



**Tuesday, August 24, 2021**  
SEFCU, 700 Patroon Creek Blvd  
Dora Maxwell Auditorium,  
Albany, NY 12206  
8:00 a.m.

**CAPITALIZE ALBANY**  
**CORPORATION**

**Capitalize Albany Corporation**  
**Board of Directors Meeting**

## Agenda

1. Review & Approval of Minutes from the Regular Meeting of April 27, 2021
2. Report of Executive Staff – Corporation Update
3. Report of the Finance & Investment Committee
  - a. Quarterly Review of Budget Results
4. Report of the Governance Committee
  - a. Board Member Nominations
    - i. Discussion Regarding Desired Core Competencies and Characteristics
    - ii. *Resolution 5-2021 Board Member Appointment*
5. Board Only and/or Executive Session (if necessary)

# MINUTES



**CAPITALIZE ALBANY  
CORPORATION**

**Date of Meeting:** April 27, 2021

**Meeting:** Capitalize Albany Corporation Board Meeting

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The meeting of the Capitalize Albany Corporation Board of Directors was held at 8:00 a.m., Tuesday, April 27, 2021. Because of the Novel Coronavirus (COVID-19) Emergency and State and Federal bans on large meetings or gatherings and pursuant to Governor Cuomo’s Executive Order 202.101 issued, the Capitalize Albany Corporation (the “Corporation”) Board Meeting scheduled for Tuesday, April 27, 2021 was held electronically via conference call instead of a public meeting open for the public to attend in person. Instructions on how the public was able to attend the meeting via conference call were published in the public notice of the meeting. A record of the meeting via the minutes are transcribed below and have been posted to the Corporation’s website.

The following were in attendance:

*Board of Directors:*

Michael Castellana	Kaweeda Adams	Michael Fancher	Jeff Sperry
Anders Tomson	Heather Briccetti	Susan Pedro	Michele Vennard
John Harris	Sonya del Peral	Matthew Peter	Karen Torrejon
Robert Curly	Havidan Rodriguez	David Parente	

*Staff:* Sarah Reginelli, Thomas Conoscenti, Ashley Mohl, Mark Opalka, Andy Corcione, Virginia Rawlins, Nora Culhane-Friedel and Erin Grace

*Others:* Thomas M. Owens, Esq., Robert Hennes and Roberta Rocus, Kim Saba; Hugh Johnson Advisors

*Excused Members:* John Vero

Chairman Michael Castellana called the Regular Meeting of the Capitalize Albany Corporation (“Corporation”) Board to order at 8:01 a.m.

### **Review of the minutes from the Regular Meeting of March 24, 2021**

The Board reviewed the minutes of the March 24, 2021 Regular Board meeting. Havidan Rodriguez made a motion for approval, Heather Briccetti seconded. A vote being taken, the motion passed with all members voting aye, minutes were accepted.

### **Hugh Johnson Advisors Update**

Finance Committee Chair Anders Tomson introduced Bob Hennes, Roberta Rocus and Kim Saba of Hugh Johnson Advisors who reviewed the Capitalize Albany Investment Portfolio Report and the Short-Term Investment Services Report as of March 31, 2021. Mr. Hennes discussed overall market trends and provided an overview of the overall Investment Portfolio which had previously been reviewed in detail in the Finance Committee. Mr. Hennes advised the Board that the Corporation’s Investment Portfolio remains appropriate and discussed potential adjustments for future consideration depending on market conditions. Board members discussed the strategy and concluded that the Corporation’s strategy and policy is both appropriate and prudent, however further consideration of potential changes would be discussed at the Finance Committee.

### **Report of Executive Staff – Corporation Update**

#### Clinton Market Collective – Resolution 4-2021

Staff provided an update on the status of the Downtown Revitalization Initiative (“DRI”)-funded Clinton Market Collective project. Staff reported to the Board that they are working with the selected design firm to complete

final design, cost estimates, and a bid package for the project. A detailed presentation of the final design, current funding needs and preliminary operations plan was presented to the Board. The Board discussed the Clinton Market Collective project's potential impact and future opportunities for sponsorships. A motion was made by Anders Tomson to approve *Resolution 4-2021* and seconded by Havidan Rodriguez. A vote being taken, the motion passed with all members voting aye.

Staff updated the Board on the progress of the COVID-19 Recovery Task Force launched by Mayor Sheehan as part of the City's Restart Albany initiative following the passage of the American Rescue Plan last month. Along with co-Chairs Mike Whalen and Jahkeen Hoke, Capitalize Albany Staff will be taking an active role in facilitating the report and coordinating the Task Force meetings. Staff noted that several board members are on the Task Force.

Staff reported to the Board on the Corporation's recent participation with the Advance Albany County Alliance, which coordinates economic development efforts and strategic initiative across Albany County. Staff also brought to the Board's attention recent news articles highlighting competing ideas for Albany's waterfront. Staff is working with the Mayor's office to coordinate these groups going forward.

#### **Report of the Finance & Investment Committee**

Staff reported that on a pre-audit basis, through March 31, 2021, Capitalize Albany Corporation had a net loss of \$174,634. The Corporation projected a year-to-date (YTD) budgeted net loss of \$176,780. For comparison, the Corporation had a net loss of \$139,221 at March 31, 2020.

The Board went into a Board-only session at 9:13 a.m. during which staffing matters were discussed.

The Board returned from Board-only session at 9:23 a.m.

#### **Adjournment**

There being no further business the Capitalize Albany Corporation Board meeting was adjourned at 9:24 a.m.

	January 1, 2021 - December 31, 2021							
	YTD Actual	YTD Budget	Variance - \$	Variance - %	July - December Adjustment Forecast	2021 Projection	Original Budget	Projected Variance from Budget
<b>REVENUE</b>								
General Economic & Community Development Support Income	\$ 242,543	\$ 242,543	\$ -	0%	\$ 254,900	\$ 497,443	\$ 497,443	\$ -
Real Estate Income	47,959	48,151	(192)	0%	167,218	215,177	396,354	(181,177)
Professional Service Agreement Income	247,114	247,114	0	0%	309,614	556,728	556,728	0
Loan Interest Income	25,286	28,061	(2,775)	-10%	36,719	62,006	56,123	5,883
Fee Income	2,422	9,105	(6,683)	-73%	1,855	4,276	10,959	(6,683)
Direct Finance Lease Income	-	-	-	0%	-	-	-	-
Investment & Interest Income	40,726	55,090	(14,364)	-26%	55,090	95,816	110,180	(14,364)
FMV Adj on Fidelity Inv	3,575	-	3,575	100%	-	3,575	-	3,575
G/L on Sale/Redemption	1,708	-	1,708	100%	-	1,708	-	1,708
Membership & Event Support	20,860	27,000	(6,140)	-23%	6,500	27,360	33,500	(6,140)
<b>TOTAL REVENUE</b>	<b>\$ 632,193</b>	<b>\$ 657,064</b>	<b>\$ (24,871)</b>	<b>-4%</b>	<b>\$ 831,896</b>	<b>\$ 1,464,089</b>	<b>\$ 1,661,287</b>	<b>\$ (197,198)</b>
<b>EXPENSE</b>								
Salaries & Fringe Expense	\$ 514,629	\$ 590,045	\$ (75,416)	-13%	\$ 554,942	\$ 1,069,572	\$ 1,180,090	\$ (110,519)
Professional Fees	183,273	214,959	(31,686)	-15%	168,990	352,263	369,834	(17,571)
Administrative Expenses	34,876	52,597	(17,720)	-34%	47,694	82,570	99,865	(17,295)
Interest Expense	-	-	-	0%	8,910	8,910	8,910	(0)
Real Estate Expenses	162	-	162	100%	4,312	4,474	4,312	162
Occupancy Expense	24,347	44,545	(20,198)	-45%	44,396	68,743	88,941	(20,198)
Bad Debt Expense (recovery)	(810)	-	(810)	100%	-	(810)	-	(810)
Membership, Event & Marketing Expenses	415	-	415	100%	26,918	27,333	27,500	(167)
<b>TOTAL EXPENSES BEFORE DEPRECIATION</b>	<b>\$ 756,893</b>	<b>\$ 902,146</b>	<b>\$ (145,253)</b>	<b>-16%</b>	<b>\$ 856,161</b>	<b>\$ 1,613,054</b>	<b>\$ 1,779,452</b>	<b>\$ (166,398)</b>
<b>NET INCOME BEFORE DEPRECIATION &amp; PROGRAM ACTIVITY</b>	<b>\$ (124,700)</b>	<b>\$ (245,082)</b>	<b>\$ 120,382</b>	<b>-49%</b>	<b>\$ (24,266)</b>	<b>\$ (148,965)</b>	<b>\$ (118,165)</b>	<b>\$ (30,800)</b>
<b>DEPRECIATION</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>#DIV/0!</b>	<b>\$ 195,825</b>	<b>\$ 195,825</b>	<b>\$ 195,825</b>	<b>\$ -</b>
<b>NET INCOME (LOSS) AFTER DEPRECIATION</b>	<b>\$ (124,700)</b>	<b>\$ (245,082)</b>	<b>\$ 120,382</b>	<b>49%</b>	<b>\$ (220,091)</b>	<b>\$ (344,790)</b>	<b>\$ (313,990)</b>	<b>\$ (30,800)</b>
<b>PROJECT &amp; PROGRAM REVENUE</b>								
Liberty Park	\$ 378,815	\$ 235,331	\$ 143,485	61%	235,331	614,146	\$ 470,661	\$ 143,485
Capitalize Albany Grant Programs	25,376	-	25,376	100%	130,630	156,006	130,630	25,376
PPP Loan Forgiveness	129,100	-	129,100	100%	-	129,100	-	129,100
<b>Total Program Income</b>	<b>\$ 533,291</b>	<b>\$ 235,331</b>	<b>\$ 297,961</b>	<b>127%</b>	<b>\$ 365,961</b>	<b>\$ 899,252</b>	<b>\$ 601,291</b>	<b>\$ 297,961</b>
<b>PROJECT &amp; PROGRAM EXPENSE</b>								
Liberty Park Expenses	\$ 315,231	\$ 219,471	\$ 95,761	44%	\$ 219,470	534,701	\$ 438,941	\$ 95,761
Capitalize Albany Grant Programs	-	-	-	100%	\$ 130,630	130,630	130,630	-
Clinton Market Collective	60,585	-	60,585	100%	\$ 34,685	95,270	100,000	(4,730)
<b>Total Program Expense</b>	<b>\$ 375,816</b>	<b>\$ 219,471</b>	<b>\$ 156,345</b>	<b>71%</b>	<b>\$ 384,785</b>	<b>\$ 760,601</b>	<b>\$ 669,571</b>	<b>\$ 91,030</b>
<b>NET INCOME (LOSS) FROM PROGRAM ACTIVITY</b>	<b>\$ 157,475</b>	<b>\$ 15,860</b>	<b>\$ 141,615</b>	<b>-893%</b>	<b>\$ (18,824)</b>	<b>\$ 138,651</b>	<b>\$ (68,280)</b>	<b>\$ 206,930</b>
<b>NET INCOME (LOSS) AFTER DEPRECIATION &amp; PROGRAM ACTIVITY</b>	<b>\$ 32,775</b>	<b>\$ (229,222)</b>	<b>\$ 261,997</b>	<b>114%</b>	<b>\$ (238,915)</b>	<b>\$ (206,139)</b>	<b>\$ (382,269)</b>	<b>\$ 176,130</b>

**Capitalize Albany Corporation****STATEMENTS OF REVENUES AND EXPENSES AND CHANGES IN NET ASSETS**

Pre Audited Draft

	Year to Date June 30, 2021	Projected 2021	Year Ended December 31, 2020
Revenues			
Grant income and Contribution Income	\$ 775,834	\$ 1,396,695	\$ 1,116,607
Rental income	47,959	215,177	297,744
Other interest and investment income	46,009	101,099	213,370
Interest income on mortgage notes	25,286	62,006	45,907
Gain on sale of properties	-	-	-
Fees and other income	270,396	588,364	530,307
Total revenues	1,165,484	2,363,341	2,203,935
Expenses			
Salaries and fringe benefits	514,629	1,069,572	1,044,235
Program and project costs	376,393	946,398	839,235
Interest expense	-	8,910	8,703
Bad debt expenses (recovery)	(810)	(810)	-
Administrative Expenses	242,497	545,409	522,926
Total expenses	1,132,709	2,569,479	2,415,099
Excess of (expenses over revenues) revenues over expenses	32,775	(206,138)	(211,164)
Net Position, Beginning of Year	15,006,068	15,006,068	15,217,232
Net Position, End of Month	\$ 15,038,843	\$ 14,799,930	\$ 15,006,068

**CAPITALIZE ALBANY CORPORATION**

**Comparative Balance Sheets**

**Pre-Audited Draft**

	June 30, 2021	Projected	December 31, 2021	December 31, 2020
<b>Assets</b>				
Current Assets:				
Cash and cash equivalents	\$ 3,121,724	\$ 2,979,304	\$ 3,469,351	
Investments	6,271,687	6,311,717	6,231,220	
Restricted cash	6,197,377	5,880,141	6,546,534	
Mortgage notes receivable, net	1,389,283	1,217,083	1,163,043	
Net investment in direct financing leases	-	-	-	
Accrued interest receivable	34,585	34,585	39,876	
Grants receivable	-	-	255,496	
Receivables from the City of Albany and City agencies	-	-	-	
Other receivables, net	179,272	179,272	123,590	
Property held for investment and lease, net	5,639,990	5,465,000	5,639,990	
Property and equipment, net	342,781	321,946	342,781	
Other assets	147,997	147,997	157,983	
<b>Total assets</b>	<b>\$ 23,324,696</b>	<b>\$ 22,537,045</b>	<b>\$ 23,969,864</b>	
<b>Deferred Outflows of Resources</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Liabilities</b>				
Current Liabilities:				
Accounts payable and accrued expenses	\$ 25,279	\$ 13,956	\$ 178,703	
Due to the City of Albany	59,521	59,521	59,521	
Unearned grant and other income	6,538,895	6,221,482	7,063,965	
Bonds payable	940,000	720,000	940,000	
Revolving loan fund liability	715,038	715,038	714,487	
Unearned program support	7,119	7,120	7,119	
<b>Total liabilities</b>	<b>\$ 8,285,852</b>	<b>\$ 7,737,117</b>	<b>\$ 8,963,795</b>	
<b>Deferred Inflows of Resources</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Net Position</b>				
Net invested in capital assets	\$ 5,932,587	\$ 5,932,587	\$ 5,157,687	
Restricted for:				
Debt service	-	-	-	
CDBG eligible activities	115,138	115,138	115,138	
Other program specific activities	420	420	420	
Impact Downtown Albany	-	-	-	
Unrestricted	8,990,700	8,751,784	9,732,823	
<b>Total net position</b>	<b>\$ 15,038,845</b>	<b>\$ 14,799,929</b>	<b>\$ 15,006,068</b>	
	\$ 23,324,697	\$ 22,537,046	\$ 23,969,863	
	\$ 2	\$ 2	\$ (1)	

**CAPITALIZE ALBANY CORPORATION**  
**STATEMENTS OF CASH FLOWS**  
**Pre-Audited Draft**

**Cash Flows From Operating Activities**

	June 30, 2021	December 31, 2021	December 31, 2020
Cash received from customers	\$ 9,964	\$ 223,251	\$ 307,153
Cash received from grantors	506,811	820,245	1,276,505
Other operating cash receipts	270,396	588,364	530,307
Cash payments to suppliers and grantees	(770,693)	(1,459,110)	(1,113,464)
Cash payments to employees	(514,629)	(1,069,572)	(1,044,235)

Net cash provided by operating activities (498,151) (896,822) (43,734)

**Cash Flows From Capital and Related Financing Activities**

Proceeds from sale of property held for sale	-	-	-
Purchase of property held for investment and lease	-	-	(5,252)
Purchase of property and equipment	-	-	(20,833)
Purchase of other assets including purchase options	-	-	(109,598)
Proceeds from Paychex Protection Program	-	-	129,100
Principal payments on bonds payable	-	(220,000)	(210,000)
Interest paid on bonds payable	-	(8,910)	(8,703)

Net cash used in capital and related financing activities - (228,910) (225,286)

**Cash Flows From Investing Activities**

Interest on cash and cash equivalents and investments	46,565	82,323	108,941
Proceeds from sales and maturities of investments	2,777,883	2,777,883	7,365,491
Purchase of investments	(2,796,032)	(2,836,064)	(7,420,686)
Issuance of mortgage notes receivable	(500,000)	(500,000)	-
Repayments received on mortgage notes receivable	272,950	445,150	140,658
Principal payments received under direct financing leases	-	-	-

Net cash used in investing activities (198,634) (30,708) 194,404

**Change in cash and cash equivalents**

(696,785) (1,156,440) (74,616)

**Cash and cash equivalents and restricted cash:**

<b>Beginning of year</b>	<b>10,015,885</b>	<b>10,015,885</b>	<b>10,090,501</b>
<b>End of year</b>	<b>\$ 9,319,101</b>	<b>\$ 8,859,445</b>	<b>\$ 10,015,885</b>

**Reconciliation of Excess of (Expenses Over Revenues)**

**Revenues Over Expenses to Net Cash Provided by**

**Operating Activities**

	June 30, 2021	December 31, 2021	December 31, 2020
Excess of (expenses over revenues) revenues over expenses	\$ 32,775	\$ (206,138)	\$ (605,674)
Adjustments to reconcile excess of (expenses over revenues) revenues over expenses to net cash provided by operating activities:			
Depreciation and amortization	-	195,825	193,251
Adjustment for losses on mortgage notes and other receivables	810	810	-
Gain on sale of property	-	-	-
Net realized and unrealized losses (gains) on investments	(22,316)	(22,312)	(110,957)
Interest income on cash and cash equivalents and investments	(46,565)	(82,329)	(109,942)
Interest expense on bonds payable	-	8,910	8,703
Changes in:			
Grants receivable and other receivables	125,596	265,482	183,605
Other receivables, accrued interest receivable and other assets	89,493	(50,391)	(45,490)
Accounts payable and accrued expenses	(153,424)	(164,747)	69,948
Due to the City of Albany	-	-	-
Unearned grant, program support and other income	(525,070)	(842,482)	370,741
Revolving loan fund liability	551	550	2,081

Net cash provided by operating activities \$ (498,151) \$ (896,822) \$ (43,734)

**RESOLUTION 5-2021  
OF THE  
CAPITALIZE ALBANY CORPORATION**

**WHEREAS**, Article III (section 5) of the bylaws of the Capitalize Albany Corporation (“CAC”) provide that the Board of Directors may fill any openings on the Board, and Directors appointed to fill such vacancies shall hold office until the following annual election during the Annual Meeting of Members; and

**WHEREAS**, the Governance Committee has identified and reviewed a slate of qualified candidates for one available Board position;

**NOW THEREFORE BE IT RESOLVED**, that the Board of Directors hereby nominates and appoints the following individual as a member of the CAC Board of Directors until the next annual meeting of the CAC membership:

Anthony Gaddy

Signed: \_\_\_\_\_  
John Vero, Secretary

Date of Authorization: August 24, 2021  
Prepared by: Thomas Conoscenti

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

<b>Board Member</b>	<b>Voting</b>	<b>Board Member</b>	<b>Voting</b>	<b>Board Member</b>	<b>Voting</b>
Kaweeda Adams	_____	John Harris	_____	Karen Torrejon	_____
Heather Briccetti	_____	David Parente	_____	Michele Vennard	_____
Michael Castellana	_____	Susan Pedo	_____	John Vero	_____
Bob Curley	_____	Matthew Peter	_____		
Sonya del Peral	_____	Havidan Rodriguez	_____	Aye: ; No:	
Michael Fancher	_____	Anders Tomson	_____	Recused:	