



Tuesday, September 26, 2017
21 Lodge Street, 8:00 a.m.

CAPITALIZE ALBANY
CORPORATION

Capitalize Albany Corporation
Board of Directors Meeting
Agenda

1. Review of Minutes from the Special Board Meeting of September 14, 2017
2. Report of Executive Staff – Corporation Update
 - a. Communications Update
3. Report of the Finance & Investment Committee
 - a. Resolution 8-2017 - RECKDE, LLC Loan Request Approval
4. Liberty Park Redevelopment Update
 - a. Resolution 9-2017 - ACCA
5. Other Business
6. Executive Session (if necessary)

Capitalize Albany Corporation Special Board Meeting
MINUTES
Thursday, September 14, 2017

The Special meeting of the Capitalize Albany Corporation Board of Directors was held at 8:00 a.m., Thursday, September 14, 2017 at 21 Lodge Street, Albany, NY.

The following were in attendance:

Board of Directors:

Michael Castellana	Karen Torrejon	Michele Vennard
Mark Sullivan	John Vero	John Harris
Susan Pedo	Michael Fancher	Anders Tomson (participated via conference call but not counted for quorum purposes)
Jeff Sperry	Matthew Peter	Robert Curley

Other:

Thomas M. Owens, Esq.

Staff:

Sarah Reginelli, Mark Opalka, Joe Landy, Ashley Mohl, Chantel Burnash, Andy Corcione and Mike Bohne.

Chairman Michael Castellana called the special meeting of the Capitalize Albany Corporation (“Corporation”) Board to order at 8:06 a.m. The following directors were excused: Dorsey Whitehead, Dave Parente, and James Stellar.

Staff introduced and welcomed to the Board, Karen Torrejon.

Approval of Minutes for July 25, 2017 Board Meeting

The Board reviewed the minutes of the July 25, 2017 meeting. John Vero made a motion for approval. John Harris seconded. The Board agreed unanimously to approve the minutes.

Report of Executive Staff – Corporation Update

Staff discussed the recent announcement that Amazon will begin its search for a second headquarter outside of Seattle. The Board discussed the opportunity for the region to come together with a strong proposal.

(Bob Curley joined the meeting)

Resolution 7-2017 Albany Skyway

Staff provided an update and discussed the timeline for the Albany Skyway project indicating that a resolution of the Board was needed prior to the next regularly scheduled Board meeting. Staff reviewed the resolution with the Board which authorizes the President of the Corporation to accept funds from the NYS Office of Parks, Recreation and Historic Preservation through the

Environmental Protection Fund Grants Program for Parks, Preservation and Heritage for the Albany Skyway project.

A motion to adopt the resolution was made by John Harris and seconded by Michael Fancher. A vote being taken, the motion passed unanimously.

Executive Session (if necessary)

A motion to enter into executive session was made by Matt Peter to discuss the potential acquisition of real property. The Board entered into executive session at 8:31 a.m. Board members, Counsel, and Staff remained in the room. The Board left executive session at 9:05 a.m. and returned to its regular session. No actions were taken in executive session.

There being no further business, the Capitalize Albany Corporation Board of Directors special meeting was adjourned at 9:05 a.m.

**RESOLUTION 8-2017
OF THE
CAPITALIZE ALBANY CORPORATION**

WHEREAS, Capitalize Albany Corporation (“CAC”) has reviewed the application of RECKDE, LLC for a loan in the amount of \$500,000 to assist with the construction of a 40,000 sq. ft. apartment building on four vacant parcels (with three condemned buildings located on Dana Avenue between New Scotland Avenue and Knox Street) (the “Project”) for market rate, residential housing; and

WHEREAS, Capitalize Albany Corporation established a Real Estate Loan Program in June 2010 to provide financing to qualifying real estate development projects to support the revitalization of property and the retention/creation of jobs for City residents targeting properties currently vacant or underutilized and where rehabilitation/construction could have a positive effect on the community; and

WHEREAS, the Project, being the first private multi-family new residential development in the Park South neighborhood, directly supports the continued implementation of the Park South Urban Renewal Plan by adding thirty (30) one bedroom apartments, with resident parking in a heated garage; and

WHEREAS, the CAC loan would be the only Project financing during Project construction, and on completion of the Project the borrower would seek permanent financing and request that CAC subordinate its position to such permanent financing; and

WHEREAS, an underwriting review has been completed by CAC staff, and such review was presented to, and reviewed by, the CAC Finance and Investment Committee (“Committee”) and the Committee recommends that the Board approve the CAC loan subject to certain terms and conditions, including but not limited to: (i) the CAC loan not be funded until CAC’s receipt of an architect letter certified to CAC that the Project is within \$500,000 of completion and can be fully completed on the Borrower’s receipt of the CAC funds; and (ii) the CAC loan will only be subordinated to the permanent financing on CAC’s approval (by the Committee) of the terms and conditions of such subordination agreement; and

NOW, THEREFORE, BE IT RESOLVED, that Capitalize Albany Corporation approves a loan in the amount of \$500,000 to be secured by the building and property located at 85 Dana Avenue, Albany, New York. Such loan will entail a maximum interest only payment period of twenty-four (24) months followed by a principal and interest payment period of (10) ten years with a thirty (30) amortization schedule. The loan is to be at a fixed interest rate of 5.25% during the interest only payment period and at a fixed interest rate of 5.50% during the principal and interest payment period. The Capitalize Albany Corporation loan is contingent upon the personal guaranty of Ronald Stein, the owner of RECKDE, LLC.

Signed: _____
Michael Castellana, Chairman

Date of Authorization: September 26, 2017

**RESOLUTION 9-2017
OF THE
CAPITALIZE ALBANY CORPORATION**

WHEREAS, the Albany Convention Center Authority (“ACCA”) was formed in 2004 with a mission “to design, develop, plan, finance, create, site, construct, renovate, administer, operate, manage, and maintain a convention center facility within the downtown area of the City of Albany”; and

WHEREAS, in support of its mission, ACCA acquired certain property interests to real property parcels located in the heart of the City’s Central Business District, including 29 lots that are owned by the State of New York (“ACCA Owned Properties”) and 21 privately owned lots (“ACCA Leased Properties”) (the ACCA Owned Properties and ACCA Leased Properties are hereinafter collectively referred to as the “ACCA Properties”) that are leased to the State of New York with the purpose of potentially siting and constructing a convention center; and

WHEREAS, in 2012 a new site in downtown Albany at the intersection of Eagle and Howard Street was identified (which did not utilize the ACCA Properties) for locating what is now referred to as the Albany Capital Center; and

WHEREAS, Impact Downtown Albany, the local tactical revitalization strategy for Downtown Albany spearheaded by CAC and released in 2015, identifies the Liberty Park district surrounding and incorporating the ACCA Properties “Downtown’s largest development opportunity” and highlights its redevelopment as a strategic priority; and

WHEREAS, the Capital Region Economic Development Council establishes the ACCA Properties as a Downtown Catalyst priority and “prime area for development to catalyze economic growth” in the Metro Strategy of its 2015 Capital 20.20 plan to address the Governor’s Upstate Revitalization Initiative; and

WHEREAS, on September 14, 2017, New York State Empire State Development (“ESD”), in support of ESD’s mission “to promote a vigorous and growing state economy, encourage business investment and job creation, and support diverse, prosperous local economies across New York State throughout the efficient use of loans, grants, tax credits, real estate development and marketing”, completed and issued a “Downtown Albany Planning and Feasibility Study” (the “ESD Study”) to assess the potential for redevelopment of an approximate eight (8) acre area in Downtown Albany (which area includes the ACCA Properties); and

WHEREAS, CAC views the redevelopment of the ACCA Properties and surrounding area (the “Project”) to be of the highest strategic importance to the City of Albany’s future, and in direct support of CAC’s mission “to facilitate strategic economic development and stimulate transformative investment throughout the City of Albany, making New York’s Capital a vibrant place to thrive”; and

WHEREAS, has communicated to the ACCA its interest in being selected as the public entity best suited in terms of both capabilities and experience to lead the redevelopment of the ACCA Properties, which is likely to involve CAC acquiring property rights to the ACCA Properties; and

WHEREAS, to determine the optimum structure of CAC’s participation in the Project, including but not limited to analyzing CAC’s potential acquisition of certain interests in the ACCA Properties it will be necessary for CAC to conduct due diligence activities related to undertaking the Project; and

WHEREAS, as a condition to CAC conducting such required and prudent due diligence activities, it is necessary for CAC to enter into a Memorandum of Understanding (“MOU”) with ACCA related to the Project with terms and conditions which enable CAC to make informed decisions concerning CAC’s participation in the Project; and

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the Capitalize Albany Corporation authorizes the President to negotiate and execute an MOU with ACCA related to the Project,

AND THEREFORE BE IT FURTHER RESOLVED that the Board of Directors of the Capitalize Albany Corporation commits to seek assistance through the Capital Region Economic Development Council’s Upstate Revitalization Initiative funding for the Project.

Signed: _____
Michael Castellana
Chairman

Date of Authorization: September 26, 2017