	
Legal Fees	3,137.50	-	1,575.00	2,500.00	1,575		2,500		925	
Grant Admin Cost Recovery	15,000.00	22,500.00	22,500.00	-	-		(22,500)		(22,500)	
CAIDA Administrative Agreement	250,000.00	250,000.00	250,000.00	250,000.00	-		-		-	
ACDA Administrative Agreement	-	-	-	94,220.00						
Late Fees	734.00	550.00	1,226.95	750.00	677		200		(477)	
Membership Fees	28,100.00	25,000.00	2,700.00	20,000.00	(22,300)		(5,000)		17,300	
Sponsorship Revenue	-	-	11,500.00	20,000.00	11,500		20,000		8,500	
Enterprise Comm Admin Cost Allowance	16,199.71	36,972.63	36,972.63	33,908.21	-		(3,064)		(3,064)	
Total Fee Income	\$ 324,271.21	\$ 335,022.63	\$ 330,474.58	\$ 426,378.21	\$ (4,548)	-1.36%	\$ 91,356	27.27%	\$ 95,904	29.02%
Rental Income										
Quakenbush House	\$ 18,200.00	\$ 31,200.00	\$ 31,200.00	\$ 31,200.00	\$ -		\$ -		\$ -	
10 Dallius St. Parking Lot	44,750.88	44,750.88	46,425.00	46,425.00	1,674		1,674		-	
Riverfront Bar & Grill Income	9,958.44	11,455.00	11,455.00	11,176.30	-		(279)		(279)	
APA License Agreement - Qbush Lot	37,500.00	37,500.00	37,500.00	37,500.00	-		-		-	
Port / Corning Preserve Pass-Through	149,593.07	151,225.00	151,225.00	150,600.00	-		(625)		(625)	
170 HJB - North Station Improvements	2,444.26	1,954.39	1,954.39	1,192.63	-		(762)		(762)	
170 HJB - North Station Lease	4,029.94	3,533.07	3,533.07	2,647.77	-		(885)		(885)	
Total Rental Income	\$ 266,476.59	\$ 281,618.34	\$ 283,292.46	\$ 280,741.70	\$ 1,674	0.59%	\$ (877)	-0.31%	\$ (2,551)	-0.90%
Direct Financing Lease Income										
Port Warehouse 2004	\$ 44,688.93	\$ 42,290.90	\$ 42,290.90	\$ 39,641.53	\$ -		\$ (2,649)		\$ (2,649)	
200 Henry Johnson Blvd.	104,487.85	93,952.37	93,952.37	82,497.89	-		(11,454)		(11,454)	
245 Lark Street Lease	13,735.77	13,384.39	13,384.39	11,839.47	-		(1,545)		(1,545)	
677 Broadway Ground Lease	80,000.00	80,000.00	80,000.00	80,000.00	-		-		-	
Total Direct Financing Lease Income	\$ 242,912.55	\$ 229,627.66	\$ 229,627.66	\$ 213,978.89	\$ -	0.00%	\$ (15,649)	-6.81%	\$ (15,649)	-6.81%
Loan Interest Income										
CDBG	\$ 4,586.60	\$ 2,802.90	\$ 2,802.90	\$ 2,474.31	\$ -		\$ (329)		\$ (329)	
CAC Miscellaneous	61,021.23	56,874.59	76,712.81	104,805.84	19,838		47,931		28,093	
UDAG	-	-	-	-	-		-		-	
UDAG Principal Payments	-	-	-	-	-		-		-	
Ten Broeck	4,843.58	4,886.97	3,692.30	3,876.40	(1,195)		(1,011)		184	
Total Loan Interest Income	\$ 70,451.41	\$ 64,564.46	\$ 83,208.01	\$ 111,156.55	\$ 18,644	28.88%	\$ 46,592	72.16%	\$ 27,949	33.59%

CAPITALIZE ALBANY CORPORATION
2013 PROPOSED BUDGET

	2011 Actual	2012 Budget	2012 Projected	2013 Budget	Variances						
					2012 Projected V. 2012 Budget		2013 Budget V. 2012 Budget		2013 Budget V. 2012 Projected		
					\$	%	\$	%	\$	%	
Investment Income											
Gain/Loss on Sale/Disposal of Investments	\$ (11,981.94)	\$ -	\$ 8,914.33	\$ -	\$ 8,914		\$ -		\$ (8,914)		
JIA Investments	62,809.79	40,000.00	63,240.30	57,065.00	23,240		17,065		(6,175)		
Change in FV Mkt Adj on Fidelity Investments	(23,770.87)	-	41,484.54	-	41,485		-		(41,485)		
Total Investment Income	<u>\$ 27,056.98</u>	<u>\$ 40,000.00</u>	<u>\$ 113,639.17</u>	<u>\$ 57,065.00</u>	<u>\$ 73,639</u>	184.10%	<u>\$ 17,065</u>	42.66%	<u>\$ (56,574)</u>		-49.78%
Interest Income											
HRW Account	\$ 59.07	\$ -	\$ 44.26	\$ 24.00	\$ 44		\$ 24		\$ (20)		
Citizens Bank Money Markert	50.35	-	-	-	-		-		-		
Key Bank Money Market	1,905.70	936.00	272.46	-	(664)		(936)		(272)		
First Niagara Money Market	8,814.00	7,634.10	7,634.10	6,120.00	-		(1,514)		(1,514)		
Misc Sweep Acct #1002	31.78	-	6.17	-	6		-		(6)		
CDBG Sweep Account	6.32	-	1.46	-	1		-		(1)		
HJB Debt Reserve	0.32	-	0.22	-	0		-		(0)		
Citiwide Property Holdings SEFCU Account	0.24	-	0.14	-	0		-		(0)		
2002 Port Project Fund	-	-	-	-	-		-		-		
Total Interest Income	<u>\$ 10,867.78</u>	<u>\$ 8,570.10</u>	<u>\$ 7,958.81</u>	<u>\$ 6,144.00</u>	<u>\$ (611)</u>	-7.13%	<u>\$ (2,426)</u>	-28.31%	<u>\$ (1,815)</u>		-22.80%
Other Income											
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -		\$ -		
Settlement Income	-	-	-	-	-		-		-		
Gain on Sale of Property	-	-	-	-	-		-		-		
Loss on Disposal of Equipment	-	-	-	-	-		-		-		
Total Other Income	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>		<u>\$ -</u>		
Subtotal - Non-grant Revenue	<u>\$ 942,036.52</u>	<u>\$ 959,403.19</u>	<u>\$ 1,048,200.69</u>	<u>\$ 1,095,464.35</u>	<u>\$ 88,798</u>	9.26%	<u>\$ 136,061</u>	14.18%	<u>\$ 47,264</u>		4.51%
Grant Income											
IDA Economic Development Support	\$ 150,000.00	\$ 250,000.00	\$ 250,000.00	\$ 250,000.00	\$ -		\$ -		\$ -		
Park South / Renaissance Support	42,900.00	42,900.00	42,900.00	42,900.00	-		-		-		
ACDA Economic Development Support	170,000.00	170,000.00	170,000.00	170,000.00	-		-		-		
CHF - Redevelopment Support	29,900.00	29,900.00	29,900.00	29,900.00	-		-		-		
Quackenbush Improvement Grant	90,000.00	-	-	-	-		-		-		
Economic Development Revenue	-	-	-	-	-		-		-		
Total Grant Income	<u>\$ 482,800.00</u>	<u>\$ 492,800.00</u>	<u>\$ 492,800.00</u>	<u>\$ 492,800.00</u>	<u>\$ -</u>	0.00%	<u>\$ -</u>	0.00%	<u>\$ -</u>		0.00%
Program Support											
Support of the Arts	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -		\$ -		\$ -		
Downtown Tactical Plan	-	-	-	125,000.00	-		125,000		125,000		
NY Main Street Grant Inc.	-	350,000.00	375,000.00	-	25,000		(350,000)		(375,000)		
Total Program Support	<u>\$ 10,000.00</u>	<u>\$ 350,000.00</u>	<u>\$ 375,000.00</u>	<u>\$ 125,000.00</u>	<u>\$ 25,000</u>	7.14%	<u>\$ (225,000)</u>	-64.29%	<u>\$ (250,000)</u>		-66.67%
Total Revenue	<u>\$ 1,434,836.52</u>	<u>\$ 1,802,203.19</u>	<u>\$ 1,916,000.69</u>	<u>\$ 1,713,264.35</u>	<u>\$ 113,798</u>	6.31%	<u>\$ (88,939)</u>	-4.94%	<u>\$ (202,736)</u>		-10.58%

CAPITALIZE ALBANY CORPORATION
2013 PROPOSED BUDGET

	2011 Actual	2012 Budget	2012 Projected	2013 Budget	Variances						
					2012 Projected V. 2012 Budget		2013 Budget V. 2012 Budget		2013 Budget V. 2012 Projected		
					\$	%	\$	%	\$	%	
EXPENSES											
Administration Expenses											
Supplies & Non-capitalized equipment	\$ 2,147.83	\$ 2,500.00	\$ 4,602.66	\$ 3,000.00	\$ 2,103		\$ 500		\$ (1,603)		
Postage & Printing	2,814.08	4,720.20	4,720.20	2,695.20	-		(2,025)		(2,025)		
Professional Fees - Legal	55,609.49	50,000.00	50,000.00	55,000.00	-		5,000		5,000		
Professional Fees - Accounting	36,500.00	36,500.00	36,500.00	70,000.00	-		33,500		33,500		
Dues & Subscriptions	32,317.42	27,024.50	32,463.50	32,463.50	5,439		5,439		-		
Filing Fees	746.50	1,500.00	784.00	1,000.00	(716)		(500)		216		
Insurance	22,115.16	25,000.00	22,020.40	22,500.00	(2,980)		(2,500)		480		
Training & Education	169.00	1,000.00	1,000.00	1,000.00	-		-		-		
Professional Fees - Connectivity Support	-	9,000.00	9,000.00	8,358.20	-		(642)		(642)		
Membership Expenses	4,220.73	15,000.00	15,000.00	25,000.00	-		10,000		10,000		
Travel	20,357.36	1,500.00	1,500.00	500.00	-		(1,000)		(1,000)		
Miscellaneous	10,937.11	7,000.00	10,761.03	9,000.00	3,761		2,000		(1,761)		
Professional Fees - IT and Capitalized Equipment Support	1,750.00	17,900.00	185,103.53	173,424.00	167,204		155,524		(11,680)		
Director Fees	49,500.00	63,000.00	52,800.00	58,800.00	(10,200)		(4,200)		6,000		
Fidelity Brokerage Fees	9,259.45	9,163.63	9,163.63	9,250.00	-		86		86		
Meetings Expense	6,469.46	7,500.00	5,200.05	5,000.00	(2,300)		(2,500)		(200)		
Citywide Closing Costs & Legal Expenses	-	-	5,208.00	-	5,208		-		(5,208)		
Total Administration Expenses	\$ 254,913.59	\$ 278,308.33	\$ 445,827.00	\$ 476,990.90	\$ 167,519	60.19%	\$ 198,683	71.39%	\$ 31,164	6.99%	
Salary & Benefits											
Salaries	\$ 495,324.61	\$ 553,000.00	\$ 419,686.20	\$ 551,000.00	\$ (133,314)		\$ (2,000)		\$ 131,314		
Fringe Benefits	154,850.72	153,000.00	116,794.88	138,000.00	(36,205)		(15,000)		21,205		
Total Salary & Benefits	\$ 650,175.33	\$ 706,000.00	\$ 536,481.08	\$ 689,000.00	\$ (169,519)	-24.01%	\$ (17,000)	-2.41%	\$ 152,519	28.43%	
Rental Property Expenses											
174 North Pearl St.	\$ 611.13	\$ 650.00	\$ 650.00	\$ 650.00	\$ -		\$ -		\$ -		
Quackenbush House Expenses	1,660.02	5,000.00	5,000.00	1,500.00	-		(3,500)		(3,500)		
10 Dallius St ACCA License Fee	31,325.69	31,325.62	32,497.46	32,497.44	1,172		1,172		(0)		
245 Lark Street Expense	-	-	-	-	-		-		-		
Total Rental Property Expenses	\$ 33,596.84	\$ 36,975.62	\$ 38,147.46	\$ 34,647.44	\$ 1,172	3.17%	\$ (2,328)	-6.30%	\$ (3,500)	-9.17%	
Financing Expense											
Interest Expense - Port Warehouse	\$ 44,688.93	\$ 42,290.90	\$ 42,290.90	\$ 39,641.53	\$ -		\$ (2,649)		\$ (2,649)		
Interest Expense - 200 HJB	55,966.67	49,402.08	49,402.08	42,550.00	-		(6,852)		(6,852)		
Interest Expense Port/Corning Bonds 2002	12,553.21	12,100.00	12,100.00	10,010.00	-		(2,090)		(2,090)		
Total Financing Expense	\$ 113,208.81	\$ 103,792.98	\$ 103,792.98	\$ 92,201.53	\$ -	0.00%	\$ (11,591)	-11.17%	\$ (11,591)	-11.17%	

CAPITALIZE ALBANY CORPORATION
2013 PROPOSED BUDGET

	2011 Actual	2012 Budget	2012 Projected	2013 Budget	Variances					
					2012 Projected V. 2012 Budget		2013 Budget V. 2012 Budget		2013 Budget V. 2012 Projected	
					\$	%	\$	%	\$	%
21 Lodge Street Expenses										
Utilities & Telephone	\$ 15,718.70	\$ 16,105.85	\$ 16,105.85	\$ 15,455.85	\$ -		\$ (650)		\$ (650)	
Maintenance, Repairs & Cleaning	27,194.91	25,504.68	23,004.68	22,756.96	(2,500)		(2,748)		(248)	
Renovations	5,982.34	-	-	1,000.00	-		1,000		1,000	
Supplies	812.94	-	-	500.00	-		500		500	
Total 21 Lodge Street Expenses	<u>\$ 49,708.89</u>	<u>\$ 41,610.53</u>	<u>\$ 39,110.53</u>	<u>\$ 39,712.81</u>	<u>\$ (2,500)</u>	-6.01%	<u>\$ (1,898)</u>	-4.56%	<u>\$ 602</u>	1.54%
Subtotal - Non-program Expenses	<u>\$ 1,101,603.46</u>	<u>\$ 1,166,687.45</u>	<u>\$ 1,163,359.05</u>	<u>\$ 1,332,552.68</u>	<u>\$ (3,328)</u>	-0.29%	<u>\$ 165,865</u>	14.22%	<u>\$ 169,194</u>	14.54%
Program Expenses										
Support of the Arts	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -		\$ -		\$ -	
Downtown Tactical Plan				250,000.00	-		250,000		250,000	
NY Main Street Grant	-	350,000.00	375,000.00	-	25,000		(350,000)		(375,000)	
Total Program Expenses	<u>\$ 10,000.00</u>	<u>\$ 350,000.00</u>	<u>\$ 375,000.00</u>	<u>\$ 250,000.00</u>	<u>\$ 25,000</u>	7.14%	<u>\$ (100,000)</u>	-28.57%	<u>\$ (125,000)</u>	-33.33%
Project Expenses										
Bad Debt	\$ 463,455.45	\$ 50,000.00	\$ 1,143.45	\$ -	\$ (48,857)		\$ (50,000)		\$ (1,143)	
HRW - Contribution Exp.	59.07	-	-	-	-		-		-	
Marketing & Promotional	14,502.09	8,500.00	8,500.00	4,795.00	-		(3,705)		(3,705)	
Web Site Design and Maintenance	15,029.76	3,500.00	6,210.00	750.00	2,710		(2,750)		(5,460)	
Total Project Expenses	<u>\$ 493,046.37</u>	<u>\$ 62,000.00</u>	<u>\$ 15,853.45</u>	<u>\$ 5,545.00</u>	<u>\$ (46,147)</u>	-74.43%	<u>\$ (56,455)</u>	-91.06%	<u>\$ (10,308)</u>	-65.02%
Total Expenses	<u>\$ 1,604,649.83</u>	<u>\$ 1,578,687.45</u>	<u>\$ 1,554,212.50</u>	<u>\$ 1,588,097.68</u>	<u>\$ (24,475)</u>	-1.55%	<u>\$ 9,410</u>	0.60%	<u>\$ 33,885</u>	2.18%
Net Income before depreciation	<u>\$ (169,813.31)</u>	<u>\$ 223,515.74</u>	<u>\$ 361,788.19</u>	<u>\$ 125,166.67</u>	<u>\$ 138,272</u>	61.86%	<u>\$ (98,349)</u>	-44.00%	<u>\$ (236,622)</u>	-65.40%
Depreciation										
Depreciation - Prop & Equip	\$ 14,482.17	\$ 23,135.00	\$ 19,354.34	\$ 19,354.34	\$ (3,781)		\$ (3,781)		\$ -	
Depreciation-Quakenbush Parking Lot Impr.	3,755.24	3,755.24	3,755.24	3,755.24	-		-		-	
Depreciation - 174 N Pearl Street	9,184.55	9,184.55	9,184.55	9,184.55	-		-		-	
Depreciation- Quakenbush House	6,933.44	6,933.44	6,933.44	6,933.44	-		-		-	
Depreciation Corning Preserve	168,549.09	168,549.09	168,549.09	168,549.09	-		-		-	
Depreciation - 21 Lodge Street	11,958.61	11,958.61	12,030.44	12,030.44	72		72		-	
Total Depreciation	<u>\$ 214,863.10</u>	<u>\$ 223,515.93</u>	<u>\$ 219,807.10</u>	<u>\$ 219,807.10</u>	<u>\$ (3,709)</u>	-1.66%	<u>\$ (3,709)</u>	-1.66%	<u>\$ -</u>	0.00%
Net Income after depreciation	<u>\$ (384,676.41)</u>	<u>\$ -</u>	<u>\$ 141,981.09</u>	<u>\$ (94,640.00)</u>	<u>\$ 141,981</u>		<u>\$ (94,640)</u>		<u>\$ (236,621)</u>	

Capitalize Albany Corporation
Comparative Balance Sheets
Pre-Audited Draft

	Projected	Projected	December 31, 2011
	December 31, 2013	December 31, 2012	
Assets			
Cash and cash equivalents	\$ 2,536,496	\$ 2,948,958	\$ 3,572,020
Investments	2,812,034	2,764,219	2,644,806
Restricted Cash	450,337	386,240	321,034
Accrued Interest receivable	72,091	69,168	73,508
Grants receivable	-	-	-
Mortgage notes receivable, net of allowance for losses of \$2,361,069 in 2011 and \$1,908,797 in 2010	2,997,771	2,635,432	2,030,574
Other receivables, net of allowances for losses of \$43,734 in 2011 and 2010	91,180	91,180	94,505
Property held for investment and lease, net	3,286,506	3,474,928	3,663,351
Property and equipment, net	424,682	456,067	472,355
Net investment in direct financing leases	1,892,197	2,091,216	2,273,211
Receivables from City agencies	-	100,000	100,000
Other assets	532,976	532,976	532,451
Total Assets	\$ 15,096,270	\$ 15,550,384	\$ 15,777,814
Liabilities and Fund Balance			
Liabilities			
Accounts payable and accrued expenses	\$ 44,254	\$ 71,781.72	\$ 91,714.46
Due to the City of Albany	99,121	99,097	136,248
Deferred grant and other income	928,461	920,500	910,797
Bonds, loan and notes payable	3,868,457	4,208,436	4,530,548
Line of Credit	-	-	-
Revolving loan fund liability	705,373	705,325	705,244
Deferred program support	81,447	81,447	81,447
Total Liabilities	\$ 5,727,113	\$ 6,086,586	\$ 6,455,998
Fund Net Assets			
Invested in property & equipment, net of related debt	\$ 1,491,188	\$ 1,555,995	\$ 1,615,705
Restricted for:			
Debt service	171,401	171,401	171,400
CDBG eligible activities	112,895	110,435	109,612
Other	13,259	(23,928)	8,769
Unrestricted	7,580,414	7,649,895	7,416,330
Total fund net assets	\$ 9,369,157	\$ 9,463,797	\$ 9,321,816
Total Liabilities and Fund Net Assets	\$ 15,096,270	\$ 15,550,384	\$ 15,777,814

CAPITALIZE ALBANY CORPORATION
Statements of Revenue and Expenses and Changes in Net Assets
Pre-Audited Draft

	Projected 2013	Projected 2012	2011
Revenues			
Grant income	\$ 617,800	\$ 867,800	\$ 492,800
Rental income	360,742	363,292	346,477
Other interest and investment income	197,188	271,225	200,837
Interest income on mortgage notes	111,157	83,208	70,451
Gain on sale of properties	-	-	-
Fees and Other Income	426,378	330,475	324,271
Total revenues	<u>\$ 1,713,264</u>	<u>\$ 1,916,000</u>	<u>\$ 1,434,836</u>
Expenses			
Salaries and fringe benefits	\$ 689,000	\$ 536,481	\$ 650,175
Program and project costs	478,615	616,280	261,610
Interest Expense	92,202	103,793	113,209
Bad debt expenses (recovery)	-	1,143	463,455
Other Expenses	548,088	516,322	331,064
Total expenses	<u>\$ 1,807,905</u>	<u>\$ 1,774,020</u>	<u>\$ 1,819,513</u>
Excess of revenues over expenses	(94,640)	141,981	(384,677)
Net Assets, Beginning of Year	9,463,797	9,321,816	9,706,493
Net Assets, End of Year	<u>\$ 9,369,156</u>	<u>\$ 9,463,797</u>	<u>\$ 9,321,816</u>

CAPITALIZE ALBANY CORPORATION
Statement of Cash Flows
Pre-Audited Draft

	Projected December 31, 2013	Projected December 31, 2012	December 31, 2011
Cash Flows from Operating Activities			
Cash received from customers	\$ 709,526	\$ 603,793	\$ 588,261
Cash received from grantors	625,809	877,584	540,973
Other operating cash receipts	426,378	330,475	324,271
Cash payments to suppliers and grantees	(831,872)	(967,457)	(551,889)
Cash payments to employees	(689,000)	(536,481)	(650,175)
Net cash provided by (used in) operating activities	\$ 240,841	\$ 307,913	\$ 251,441
Cash Flows From Capital and Related Financing Activities			
Proceeds from sale of property held for sale	\$ -	\$ -	-
Purchase of property held for sale	-	-	-
Purchase of property held for investment and lease	-	-	-
Purchase of property and equipment	-	(15,097)	(47,219)
Purchase Option	-	(525)	(526,559)
Net (payments) advances on line of credit	-	-	-
Interest paid on line of credit	-	-	-
Principal payments on bonds payable	(339,979)	(322,112)	(309,722)
Interest paid on bonds payable	(94,729)	(106,215)	(115,525)
Net cash provided by (used in) capital and related financing activities	\$ (434,708)	\$ (443,949)	\$ (999,025)
Cash Flows from Investing Activities			
Interest on cash and cash equivalents and investments	\$ 77,021	\$ 71,199	\$ 72,896
Net (increase) decrease in restricted cash	(64,097)	(65,205)	343,576
Proceeds from sales and maturities of investments	2,786,971	1,976,906	2,576,534
Purchase of investments	(2,855,169)	(2,045,919)	(2,629,302)
Issuance of mortgage notes receivable	(500,000)	(900,000)	(1,000,000)
Repayments received on mortgage notes receivable	137,661	293,998	390,364
Repayment from (advances to) City agencies net	-	-	-
Principal payments received under direct financing leases	199,018	181,995	170,148
Net cash provided by (used in) investing activities	\$ (218,595)	\$ (487,027)	\$ (75,784)
Change in cash and cash equivalents	(412,461)	(623,062)	(823,368)
Cash and cash equivalents:			
Beginning of year	2,948,958	3,572,020	4,395,388
End of year	\$ 2,536,496	\$ 2,948,958	\$ 3,572,020
Supplemental Disclosures of Non-Cash Investing, Capital and Financing Activities			
Allowance for losses converted to deferred program support	\$ -	\$ -	-
Reconciliation of Excess of Revenues Over Expenses to Net Cash Used In Operating Activities			
Excess of revenues over expenses	\$ (94,640)	\$ 141,981	\$ (384,677)
Adjustments to reconcile excess of revenue over expenses to net cash used in operating activities:			
Depreciation and amortization	219,807	219,807	214,862
(Adjustment) provision for losses on mortgage notes and other reveiv:	-	1,143	463,455
Gain on sale of property held for sale	-	-	-
Unrealized (gain) loss on investments	-	(50,399)	35,752
Interest income on cash and cash equivalents and investments	(63,209)	(71,199)	(73,677)
Interest expense on bonds and notes payable	92,202	103,793	113,209
Deferred program support recognized as program income	-	-	-
Changes in:			
Grants receivable	-	-	23,279
Other receivables, accrued interest receivable and other ass	3,649	7,665	8,420
City receivables	100,000	-	-
Accounts payable and accrued expenses	(25,000)	(17,511)	(119,365)
Due to the City	24	(37,151)	(54,711)
Deferred grant and other income	7,961	9,703	20,829
Revolving loan fund liability	48	81	4,065
Net cash (used in) provided by operating activities	\$ 240,841	\$ 307,913	\$ 251,441

**RESOLUTION 21-2012
OF THE
CAPITALIZE ALBANY CORPORATION**

WHEREAS, the Capitalize Albany Corporation (CAC) has developed a Proposed Budget for 2013; and

WHEREAS, the Finance and Investment Committee has reviewed and recommends this proposed budget;

NOW THEREFORE BE IT RESOVED, that the CAC Board of Directors approves the 2013 Budget as presented.

Signed: _____
Michael J. Yevoli
President

Date of Authorization: October 23, 2012

Prepared by Erik J. Smith

Capitalize Albany Corporation
21 Lodge Street
Albany, New York 12207

MEMORANDUM

TO: CAC Finance & Investment Committee
FROM: Erik Smith
RE: Capitalize Albany Corporation 3rd Quarter Financial Reports
DATE: October 19, 2012

BUDGET PERFORMANCE

On a pre-audit basis, through September 30, 2012, the Capitalize Albany Corporation generated net income of approximately \$178,000. This position compares favorably to the year-to-date (YTD) budgeted net loss of approximately \$8,000 and net loss of \$76,000 (excluding the CMS loan allowance) incurred for the third quarter of 2011.

My comments below address those categories that deviate in excess of 5% from the YTD budget.

- ***YTD 2012 revenue is \$1,135,000 and 2% above the 2012 budget.***
 - ***Interest and Investment Income.*** YTD 2012 income derived from interest and investments is approximately \$106,000 or \$70,000 over budget. The positive variance to the budget is primary due to the performance of CAC's investments under HJA management. There is approximately \$52,000 in FMV adjustments and gains on sales/redemptions on CAC's investments. Changes in unrealized gains and losses contribute to or detract from investment income and these amounts are not budgeted.
 - ***Loan Income.*** For 2012 YTD loan income is \$61,000 and \$12,000 (24 %) over budget. This is primarily attributable to non-budgeted income received from loans disbursed in 2012 and past due amounts received on other loans.
 - ***Program Support.*** This category is under budget by \$75,000 related to the timing of NY Mainstreet Grant activity. A corresponding budget variance exists in the Program Expense category as this is pass-through activity for CAC.
- ***YTD 2012 expenses are \$957,000 and 15% under the 2012 budget.***
 - ***Salaries & Fringe Benefits Expense.*** This category is under budget by approximately \$153,000 or 30%. This is primarily the result of the execution of the Professional Services agreement between CAC and the City. These costs are now categorized as Professional Fees and included within the Administrative Expenses category. Additionally, savings from position vacancies have been realized through September.

- **Administrative Expenses.** YTD 2012 administrative expenses totaled approximately \$350,000 and are \$117,000 over budget. This variance is primarily attributable to the reclassification of economic development salaries and fringe benefits costs to administrative expenses as mentioned above.
- **21 Lodge Street Expenses.** This category is under budget by approximately \$5,300. This is attributable to lower utility and maintenance and repair expenses.
- **Rental Property Expenses.** This category is under budget by approximately \$2,200 or 8%. The Corporation has not incurred expenses related to maintaining the Quackenbush House.
- **Program Expenses.** This category is under budget by \$75,000 related to the timing of NYS Mainstreet Grant activity. See Program Support above.
- **Project Expenses.** This category reflects costs related to the design and launch of the CAIDA and CACRC web sites.

LOANS

- There are not any additional loans that have deteriorated to non-performing status during the 3rd quarter of 2012

BALANCE SHEET

- As of September 30, 2012, compared to December 31, 2011 unrestricted cash has been reduced by approximately \$672,000. This is primarily attributable to loan disbursement activity for the 39 Sheridan, LLC and Penta Development loans and payment of salaries.
- Restricted cash has increased due to loan repayments.
- Receivables from Direct Financing Leases have been reduced by approximately \$169,000. This is due to scheduled lease payments, the largest of which are the payments from ACDA and the recording of scheduled activity related to the financing for construction of a warehouse at the Port of Albany. The ACDA payments are applied to the principal amount of bonds outstanding for 200 Henry Johnson Boulevard.
- Grant Receivables have increased from 3rd quarter accruals recorded for amounts due from the CAIDA.
- Fixed Assets have increased approximately \$15,000 due to planned computer network and other capitalized purchases.
- Liabilities have been reduced primarily by reduced accounts payable as of September 30, principal payments applied against CAC's bond indebtedness, and reduced professional service agreement payments due to the City of Albany.

CASH FLOW STATEMENT

- Projected 2012 cash flow provided by operational activities reflect scheduled project grants activity, receipt of payment under the CAIDA Professional Service Agreement, scheduled lease and rental receipts, and payment of various administrative expenses.
- Cash used in capital and financing activities reflects scheduled debt service payments and the purchase of equipment during 2012.
- Cash flow used in investing activities reflects actual and projected loan disbursements for 2012.

CAPITALIZE ALBANY CORPORATION
Revenue and Expense Summary
YTD Through September 2012

	January 1, 2012 - December 31, 2012								
	3rd Qtr Ending 9/30/12	YTD Actual	YTD Budget	Variance - \$	Variance - %	10/1 to 12/31 Forecast	2012 Projection	Original Budget	Projected Variance from Budget
<u>REVENUE</u>									
Investment Income	\$ 18,673	\$ 55,886	\$ 36,428	\$ 19,458	53%	\$ 15,313	71,199	\$ 48,570	\$ 22,629
FMV Adj on Fidelity Inv	13,806	41,485	-	41,485		-	41,485	-	41,485
G/L on Sale/Redemption	7,521	8,914	-	8,914		-	8,914	-	8,914
Rental Income	33,254	136,861	135,384	1,477	1%	226,431	363,292	361,618	1,674
Loan Income	22,776	60,624	48,757	11,868	24%	22,584	83,208	64,564	18,644
Fee Income	90,697	247,519	238,142	9,377	4%	82,956	330,475	335,023	(4,548)
Capitalized Lease Income	107,899	137,361	136,170	1,191	1%	12,267	149,628	149,628	-
Grant Income	62,500	295,900	295,900	-		196,900	492,800	492,800	-
Program Support	-	150,000	225,000	(75,000)	-33%	225,000	375,000	350,000	25,000
Other Income	-	-	-	-		-	-	-	-
TOTAL REVENUE	\$ 357,126	\$ 1,134,550	\$ 1,115,780	\$ 18,770	2%	\$ 781,451	\$ 1,916,000	\$ 1,802,203	\$ 113,797
<u>EXPENSE</u>									
Salaries & Fringe Benefits	\$ 141,716	\$ 364,769	\$ 518,125	\$ (153,356)	-30%	\$ 171,712	\$ 536,481	\$ 706,000	\$ (169,519)
Capitalized Lease Expense	32,550	81,581	81,581	-	0%	22,212	103,793	103,793	-
Administrative Expenses	91,948	350,206	233,408	116,797	50%	114,976	465,181	301,443	163,738
21 Lodge Street Expenses	8,458	22,392	27,704	(5,312)	-19%	28,749	51,141	53,569	(2,428)
Rental Property Expenses	8,262	24,750	26,964	(2,214)	-8%	33,271	58,021	56,849	1,172
Program Expense	-	150,000	225,000	(75,000)	-33%	225,000	375,000	350,000	25,000
Bad Debt Expense (recovery)	(3,750)	(48,857)	-	(48,857)		50,000	1,143	50,000	(48,857)
Project Expenses	863	11,883	11,125	758	7%	171,376	183,259	180,549	2,710
TOTAL EXPENSE	\$ 280,047	\$ 956,725	\$ 1,123,908	\$ (167,184)	-15%	\$ 817,295	\$ 1,774,020	\$ 1,802,203	\$ (28,184)
Net Income	\$ 77,079	\$ 177,825	\$ (8,128)	\$ 185,954		\$ (35,844)	\$ 141,981	\$ -	\$ 141,981

Capitalize Albany Corporation
Comparative Balance Sheets
Pre-Audited Draft

	September 30, 2012	December 31, 2011	\$ Change
Assets			
Cash and cash equivalents	\$ 2,899,667	\$ 3,572,020	\$ (672,353)
Investments	2,731,447	2,644,806	86,641
Restricted Cash	373,500	321,034	52,466
Accrued Interest receivable	75,629	73,508	2,121
Grants receivable	83,333	-	83,333
Mortgage notes receivable, net of allowance for losses of \$2,361,069 in 2011 and \$1,908,797 in 2010	2,534,862	2,030,574	504,288
Other receivables, net of allowances for losses of \$43,734 in 2011 and 2010	91,180	94,505	(3,325)
Property held for investment and lease, net	3,663,351	3,663,351	-
Property and equipment, net	487,452	472,355	15,097
Net investment in direct financing leases	2,104,129	2,273,211	(169,082)
Receivables from City agencies	100,000	100,000	-
Other assets	532,976	532,451	525
Total Assets	\$ 15,677,526	\$ 15,777,814	\$ (100,288)
Liabilities and Fund Balance			
Liabilities			
Accounts payable and accrued expenses	\$ 61,207	\$ 91,714	\$ (30,508)
Due to the City of Albany	99,097	136,248	(37,151)
Deferred grant and other income	861,547	910,797	(49,250)
Bonds, loan and notes payable	4,369,262	4,530,548	(161,286)
Line of Credit	-	-	-
Revolving loan fund liability	705,325	705,244	81
Deferred program support	81,447	81,447	-
Total Liabilities	\$ 6,177,884	\$ 6,455,998	\$ (278,113)
Fund Net Assets			
Invested in property & equipment, net of related debt	\$ 1,615,705	\$ 1,615,705	\$ -
Restricted for:			-
Debt service	171,400	171,400	-
CDBG eligible activities	109,612	109,612	-
Other	8,769	8,769	-
Unrestricted	7,594,155	7,416,330	177,825
Total fund net assets	\$ 9,499,641	\$ 9,321,816	\$ 177,825
Total Liabilities and Fund Net Assets	\$ 15,677,526	\$ 15,777,814	\$ (100,288)

Statements of Revenue and Expenses and Changes in Net Assets
Pre-Audited Draft

	2012	2011
Revenues		
Grant income	\$ 445,900	\$ 492,800
Rental income	136,861	346,477
Other interest and investment income	243,646	200,837
Interest income on mortgage notes	60,624	70,451
Fees and Other Income	247,519	324,271
Total revenues	<u>\$ 1,134,550</u>	<u>\$ 1,434,837</u>
Expenses		
Salaries and fringe benefits	\$ 364,769	\$ 650,175
Program and project costs	186,633	261,610
Interest Expense	81,581	113,209
Bad debt expense (recovery)	(48,857)	463,455
Other Expenses	372,598	331,063
Total expenses	<u>\$ 956,725</u>	<u>\$ 1,819,513</u>
Excess of revenues over expenses	177,825	(384,676)
Net Assets, Beginning of Year	9,321,816	9,706,493
Net Assets, End of Year	<u>\$ 9,499,641</u>	<u>\$ 9,321,816</u>

CAPITALIZE ALBANY CORPORATION
Statement of Cash Flows
Pre-Audited Draft

	September 30, 2012	Projected December 31, 2012	December 31, 2011
Cash Flows from Operating Activities			
Cash received from customers	\$ 342,621	\$ 603,793	\$ 588,261
Cash received from grantors	313,398	877,584	540,973
Other operating cash receipts	247,519	330,475	324,271
Cash payments to suppliers and grantees	(626,889)	(967,457)	(551,889)
Cash payments to employees	(364,769)	(536,481)	(650,175)
Net cash provided by (used in) operating activities	\$ (88,121)	\$ 307,913	\$ 251,441
Cash Flows From Capital and Related Financing Activities			
Proceeds from sale of property held for sale	\$ -	\$ -	-
Purchase of property held for sale	-	-	-
Purchase of property held for investment and lease	-	-	-
Purchase of property and equipment	(15,097)	(15,097)	(47,219)
Purchase Option	(525)	(525)	(526,559)
Net (payments) advances on line of credit	-	-	-
Interest paid on line of credit	-	-	-
Principal payments on bonds payable	(161,286)	(322,112)	(309,722)
Interest paid on bonds payable	(81,581)	(106,215)	(115,525)
Net cash provided by (used in) capital and related financing activities	\$ (258,490)	\$ (443,949)	\$ (999,025)
Cash Flows from Investing Activities			
Interest on cash and cash equivalents and investments	\$ 49,314	\$ 71,199	\$ 72,896
Net (increase) decrease in restricted cash	(52,466)	(65,205)	343,576
Proceeds from sales and maturities of investments	1,734,818	1,976,906	2,576,534
Purchase of investments	(1,771,060)	(2,045,919)	(2,629,302)
Issuance of mortgage notes receivable	(650,000)	(900,000)	(1,000,000)
Repayments received on mortgage notes receivable	194,569	293,998	390,364
Repayment from (advances to) City agencies net	-	-	-
Principal payments received under direct financing leases	169,082	181,995	170,148
Net cash provided by (used in) investing activities	\$ (325,743)	\$ (487,027)	\$ (75,784)
Change in cash and cash equivalents	(672,353)	(623,062)	(823,368)
Cash and cash equivalents:			
Beginning of year	2,948,958	3,572,020	4,395,388
End of year	\$ 2,276,604	\$ 2,948,958	\$ 3,572,020
	0	0	0

Supplemental Disclosures of Non-Cash Investing, Capital and Financing Activities

Allowance for losses converted to deferred program support	\$ -	\$ -	-
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	September 30, 2012	Projected December 31, 2012	December 31, 2011
Reconciliation of Excess of Revenues Over Expenses to Net Cash Used In Operating Activities			
Excess of revenues over expenses	\$ 177,825	\$ 141,981	\$ (384,677)
Adjustments to reconcile excess of revenue over expenses to net cash used in operating activities:			
Depreciation and amortization	-	219,807	214,862
(Adjustment) provision for losses on mortgage notes and other receivab	(48,857)	1,143	463,455
Gain on sale of property held for sale	-	-	-
Unrealized (gain) loss on investments	(50,399)	(50,399)	35,752
Interest income on cash and cash equivalents and investments	(55,886)	(71,199)	(73,677)
Interest expense on bonds and notes payable	81,581	103,793	113,209
Deferred program support recognized as program income	-	-	-
Changes in:			
Grants receivable	(83,333)	-	23,279
Other receivables, accrued interest receivable and other as	7,775	7,665	8,420
Accounts payable and accrued expenses	(30,508)	(17,511)	(119,365)
Due to the City	(37,151)	(37,151)	(54,711)
Deferred grant and other income	(49,250)	9,703	20,829
Revolving loan fund liability	81	81	4,065
Net cash (used in) provided by operating activities	\$ (88,121)	\$ 307,913	\$ 251,441

Capitalize Albany Corporation Board Meeting

October 23, 2012

Agenda Item #4: Plan of Action Update 526 Central Avenue

Materials:

- Project Update
- Central Avenue Development Site Budget



Project Update Central Avenue Police Station Site

524-526 Central Avenue

- An appraisal has been completed on the 3.65 acre development site. The as is value for the site with the substandard structures in place is \$550,000. The as vacant value for a clear site with the building demolished is \$990,000.
- Alpine Environmental was retained by ACDA to assist with the environmental remediation oversight.
- Through a public bidding process, EnviroClean was selected to remove the underground storage tanks from the site. They completed their work in July at a cost of \$25,000.
- Through a public bidding process, DiTonno & Sons have been hired to perform asbestos abatement and building demolition on site. Their contract price is estimated at \$260,400.
- Asbestos abatement is complete and building demolition is underway and will be complete soon.
- Alpine has drafted a soil remediation work plan which has been approved by DEC. They are finalizing bid documents now and ACDA will be going out to bid for the soil remediation in November.
- The goal is to have a remediation contractor selected and starting work before the end of December.
- The Corporation intends to list the site with a commercial broker to find a suitable buyer.

Central Avenue Development Site Budget

<u>Costs:</u>	524-526 Central Ave. Police Station Site	Status	Paid By
Asbestos Survey (Alpine)	\$ 2,500.00	Complete & Paid	ACDA
Phase I Environmental Site Assessment (Alpine)	\$ 2,500.00	Complete & Paid	ACDA
Alpine Professional Services Contract	\$ 47,897.00	Underway	ACDA
Phase II Environmental Assessment	\$ 22,959.00	Complete & Paid	CAC
Appraisal Reports Conti Appraisal	\$ 1,500.00	Complete & Paid	CAC
Survey- Hershberg	\$ 3,600.00	Complete & Paid	CAC
Merge Map- Hershberg	\$ 500.00	Complete & Paid	CAC
Property Acquisition	\$ 500,000.00	Complete & Paid	CAC
Tank Removal- Enviro Clean	\$ 25,217.25	Complete & Paid	ACDA
Asbestos Abatement & Demolition- DiTonno (Progress Payments: \$48,000 9/2012 & \$115,700 10/2012)	\$ 275,000.00	Estimate/Underway	ACDA
UST Registration Fee- DEC	\$ 500.00	Paid	ACDA
Alpine Professional Services Contract Environmental Remediation	\$ 25,000.00	Estimate	ACDA
Environmental Remediation	\$ 260,000.00	Estimate	ACDA
CAC Staff Time	\$ 50,000.00	Estimate	-
DDP Staff Time	\$ 4,500.00	Estimate	-
Real Estate/Legal Costs	\$ 20,000.00	Estimate	-
Developer Fee/Other	-	-	-
Totals:	\$ 1,241,673.25		

Capitalize Albany Corporation Board Meeting

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Agenda Item #5: Plan of Action Update Delaware Avenue

Materials:

- Project Update
- Delaware Avenue Gateway Development Site Budget



Project Update Delaware Avenue Gateway Development Site

21 & 25 Delaware Avenue

- Together these buildings yield a ~2.5 acre total development site. Appraisals have been completed on the two buildings. Boys and Girls Club: the as is value with the structure in place is \$500,000. The as vacant value for a clear site with the building demolished is \$200,000. Senior Services: the as is value for with the structure in place is \$600,000. The as vacant value for a clear site with the building demolished is \$360,000.
- The Boys & Girls Club is still occupying 21 Delaware Avenue for their operations.
- The Boys & Girls Club is under contract to purchase the Sunshine School on Delaware Avenue from the School District.
- The Albany Community Development Agency is under contract to purchase 21 Delaware Avenue from the Boys & Girls Club. The purchase price is \$415,000 plus a committed \$50,000 over the next 5-years for program funding.
- Hershberg & Hershberg has completed pre-development work on the site, including a traffic study, underground utilities, archaeology, survey, soil testing and a stormwater management recommendation. Cost of services was \$25,595.
- A structural report is being completed on 21 Delaware Avenue currently at a cost of \$1,200.
- A Phase II Environmental Site Assessment report is being completed on 21 & 25 Delaware Avenue by Alpine Environmental for \$17,000.
- The reuse plan for the site is to combine the Boys & Girls Club and Senior Services lots to create a larger development site, with ACDA being the primary owner.
- The plan is to put the site out to RFP in order to find a buyer/developer for the project.

Delaware Avenue Gateway Development Site Budget

<u>Costs:</u>	21 Delaware Ave Boys & Girls Club	Status	Paid By
Asbestos Survey (Alpine)	\$ 4,000.00	Complete & Paid	ACDA
Phase I Environmental Site Assessment (Alpine)	\$ 3,000.00	Complete & Paid	ACDA
Appraisal Reports Conti Appraisal	\$ 1,500.00	Complete & Paid	CAC
Survey- Hershberg	\$ 3,600.00	Complete & Paid	CAC
Structural Report	\$ 1,200.00	Underway	ACDA
Property Acquisition	\$ 465,000.00	Underway	ACDA
	\$ 478,300.00		
<u>Costs:</u>	25 Delaware Ave Senior Services	Status	Paid By
Asbestos Survey (Alpine)	\$ 3,000.00	Complete & Paid	ACDA
Phase I Environmental Site Assessment (Alpine)	\$ 2,500.00	Complete & Paid	ACDA
Appraisal Reports Conti Appraisal	\$ 1,500.00	Complete & Paid	CAC
Property Acquisition	\$ 500,000.00	Complete & Paid	ACDA
	\$ 507,000.00		
<u>Costs:</u>	Delaware Gateway Site	Status	Paid By
Pre-Development Site Work- Hershberg & Hershberg	\$ 25,566.00	Complete & Paid	ACDA
Phase II Environmental Site Assessments	\$ 17,000.00	Underway	ACDA
Total Costs for Full Site:	\$ 1,027,866.00		

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Agenda Item #6: Downtown Tactical Plan

Materials:

- No materials are included

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Agenda Item #7: Convention Center

Materials:

- Draft Statement Regarding the Convention Center

Draft Statement Regarding the Convention Center

The statement of legislative findings of the Albany Convention Center Authority indicates that it is desirable for the Authority to provide the City of Albany with the capability to effectively and efficiently develop, renovate and undertake certain transformational economic developmental projects in the historic downtown area to optimize the economic and social activities of the city and its environs. As a regional destination, the Empire State's Capital and a world center of nanotechnology, the City of Albany, NY is proven to be a desirable location to host conventions, conferences and meetings. In a study conducted by the Authority it is estimated that Albany is losing \$20 million annually in demand for convention business due to lack of sufficient convention, meeting and exhibition space. It is also estimated that the construction of new and expanded convention facilities has been projected to capture this business and generate up to \$60 million in annual visitors spending. This increase in visitor traffic and spending is projected to catalyze other transformational revitalization in Downtown Albany. In addition, the construction and operation of adequate new convention facilities will lead to the creation of hundreds of high-wage construction jobs and nearly 200 hospitality industry jobs. Capitalize Albany Corporation's mission is to serve as a catalyst for continued economic growth, job creation, and revitalization in the city of Albany, NY and greater Capital Region. For the reasons stated above, Capitalize Albany Corporation Board of Directors supports increasing efforts, projects and incentives aimed at the further revitalization of Downtown including the expansion and enhancement of convention, meeting and exhibition space in Downtown Albany.

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Agenda Item #8: Administrative Matters

Materials:

- No materials are included

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Agenda Item #9: Executive Session (if necessary)

Materials:

- No materials are included