

**Capitalize Albany Corporation Board Meeting
MINUTES
Tuesday, December 12, 2017**

The meeting of the Capitalize Albany Corporation Board of Directors was held at 8:00 a.m., Tuesday, December 12, 2017 at 21 Lodge Street, Albany, NY.

The following were in attendance:

Board of Directors:

Michael Castellana	Karen Torrejon	Michael Fancher
David Parente	Jeff Sperry	Anders Tomson
John Harris	Robert Curley	John Vero
Michele Vennard	Matthew Peter	Susan Pedo

Other:

Thomas M. Owens, Esq.

Staff:

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

Chairman Michael Castellana called the regular meeting of the Capitalize Albany Corporation (“Corporation”) Board to order at 8:11 a.m.

Approval of Minutes for the October 24, 2017 Regular Board Meeting

The Board reviewed the minutes of the October 24, 2017 Regular Board meeting. Bob Curley made a motion for approval. Susan Pedo seconded. The Board agreed unanimously to approve the minutes.

Report of Executive Staff – Year-End Report

Staff made a presentation to the Board reviewing the Corporation’s activities and accomplishments for 2017. Staff distributed copies of the Capitalize Albany Corporation’s Annual Report. Staff discussed the Corporation’s strategic plan and projects moving forward.

Report of the Finance & Investment Committee

29 North Pearl Street Release of Reverter – Resolution 19-2017

Counsel Owens informed the Board that in 1985, the Corporation (then ALDC) sold the property located at 29 North Pearl Street to an individual (Norman Brue). The 1985 ALDC deed to Brue contained a right of reverter in favor of ALDC which could be exercised if the Grantee failed to comply with rehabilitation standards established by the U.S. Department of the Interior. The property was subsequently developed into retail/offices (Bruegger’s until approximately 2015). Counsel Owens stated that in June 2017 the property was purchased by Promontory Capital, LLC with a purpose to make it retail/residential. The right of reverter has prevented financing for the intended property development, and Promontory Capital, LLC has requested the Corporation release its right of reverter. The Corporation had an appraisal by Conti Appraisal completed (at the expense of Promontory Capital, LLC) which concluded that right of

reverter had no value due to statutory concerns, and the inability to prove the required conditions to exercise the right of reverter.

A motion to adopt Resolution 19-2017 to release of the right of reverter was made by Anders Tomson and seconded by John Harris. A vote being taken, the resolution passed unanimously.

526 Central Avenue Purchase and Sale Agreement – Resolution 20-2017

Anders Tomson, Chair of the Finance & Investment Committee, discussed with the Board the purchase and sale agreement with Regan Development Corporation for 526 Central Avenue.

A motion to adopt Resolution 20-2017 to authorize the President to execute a PSA with Regan Development Corp., to transfer the Property in accordance with terms and conditions substantially similar to the terms and conditions in the PSA reviewed by the Finance and Investment Committee was made by Jeff Sperry and seconded by John Harris. The motion passed unanimously.

Liberty Park Due Diligence Update

A motion to enter into executive session was made by John Harris, seconded by Anders Tomson to discuss a proposed real estate transaction. The Board entered into executive session at 8:55 a.m. Board members, Counsel, and Staff remained in the room.

Susan Pedo left the meeting at 8:56 a.m.

It was reiterated again to the Board that the Board should be aware that both Sarah Reginelli and Michele Vennard serve on the ACCA Board of Directors. A motion to adopt Resolution 21-2017 to authorize the Chair of the Finance & Investment Committee to execute a PSA with the Albany Convention Center Authority to transfer the Property in accordance with terms and conditions substantially similar to the terms and conditions in the PSA reviewed by the Finance and Investment Committee and authorizes the creation of one or more LLC's for the purpose of acquiring and holding the ACCA surplus properties in the future as deemed appropriate by the Board, was made by John Harris and seconded by Anders Tomson. Michele Vennard recused herself from the vote. A vote being taken, the motion passed. The Board left executive session at 9:37 a.m. and returned to its regular session.

David Parente left the meeting.

IDA/CRC Agreements

IDA/CRC Professional Service Agreement Approval Resolution 22-2017

Sarah Reginelli and Mark Opalka recused themselves from discussions and voting by leaving the room, due to their IDA and CRC positions. Counsel Owens reviewed the agreement and resolution with the Board. A motion to adopt the resolution was made by Anders Tomson and seconded by John Harris. A vote being taken, the motion passed unanimously.

IDA Economic Development Fee for Service Approval Resolution 23-2017

Counsel Owens reviewed the agreement and resolution with the Board. Sarah Reginelli and Mark Opalka remained outside of the room for discussions and voting, due to their IDA and

CRC positions. A motion to adopt the resolution was made by Anders Tomson and seconded by John Harris. A vote being taken, the motion passed unanimously.

Report of the Governance Committee – Year-end Administrative Matters

A motion to enter into executive session was made by John Harris, seconded by Bob Curley to discuss the employment history of certain individuals. The Board entered into executive session at 9:40 a.m. Board members and Counsel remained in the room. Corporation President and Staff left the room.

2017 At-Risk Compensation – Resolution 16-2017

Following discussion, a motion to adopt 2017 At-Risk Compensation Pool Distribution Resolution 16-2017 was made by John Harris and seconded by Matthew Peter. A vote being taken, the motion passed unanimously.

2018 Compensation

2018 Officer Salaries - Resolution 17-2017

Following discussion, a motion to adopt 2018 Officer Salaries Resolution 17-2017 was made by John Harris and seconded by Michael Fancher. A vote being taken, the motion passed unanimously.

2018 Performance Goals and At-Risk Compensation Pool – Resolution 18-2017

The Board agreed to discuss the 2018 Performance Goals and At-Risk Compensation Pool at the next Board meeting.

The Board left executive session at 9:44 a.m. and returned to its regular session. Corporation President and Staff came back in the room for the remainder of the meeting.

2018 Election of Board Officers - Resolution 15-2017

Following discussion, a motion to approve the 2018 Election of Board Officers Resolution 15-2017 was made by Karen Torrejon and seconded by Michele Vennard. A vote being taken, the motion passed unanimously.

Chair Michael Castellana left the meeting.

60 Green Street Purchase and Sale Agreement

Staff discussed a potential purchase and sale agreement for 60 Green Street. A motion to approve the execution of a Purchase and Sale Agreement for 60 Green Street subject to terms and conditions substantially similar to those laid out in the Purchase and Sale Agreement reviewed by the Board was made by Anders Tomson and seconded by John Harris. A vote being taken, the motion passed unanimously.

Other Business

CEG Professional Services Agreement – Resolution 24-2017

Staff discussed the Albany/Capital Region's RFP response to the site selection for Amazon's second corporate headquarters. It was disclosed that both Chair Michael Castellana and John

Harris serve on the CEG Board of Directors. The Board reviewed Resolution 24-2017, which will replace Resolution 14-2017, from October's Board meeting.

A motion to adopt Resolution 24-2017 CEG Professional Services Agreement was made by Anders Tomson and seconded by Jeff Sperry. John Harris abstained from the vote. A vote being taken, the motion passed.

Bylaw Amendment to Article III Section 6 Relating to Board Calendar – Resolution 25-2017

Staff reviewed Resolution 25-2017 with the Board, which would amend the Corporation's bylaws that the regular meetings of the Board of Directors shall be held as needed to effectively conduct the business of the Corporation and on not fewer than six occasions annually at such time and place as the Board may determine. A motion to adopt the resolution was made by Michele Vennard and seconded by Anders Tomson. A vote being taken, the motion passed unanimously.

There being no further business, the Capitalize Albany Corporation Board of Directors regular meeting was adjourned at 9:55 a.m.