



Tuesday, May 24, 2016

21 Lodge Street, Albany NY 12207 **and**
1 Chemung Canal Plaza, Elmira NY 14901
8:00 a.m.

CAPITALIZE ALBANY
CORPORATION

Capitalize Albany Corporation
Board of Directors Meeting
Agenda

1. Review of Minutes from the Regular Meeting of April 26, 2016
2. Report of Executive Staff – Corporation Update
3. Report of Finance Committee
 - a. 99 Pine Street of Albany LLC loan request
4. State Competitions
 - a. Downtown Revitalization Initiative
 - b. Round 6 Consolidated Funding Applications
5. Other Business
6. Executive Session (if necessary)

**Capitalize Albany Corporation Board Meeting
MINUTES
Tuesday, April 26, 2016**

The meeting of the Capitalize Albany Corporation Board of Directors was held at 8:00 a.m., Tuesday, April 26, 2016 at 21 Lodge Street.

The following were in attendance:

Board of Directors:

Michael Castellana	Jeff Sperry	James Linnan	John Vero
Michael Fancher	Mark Sullivan	Matt Peter	
Robert Jones	Susan Pedo	Nancy Zimpher	
Michele Vennard	Dorsey Whitehead	Bob Curley – participated via teleconference (not counted for quorum or voting purposes)	

Other:

Thomas M. Owens, Esq., Juliette Price

Staff:

Sarah Reginelli, Brad Chevalier, Mark Opalka, Chantel Burnash, Amy Gardner, Ashley Mohl, Sabina Mora, Andy Corcione, and Mike Bohne

Chairman Michael Castellana called the regular meeting of the Capitalize Albany Corporation (“Corporation”) Board to order at 8:02 a.m. The following directors were excused: Anders Tomson and John Harris. (Nancy Zimpher joined the meeting during the Report of the Finance & Investment Committee).

Approval of Minutes for March 22, 2016 Board Meeting

The Board reviewed the minutes of the March 22, 2016 meeting. Jeff Sperry made a motion for approval. Dorsey Whitehead seconded. The Board agreed unanimously to approve the minutes.

Report of Executive Staff – Corporation Update

Staff gave a Corporation update to the Board. Staff informed the Board that Staff completed three strategic planning sessions. The annual reports to PARIS have been successfully completed on time and submitted to the ABO. Staff provided an overview of current topics in local and regional development. Staff reviewed the status of active projects with the Board.

Staff and Board discussed Governor Cuomo’s Downtown Revitalization Initiative which will award one downtown in the region with \$10 million. Staff also mentioned that the initial process for the CFA Round VI awards has begun. Staff will be evaluating potential Corporation applications and applicants’ requests for letters of support based on the Board-approved criteria for project evaluation.

Report of the Finance & Investment Committee

Jeff Sperry informed the Board that the Finance & Investment Committee met with Hugh Johnson Advisors to review the Capitalize Albany Investment/Portfolio Report and the Short Term Investment Services Report as of March 31, 2016. The Investment Portfolio was discussed in detail. Mr. Hennes advised the Committee that Corporation's Investment portfolio remains appropriate. The Committee members discussed the Portfolio, and concluded that the Corporation's strategy and portfolio was appropriate and prudent. Staff reviewed the quarterly financial statements with the Board and went over the highlights outlined in the memo distributed to the Board prior to the meeting. Staff also updated the Board on the activity at 526 Central Avenue.

Nancy Zimpher joined the meeting.

Guest Speaker: Juliette Price, Albany Promise Executive Director

Juliette Price gave a presentation to the Board on collective impact as it relates to helping local children exceed in their educational experiences to prepare for career success. She explained the importance of communicating the community's shared visions and goal outcomes. She also discussed the significance of data tracking and evidence-based decision making. She described Albany Promise's new focus on workforce development.

Other Business

Staff reminded the Board to submit their financial disclosure forms to Staff if they haven't done so already.

Executive Session

None.

There being no further business, the Capitalize Albany Corporation Board of Directors regular meeting was adjourned at 9:40 a.m.

**RESOLUTION 7-2016
OF THE
CAPITALIZE ALBANY CORPORATION**

WHEREAS, Capitalize Albany Corporation (“CAC”) has reviewed the application of 99 Pine Street of Albany, LLC for a subordinate loan in the amount of \$400,000 to assist with the acquisition and rehabilitation of 55 North Pearl Street, Albany New York (also known as 99 Pine Street) including the conversion of the predominantly vacant top three floors into 35 market-rate apartment units with the lower floors being a mix of retail and office; 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, a Downtown Leasing and Marketing Study was completed in 2011, with an updated summary completed in 2014, which concluded additional residential units are necessary in order to increase retail opportunities in downtown Albany and that downtown could support approximately 200 additional new units per year to supply current demand; and

WHEREAS, this project will further improve downtown vibrancy with the leasing of space to a mix of uses including retail, office, and market-rate apartments; and

WHEREAS, an underwriting review has been completed and there is an anticipated approval and issuance of a financing commitment from SEFCU Federal Credit Union (“SEFCU”) for financing in the amount of \$5,227,500;

NOW, THEREFORE, BE IT RESOLVED, that Capitalize Albany Corporation approves a subordinate loan (second position) in the amount of \$400,000 to be secured by the building and property located 55 North Pearl Street (also known as 99 Pine Street), Albany, New York. Such loan will entail an interest only payment period of at most (30) thirty months followed by a principal and interest payment period of (5) five years with a (30) thirty year amortization schedule with the term to be coterminous with the SEFCU loan. The loan is to be at a fixed interest rate of 4.75% during the interest only payment period and at a fixed interest rate of 5.25% during the principal and interest payment period. The CAC loan shall be repaid in part or in full per the direction of the Finance Committee from the receipt of monies from the syndication of historic tax credits if such an action was to occur. The Capitalize Albany Corporation loan is contingent upon the securing of financing from SEFCU acceptable to CAC as well as personal guarantees of project principals Christopher E. Maddalone and Seth R. Meltzer.

Signed: _____
Sarah Reginelli, President

Date of Authorization: May 24, 2016

Capitalize Albany Corporation
21 Lodge Street
Albany, New York 12207

MEMORANDUM

TO: Capitalize Albany Corporation Board of Directors

FROM: Staff

RE: 2016 State Competitions

DATE: May 24, 2016

Multiple State competitions are currently open for economic development funding. Summaries are as follows:

Downtown Revitalization Initiative (DRI):

The program, first presented in the Governor's 2016 State of the State Address, will invest \$10 million into ten downtown neighborhoods across the state. The downtown areas will be selected by the state's Regional Economic Development Councils. Ten applicants, including Albany, have pre-registered to be considered for the Capital Region Award. Funding will include up to \$300,000 in planning activities and the balance from a variety of State agency sources.

Find more information on the Downtown Revitalization Initiative

here: https://www.ny.gov/sites/ny.gov/files/atoms/files/2016_DRIBookletv3.pdf

Round 6 Regional Economic Development Council CFA:

In Round 6, 20 programs are available for competitive application. Capitalize Albany will continue in its role as citywide coordinator for the funding. Staff will determine internal projects as well as the provision of external letters of support according to the Board-passed criteria Resolution 16-2013 (attached).

Find more information on Round 6 of the Regional Economic Development Councils

here: <http://regionalcouncils.ny.gov/>

Review the funding sources available

here: <https://www.ny.gov/sites/ny.gov/files/atoms/files/2016ResourcesAvailableGuideFINALV4.pdf>

Restore NY 2016:

Staff has been made aware that another round of Restore NY funding may be made available this summer. This flexible source has been used throughout the City with great benefits in the past, and will be of particular interest.

Upcoming Deadlines:

INITIATIVE	DEADLINE
Capital Region Downtown Revitalization Initiative Application	June 1 st
State Downtown Revitalization Initiative Application	June 30 th
Restore New York Communities Initiative Application	Anticipated to be before CFA deadline below
Regional Council Consolidated Funding Application	July 29 th at 4 pm

**RESOLUTION 16-2013
OF THE
CAPITALIZE ALBANY CORPORATION**

WHEREAS Corporation staff annually develops, reviews and/or submits project applications for New York State's Consolidated Funding Application (CFA) through the Regional Economic Development Council (REDC) initiative; and

WHEREAS Capitalize Albany annually participates in the REDC initiative in three capacities: 1) As the local coordinator for public information and participation surrounding the initiative and the clearinghouse for all projects seeking local support; 2) As the lead applicant for economic development projects to be managed by the Corporation requesting funding sources governed by the CFA; and 3) In assistance to external applicants for economic development projects within the City of Albany; and

WHEREAS as the local coordinator and clearinghouse, Capitalize Albany acts as a liaison to the Capital REDC, and also serves as the conduit for local review of all Albany-based projects seeking funds through the CFA; and

WHEREAS Corporation staff assesses these projects by the following criteria:

- a) Feasibility/Shovel Readiness
- b) Appropriateness for the indicated funding source
- c) Compliance with local plans and strategies (e.g. Albany 2030, Capitalize Albany, neighborhood revitalization plans)
- d) Support of the goals of the Capital Region Economic Development Council; and

WHEREAS projects that successfully meet the above criteria are presented to the Common Council and Mayor's office for their support, and projects that do not meet these criteria, or that could better leverage investment through collaboration with another applicant are provided guidance and an opportunity to revise their submission; and

WHEREAS Capitalize Albany Corporation may serve as lead applicant for a number of these projects or will provide direct assistance and collaboration; and

WHEREAS projects which the Corporation will serve as lead applicant or will provide direct assistance and collaboration are selected through the following criteria:

- a) Feasibility/Shovel Readiness
- b) Appropriateness for the indicated funding source
- c) Compliance with local plans and strategies (e.g. Albany 2030, Capitalize Albany, neighborhood revitalization plans)
- d) Support of the goals of the Capital Region Economic Development Council
- e) Compliance with and furtherance of the mission and priorities of Capitalize Albany Corporation
- f) Demonstration of significant, transformational economic development impact; and

NOW therefore be it resolved that the Board of Directors of the Capitalize Albany Corporation authorizes the President to annually develop, review and submit project applications for New York State's Consolidated Funding Application (CFA) through the Regional Economic Development Council (REDC) initiative, based on the aforementioned process and selection criteria.

Signed: Michael J. Yevoli
Michael J. Yevoli
President

Date of Authorization: September 24, 2013
Prepared by Staff