



Thursday August, 29, 2019
21 Lodge Street, 8:00 a.m.

CAPITALIZE ALBANY
CORPORATION

Capitalize Albany Corporation
Board of Directors Meeting – Special Meeting

Agenda

1. Review & Approval of Minutes from the Regular Meeting of August 27, 2019
2. Report of Governance Committee
 - a. Legal Opinion
 - i. Resolution 15-2019 Acceptance of Legal Opinion*
3. Report of Finance and Investment Committee
 - a. 174 North Pearl Street/Palace Theatre Expansion
 - i. Resolution 18-2019 Approval of Payment for Demolition of 174 N. Pearl*
4. Other Business
 - a. General Authorization and Assignment of ACCA PSA to Liberty Square Development, LLC
 - i. Resolution 19-2019 General Authorization and Assignment of ACCA PSA to LLC*

Capitalize Albany Corporation Board Meeting
MINUTES
August 27, 2019

The meeting of the Capitalize Albany Corporation Board of Directors was held at 8:00 a.m., Tuesday, August 27, 2019 at 21 Lodge Street, Albany, NY.

The following were in attendance:

Board of Directors:

Michael Castellana	Susan Pedo	Jeff Sperry
Heather Briccetti	Matthew Peter	Anders Tomson
Sonya del Peral	Havidán Rodríguez	Michele Vennard

Other: Thomas M. Owens, Esq., Rob Panaschi, Esq. and Allison Phillips, Esq.

Staff: Sarah Reginelli, Ashley Mohl, Joe Landy, Andy Corcione, Mike Bohne and Genevieve Zurowski

Excused: Kaweeda Adams, Bob Curley, Michael Fancher, John Harris, David Parente, Karen Torrejon, John Vero

Chairman Michael Castellana called the regular meeting of the Capitalize Albany Corporation (“Corporation”) Board to order at 8:06 a.m.

Approval of Minutes for the June 25, 2019 Regular Board Meeting

The Board reviewed the minutes of the June 25, 2019 Regular Board meeting. Matt Peter made a motion for approval, Susan Pedo seconded. The Board agreed unanimously to approve the minutes.

Report of Executive Staff – Corporation Update

Staff updated the Board on ongoing projects including the Downtown Revitalization (DRI), small business programs and the Skyway. Staff briefed the Board on the status of Upstate Revitalization Initiative (URI) funding and the upcoming first payment of administrative fees to Empire State Development.

Report of Governance Committee

The Governance Committee provided a summary of their recent meeting. A motion to enter into executive session to seek legal advice from counsel was made by Matt Peter, seconded by Heather Briccetti and unanimously approved. Counsel reminded the Board of previous disclosures by Susan Pedo and the Staff of their relationships with the City of Albany Industrial Development Agency. The Board entered into executive session at 8:14 a.m., and Susan Pedo and the CAC staff left the room. Executive session ended at 8:28 a.m. on a motion made by Matthew Peter, seconded by Anders Tomson and unanimously approved. No actions were taken during executive session.

Governance Committee Chairperson Sperry summarized and provided the Board with the “Governance Committee Report on Legal Opinion.” The Board reviewed and discussed this report from the Governance Committee.

Legal Opinion

a. Resolution 15-2019 Acceptance of Legal Opinion

The Board was unable to take action on the item due to a lack of eligible quorum, and *Resolution 15-2019* was tabled and referred to the Board's next meeting.

Susan Pedo and Sarah Reginelli re-entered the room at 8:32 a.m. The remainder of CAC staff did not return to the room.

Compensation, Time & Attendance and Staffing

a. Resolution 16-2019 Updates to Policy Manual Regarding Compensation, Time & Attendance

Chair Michael Castellana introduced *Resolution 16-2019 Updates to Policy Manual Regarding Compensation, Time & Attendance* to the Board. Members of the Governance Committee and the President presented recommended changes to the Corporation's Compensation and Time and Attendance Policies including replacing the current SEP-IRA with a company-sponsored 401(k) plan; eliminating at-risk compensation; providing remote work guidelines; revising Holidays Resulting in Office Closure; and adopting an Unlimited Encouraged Leave plan, replacing the existing personal, vacation and sick leave plans. A motion to approve *Resolution 16-2019 Updates to Policy Manual Regarding Compensation, Time & Attendance* was made by Anders Tomson and seconded by Jeff Sperry. The Board discussed the competitive advantage that modern personnel policies provide and their desire to attract and retain capable staff. The Board requested that staff will ensure the Time and Attendance Policy provides for adoption under maternity leave. The Board also discussed the need for consistency in supervising the new policies. A vote being taken, the motion passed unanimously.

Nomination of Board Officer

a. Resolution 17-2019 Appointment of John Vero as Secretary

Chair Michael Castellana introduced *Resolution 17-2019 Appointment of John Vero as Secretary* to the Board. Members of the Governance Committee and the President updated the Board on the previous secretary's resignation of the officer's position and the Committee's nomination of John Vero as replacement. A motion to approve *Resolution 17-2019 Appointment of John Vero as Secretary* was made by Jeff Sperry and seconded by Matt Peter. A vote being taken, the motion passed unanimously.

Report of Finance and Investment Committee

The Finance Committee provided a summary of their recent meeting.

174 North Pearl Street/Palace Theatre Expansion

a. Resolution 18-2019 Approval of Payment to City of Albany for Demolition of 174 N. Pearl

Michele Vennard reminded the Board of her previous disclosure of her role on the Board of Directors of the Palace and that she would recuse herself from any discussion and voting on this matter, and then exited the meeting room. The Committee provided a summary of the events leading to the emergency demolition of 174 North Pearl Street by the City of Albany. The Committee also discussed the potential future transfer of the adjacent lands held by the Corporation to the Palace Theatre for future expansion. The Board was unable

to take action on the resolution regarding payment for the emergency demolition services due to a lack of eligible quorum, and *Resolution 18-2019* was tabled and referred to the Board's next meeting.

Michele Vennard re-entered the room.

Other Business

General Authorization and Assignment of ACCA PSA to Liberty Square Development, LLC

a. Resolution 19-2019 General Authorization and Assignment of ACCA PSA to LLC

Counsel reminded the Board of previous disclosures by Michele Vennard and Sarah Reginelli of their roles on the Board of Directors for the Albany Convention Center Authority. The Board was unable to take action on the item due to a lack of eligible quorum, and *Resolution 19-2019* was tabled and referred to the Board's next meeting.

The Board discussed the need for a Special Board Meeting to be held to consider and act on the three resolutions previously tabled due to lack of eligible quorum. The Board directed staff to schedule a meeting at the earliest available date and post public notice of the meeting as soon as such meeting date/time was confirmed to the extent practicable.

Executive Session

A motion to enter into executive session to seek legal advice from counsel was made by Anders Tomson, seconded by Matt Peter and unanimously approved. The Board entered executive session at 9:12 a.m. Executive session ended at 9:25 a.m. on a motion made by Matt Peter seconded by Sonya del Peral and unanimously approved. No actions were taken during executive session.

There being no further business, the Capitalize Albany Corporation Board of Directors regular meeting was adjourned at 9:26 a.m.

Capitalize Albany Corporation
21 Lodge Street
Albany, New York 12207

MEMORANDUM

TO: Capitalize Albany Board of Directors
FROM: Capitalize Albany Governance Committee
RE: Governance Committee Report on Legal Opinion
DATE: August 27, 2019

Pursuant to the CAC Conflict of Interest Policy, each Board Member annually completes and submits to the Corporation a written Conflict of Interest Declaration which identifies other positions/activities of each such Board Member so that the Corporation/Governance Committee/Board can review and be aware of potential conflicts of interest.

As documented in the annual Conflict of Interest Declaration Forms submitted to the Corporation by all Board Members, it has been disclosed in writing to Corporation/Governance Committee/Board that one Board Member (Ms. Susan Pedo) is a member of the City of Albany IDA, and the Governance Committee has reviewed/approved such Board Member's potential interest in the IDA. With respect to the specific/immediate matter of CAC submitting an application to the IDA for the IDA to consider exercising their condemnation authority to acquire certain property interests, the Governance Committee has reviewed and approved such Board Member's potential interest in the IDA (specifically related to submitting the referenced application to the IDA), subject to recusal of the overlapping CAC/IDA Board Member from any deliberation and voting on any matter dealing with the CAC application to the IDA.

Furthermore, the Corporation/Governance Committee/Board are aware that certain CAC staff members perform services for the IDA pursuant to an annually approved CAC-IDA contract (since at least 2010), and that CAC staff members serve as staff for the IDA, and certain CAC staff serve in the following IDA positions: Sarah Reginelli, IDA President; Mark Opalka, IDA Chief Financial Officer. With respect to the specific/immediate matter of CAC submitting an application to the IDA for the IDA to consider exercising their condemnation authority to acquire certain property interests, the Governance Committee has reviewed and approved such CAC staff's potential IDA interest. It is noted that CAC staff will not be reviewing the application on behalf of the IDA.

Pursuant to CAC Resolution 07-2019 approved in April 2019, CAC authorized the preparation and submission of an application to the IDA, however such preparation/submission of such application to the IDA was conditioned on the Corporation's receipt/review of a satisfactory third-party legal opinion. The Governance Committee has now received, reviewed and briefed the Board on such third-party legal opinion, and now recommends that the Board accept such third-party legal opinion and direct CAC staff to now commence the preparation of the subject application to the IDA in accordance with CAC Resolution 07-2019.

**RESOLUTION 15-2019
OF THE
CAPITALIZE ALBANY CORPORATION**

WHEREAS, pursuant to Resolution 07-2019, the Board authorized the Corporation’s counsel to submit an application to the CAIDA requesting that the CAIDA acquire the fee interests to the certain ACCA Leasehold Properties by eminent domain, but conditioned any action by the Corporation on such Resolution on the receipt of a satisfactory third party legal review of any potential conflicts of interest due to the Corporation and CAIDA having one common board member and common staff;

WHEREAS, the Corporation and CAIDA reviewed this matter with its own respective counsel and then also retained special outside counsel, Damon Barclay LLP (“Damon Barclay”) to review the matter; and

WHEREAS, the Corporation is in receipt of the findings of Damon Barclay, and such findings have been reviewed and discussed by Corporation counsel, the Governance Committee and Board; and

WHEREAS, the Governance Committee recommends that the Board accept such third-party legal opinion and, in accordance with the steps contained in the “Governance Committee Report to the Board 27 Aug 2019” (“Report”) concerning the one common board member and common staff, direct Corporation staff to now commence the preparation of the subject application to the CAIDA and that such application be submitted to the CAIDA in accordance with CAC Resolution 07-2019; and

NOW, THEREFORE, BE IT RESOLVED, that the Board accepts such third-party legal opinion and, in accordance with the steps contained in the Report concerning the one common board member and common staff, the Board directs that Corporation staff now begin the preparation of the subject application to the CAIDA and that such application be submitted to the CAIDA in accordance with CAC Resolution 07-2019.

Signed: _____
Thomas M. Owens, Esq.
Secretary

Date of Authorization: August 27, 2019
Prepared by: Thomas M. Owens

The question of the adoption of the foregoing resolution was duly put to a vote on roll call, which resulted as follows :

Board Member	Voting	Board Member	Voting	Board Member	Voting
Kaweeda Adams	_____	John Harris	_____	Anders Tomson	_____
Heather Briccetti	_____	David Parente	_____	Karen Torrejon	_____
Michael Castellana	_____	Susan Pedo	_____	Michele Vennard	_____
Bob Curley	_____	Matthew Peter	_____	John Vero	_____
Sonya del Peral	_____	Havidan Rodriguez	_____		
Michael Fancher	_____	Jeffrey Sperry	_____		

Capitalize Albany Corporation
21 Lodge Street
Albany, New York 12207

MEMORANDUM

TO: Capitalize Albany Board of Directors
FROM: Corporation Staff
RE: 174 North Pearl Street
DATE: August 27, 2019

The Corporation's building at 174 North Pearl Street behind the Palace Theatre was demolished by the City of Albany as an emergency demolition during the evening of Thursday, August 22. The City will bill the Corporation directly for the demolition services, air quality monitoring for asbestos levels, codes services and related costs.

We have been in long-term discussions with the Palace regarding the Corporation's land-banking of adjacent properties for eventual expansion of the Theatre. In order to advance these discussions, staff was in the process of receiving quotes for demolition of 174 North Pearl after having issued a request for proposals (RFP) for demolition services following the Finance Committee's review on Monday, August 19.

At 3:45 p.m. Wednesday, the Corporation hosted an information session for contractors who were interested in responding to the RFP. Staff asked representatives from the City's Buildings and Regulatory Compliance department to attend to assist in evaluating the building and subsequent bids. While on site, codes officers noticed deterioration that had advanced significantly since their last review of the property this spring. They continued to analyze the property into Thursday, August 22.

Due to the City's determination that the building was in a condition that required emergency demolition, the RFP process was nullified, the City took over jurisdiction of the process and bidding was done on site.

Staff is requesting that the Board authorize payment to the City of Albany as required to reimburse the costs associated with this demolition.



KATHY M. SHEEHAN
MAYOR

CITY OF ALBANY
DEPARTMENT OF BUILDINGS AND REGULATORY COMPLIANCE
200 HENRY JOHNSON BLVD. - SUITE 1
ALBANY, NY 12210
(518) 434-5165 FAX (518) 434-6015

RICHARD J. LaJOY
DIRECTOR

8/22/2019

Sarah Regionalli
Capitalize Albany Corp.
21 Lodge Street
Albany, NY 12207

RE: 174 NORTH PEARL STREET
Tax Acct No.: 9389

NOTICE AND ORDER

(INCLUDING DECLARATION OF EMERGENCY DEMOLITION)

TAKE NOTICE that the building, a vacant attached row building, known as 174 NORTH PEARL STREET located in the City of Albany, NY has been determined to be UNSAFE and UNFIT under the terms of Section 133-54 of the Code of the City of Albany, NY and CONDEMNED under the definition of Section 202 of the Property Maintenance Code of the State of New York.

BE ADVISED that an investigation, of the premises at 174 NORTH PEARL STREET was performed by the Department of Building and Regulatory Compliance on 8/21/2019. That investigation revealed that the building is unsound, unstable and is in imminent danger of collapse.

These conditions cause the building to be an imminent hazard to public health and safety and to the health, safety and welfare of potential users of the building, adjacent properties and adjacent public areas.

BE FURTHER ADVISED that this building has been ordered demolished as an emergency under the provisions of Chapter 133-55 of the Code of the City of Albany.

BE FURTHER ADVISED that the demolition will be carried out by DiTonno & Sons Demolition. You have agreed to pay the contractor directly for this cost.

For the Director,

A handwritten signature in black ink that reads "Scott".

Valerie Scott, CEO
Department Supervisor

Sent Certified Mail: via email only

**RESOLUTION 18-2019
OF THE
CAPITALIZE ALBANY CORPORATION**

WHEREAS, Capitalize Albany Corporation (“CAC”), pursuant to its mission of facilitating strategic economic development and stimulating transformative investment throughout the City of Albany, making New York’s Capital a vibrant place to thrive. owns and landbanks property for strategic redevelopment; and

WHEREAS, the purchased property adjacent to the Palace Theatre (“Palace”) to facilitate new development as part of an expansion of the historic and cultural community anchor; and

WHEREAS, the acquisition of this property included the purchase of a building at 174 North Pearl Street in 1999, which as part of the Palace’s expansion project was planned to be demolished in order to clear the site for development; and

WHEREAS, CAC issued a request for proposals for demolition services for 174 North Pearl Street on August 19, 2019; and

WHEREAS, an investigation of the property performed by the City of Albany’s Department of Regulatory Compliance on August 22, 2019 revealed that the building was unsound, unstable and in imminent danger of collapse; and

WHEREAS, the building, a vacant attached row building, known as 174 North Pearl Street located in the City of Albany, NY was determined to be unsafe and unfit under the terms of Section 133-54 of the Code of the City of Albany, NY and condemned under the defination of Section 202 of the Property Maintenance Code of the State of New York; and

WHEREAS, the building was ordered demolished as an emergency demolition under the provisions of Chapter 1233-55 of the Code of the City of Albany, and said demolition was carried out by DiTonno & Sons Demolition; and

WHEREAS, under said provision of the Code of the City of Albany the property owner is responsible for paying all costs associated with the demolition; and

WHEREAS, CAC’s Procurement Policy provides an exception for emergency purchases when goods or services must be purchased immediately and a delay in order to seek alternate proposals may threaten the life, health, safety or welfare of the public;

NOW THEREFORE BE IT RESOLVED, that the Board of Directors authorizes the President to execute payment to the City of Albany and/or its demolition contractors at a cost not to exceed _____ .

Signed:

Sarah Reginelli, President

Date of Authorization: August 27, 2019

The question of the adoption of the foregoing resolution was duly put to a vote on roll call, which resulted as follows :

Board Member	Voting	Board Member	Voting	Board Member	Voting
Kaweeda Adams	_____	John Harris	_____	Anders Tomson	_____
Heather Briccetti	_____	David Parente	_____	Karen Torrejon	_____
Michael Castellana	_____	Susan Pedo	_____	Michele Vennard	_____
Bob Curley	_____	Matthew Peter	_____	John Vero	_____
Sonya del Peral	_____	Havidan Rodriguez	_____		
Michael Fancher	_____	Jeffrey Sperry	_____		

**RESOLUTION 19-2019
OF THE
CAPITALIZE ALBANY CORPORATION**

WHEREAS, pursuant to Resolution 21-2017, Capitalize Albany Corporation (“CAC”) entered into a Purchase and Sale Agreement with the Albany Convention Center Authority (“ACCA”) on December 15, 2017 and formed Liberty Square Development, LLC (“LLC”), an entity of which CAC is the sole owner and manager; and

WHEREAS, pursuant to Resolution 9-2018, CAC executed the “First Amendment to the Purchase and Sale Agreement” which amended the Purchase and Sale Agreement (as amended, the “PSA”) to remove one of the parcels from the PSA which was not owned by ACCA; and

WHEREAS, pursuant to section 6(F) of the PSA, CAC “may assign its interest, rights and obligations in this Agreement to another entity which is wholly owned by Buyer”; and

NOW, THEREFORE, BE IT RESOLVED, that that the CAC Chairman is duly authorized to assign CAC’s interest in the PSA to the LLC, and the LLC is authorized to accept such assignment and assume the rights and obligations in the PSA; and

FURTHER RESOLVED, that CAC authorizes the LLC to acquire the properties from ACCA in accordance with the terms and conditions of the PSA, pursuant to one or more closings with ACCA if needed, and authorizes the CAC Chairman on behalf of CAC and the LLC to execute any and all documents required to facilitate the acquisition of the ACCA properties by the LLC at a place, date and time mutually agreeable among the parties.

Signed: _____
Thomas M. Owens, Esq.
Secretary

Date of Authorization: August 27, 2019
Prepared by: Thomas M. Owens

The question of the adoption of the foregoing resolution was duly put to a vote on roll call, which resulted as follows :

Board Member	Voting	Board Member	Voting	Board Member	Voting
Kaweeda Adams	_____	John Harris	_____	Anders Tomson	_____
Heather Briccetti	_____	David Parente	_____	Karen Torrejon	_____
Michael Castellana	_____	Susan Pedo	_____	Michele Vennard	_____
Bob Curley	_____	Matthew Peter	_____	John Vero	_____
Sonya del Peral	_____	Havidan Rodriguez	_____		
Michael Fancher	_____	Jeffrey Sperry	_____		