

Capitalize Albany Corporation Board Meeting
MINUTES
Tuesday, January 24, 2012

The meeting of the Capitalize Albany Corporation Board of Directors was held at 8:00 a.m., Tuesday, January 24, 2012 at 21 Lodge.

The following were in attendance:

Board of Directors:

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| Michael Castellana | Robert M. Curley | |
| Anders Tomson | John Harris | |
| Dorsey Whitehead | Michele Vennard | |
| David Parente | Lee McElroy | |
| Dr. R. Mark Sullivan | James Linnan | |

Other:

Thomas M. Owens, Esq.

Staff:

Michael Yevoli, Erik Smith, Megan Daly, Martha Hyland, Brad Chevalier and Amy Gardner.

Vice Chairman Anders Tomson called the regular meeting of the Capitalize Albany Corporation Board to order at 8:05 a.m.

Approval of Minutes for December 28, 2011 Board Meeting

The Board reviewed the minutes of the December 28, 2011 CAC Board Meeting. Dorsey Whitehead made a motion for approval. Lee McElroy seconded. The Board agreed unanimously to approve the minutes.

SEFCU Line of Credit Renewal Resolution 1-2012

Erik Smith presented Resolution 1-2012 to the Board. Mr. Smith stated that the SEFCU line of credit which was originally executed during the Park South Project in 2008 was up for annual renewal. The term will rename the same except for extending terms from 1 to 2 years. SEFCU has asked for a Board Resolution. To minimize closing costs, CAC will be Co-Borrower with Citywide. There will be no mortgage recording tax, a floor of 5% interest rate and no financial covenants. Mark Sullivan suggested that following the expiration of this line of credit with SEFCU that the Corporation rebid the line due to Chairman Castellana's position with SEFCU. Bob Curley felt that rebidding every two years at renewal was sufficient and that the floor of 5% was an adequate rate due to the cost of maintaining the line. The collateral on the line is made up of 4 CAC properties with an approximate value of \$1.2m. The line is for \$1m.

Vice Chairman Anders Tomson presented the SEFCU Line of Credit Renewal Resolution 1-2012. Chairman Castellana was absent during the discussion and recused himself from voting on Resolution 1-2012. A motion to adopt the Resolution was made by Bob Curley and seconded by Lee McElroy. A vote being taken, the Resolution passed unanimously.

Lending Update

Omni/Albany Housing Authority South End Phase 3

Mike Yevoli advised the Board that this is the most recent phase of the multi-phase Southend Redevelopment Project. The project is a community development project in the Morton Ave/S Pearl neighborhood that could receive support from the IDA and ACDA. The project has been approved at the state level and will be financed by tax credits. Mr. Yevoli advised the Board that the project requires significant upfront costs and would likely seek CAC assistance and participation. The Board advised CAC Staff that they would like them to move forward with further investigation and due diligence on this matter.

374 Broadway Update

Mike Yevoli advised the Board that this loan was approved and commitment letter signed over a year ago. Mr. Yevoli explained to the Board that the project has changed with the addition of a personal loan between the applicant and building owner. The applicant is looking for the lending from CAC and Berkshire Bank to clear the debt of the personal loan. The commitment letter from the original loan has now expired. A motion to have the project presented to the CAC Finance Committee for approval was made by John Harris and seconded by Dorsey Whitehead. A vote being taken, the motion passed unanimously. The Board directed that the Finance Committee review the current state of this loan request, including any changed conditions, and then make a determination if the CAC funding can move forward.

Lending Programs

Mike Yevoli informed the Board that CAC will be actively reviewing the various lending programs currently available. He would like to streamline applications, policies and regulations. Mr. Yevoli advised the Board that CAC staff will be more proactive and investigating business retention programs.

Updates

Economic Development Event (Spring 2012)

Mike Yevoli reminded the Board that CAC's annual celebration will be held in the spring. After discussion it was decided it would be held sometime at the beginning of May. Mr. Yevoli informed the Board that CAC Staff would like the event to include all agencies that work closely with CAC (IDA, CRC, ACDA, DDP). An annual report would be presented highlighting projects from each group. This may be presented in video form as in prior years. The Board agreed and advised Mr. Yevoli to move forward with the planning for such event.

Central Avenue

Mike Yevoli advised the Board that the Phase 1 & 2 have been completed. Developers have shown interest in the site. Mr. Yevoli advised the Board that he had received a bid for \$50,000 for the engineering process. Mr. Yevoli stated there was a \$2M City neighborhood revitalization bond for demo, stabilization and Brownfield remediation going in front of the Council this month.

Delaware Avenue

Mike Yevoli advised the Board that the Boys and Girls Club still occupies the building on Delaware Avenue. The Boys and Girls Club is currently working directly with the school district to find an affordable location. The outcome of the discussions between the school district and the Boys and Girls club will provide additional information to CAC. The Albany Community Development Agency purchased the property with a loan from the Corporation.

Regional Economic Development Council

Chairman Castellana advised the Board that there may be two more opportunities to submit Consolidated Funding Applications during 2012. The process will remain competitive, but the applications will be judged on different criteria than the first one.

Metroplex ABO Report and Response

Chairman Castellana advised the Board that CAC should use the report created by the ABO as a reference document against which CAC operations should be evaluated. Chairman Castellana would like to, as much as is possible, ensure that CAC has answered any potential ABO questions before the questions are asked of CAC.

Upcoming Governance Committee Meeting

Mike Yevoli advised the Board that the items discussed in the Metroplex report will be included on the agenda for the CAC Governance Committee meeting to be held sometime in March. PAAA requirements were discussed. Mr. Yevoli advised the Board that CAC's first public Board meeting will be held in February. The Governance Committee members are Mark Sullivan (Chair), John Harris and Lee McElroy.

Other Business

None

Board Only Session

Chairman Castellana made a proposal to enter into a Board Only Session specifying that staff should leave the room. The Board entered into a Board Only Session at 10:00pm.

There being no further business the Capitalize Albany Corporation Board of Directors regular meeting was adjourned at 10:12 a.m.