



Tuesday March 28, 2023
21 Lodge Street, Board Room
8:00 a.m.

CAPITALIZE ALBANY **CORPORATION**

Capitalize Albany Corporation **Board of Directors Meeting**

Agenda

1. Review of Minutes from the Regular Board Meeting of December 13, 2022
2. Report of Executive Staff – Corporation Update
3. Report of the Audit Committee
 - a. Review of Reports
 - i. 2022 Audit and 2022 Audited Financial Statements
 - ii. 2022 Management Assessment of Internal Controls Report
 - iii. 2022 Audit Committee Annual Report
 - b. Approval of Reports
 - i. 2022 Annual, Procurement & Investment Reports
4. Report of the Finance & Investment Committee
 - a. 123 Madison Avenue Mortgage Satisfaction – *Resolution 1-2023*
 - b. Investment Guidelines Review & Confirmation – *Resolution 2-2023*
5. Report of the Liberty Park Committee
 - a. Real Estate Development and Financial Advisor – *Resolution 3-2023*
 - b. Real Property Acquisition from the City of Albany IDA – *Resolution 4-2023*
6. Other Business
7. Board Only and/or Executive Session (if necessary)

MINUTES



CAPITALIZE ALBANY
CORPORATION

Date of Meeting: December 13, 2022

Meeting: Capitalize Albany Corporation Board Meeting

The meeting of the Capitalize Albany Corporation Board of Directors was held at 8:00 a.m., Tuesday, December 13, 2022 at 21 Lodge Street Albany, NY 12207.

The following were in attendance:

Board of Directors:

Michael Castellana	Heather Mulligan	Havidan Rodriguez
Sonya del Peral	David Parente	John Vero
John Harris	Matthew Peter	

Staff: Sarah Reginelli, Thomas Conoscenti, Ashley Mohl, Michael Bohne, Emma Fullem, Andy Corcione, Renee McFarlin

Others: Tom Owens, Tom Wilson

Excused Members: Kaweeda Adams, Michael Fancher, Anthony Gaddy, Anders Tomson, Karen Torrejon

Chairman Michael Castellana called the regular meeting of the Capitalize Albany Corporation ("Corporation") Board to order at 8:10 a.m.

Review of the minutes from the Regular Meeting of October 18, 2022

The Board reviewed the minutes of the October 18, 2022, Regular Board meeting. Matthew Peter made a motion for approval, John Harris seconded. A vote being taken, the motion passed with all other members voting aye, minutes were accepted.

Report of Executive Staff- Corporation Update – Year-End Corporate Performance Report

Staff made a presentation to the Board reviewing the Corporation's activities and accomplishments for 2022. Staff distributed copies of the Capitalize Albany Corporation Annual Report, reviewed the Corporation's activities and accomplishments for 2022, and discussed the Corporation's strategic plan and projects moving forward. The Board commended staff on the work and progress made in the City of Albany in 2022.

Report of the Finance & Investment Committee

Clinton Market Collective Construction Procurement – Resolution 16-2022

Members of the Finance Committee gave an update on the recent Finance Committee meeting and asked staff to give an overview of the Clinton Market Collective Construction Procurement which received a positive recommendation from the Finance Committee. Staff gave a recap of the overall Clinton Market pre-construction and construction milestones, project sources and uses and scope items funded under the current budget. A summary of the procurement process was presented by staff and construction manager for the project, TW&A Construction Management, who was also present to answer any questions. The recommendation was to enter into a construction contract with the lowest bidder, JH Maloy, Inc., for approximately \$2.8 million plus contingency and to increase the Corporation's investment in the project by \$100,000 for a total of \$300,000. A motion to approve *Clinton Market Collective Construction Procurement – Resolution 17-2022* was made by Matt Peter and seconded by Havidan Rodriguez. A vote being taken, the resolution passed unanimously.

Report of the Governance Committee

John Harris, Chair of the Governance Committee provided an overview of the recent Governance Committee Meeting and asked staff and counsel to provide a summary of the agenda items.

Annual Review of Board Compliance

Election of 2023 Board Officers – Resolution 17-2022

Counsel introduced the *Election of 2023 Board Officers Resolution 17-2022* which serves to document the results of the Corporation's election of Board Officers for the upcoming year. A nomination was made by Matthew Peter to elect Michael Castellana as Board Chair and seconded by John Harris. A vote being taken, with Michael Castellana abstaining and all other Directors voting aye. A nomination to elect Anders Tomson as Board Vice Chair was made by Matthew Peter and seconded by John Harris. A vote being taken, with all present Directors voting aye. A nomination to elect John Harris as Board Treasurer was made by Matthew Peter and seconded by Sonya del Peral. A vote being taken, with John Harris abstaining and all other Directors voting aye. A nomination to elect John Vero as Board Secretary was made by Matthew Peter and seconded by Heather Mulligan. A vote being taken, with John Vero abstaining and all other Directors voting aye. A nomination to elect Sarah Reginelli as President of Capitalize Albany Corporation was made by Matthew Peter and seconded by Sonya del Peral. A vote being taken, all Directors voted aye. A nomination to elect Thomas Conoscenti as Senior Vice President of Capitalize Albany Corporation was made by Matthew Peter and seconded by Sonya del Peral. A vote being taken, all Directors voted aye. A nomination to elect Ashley Mohl as Vice President of Capitalize Albany Corporation was made by Matthew Peter and seconded by Sonya del Peral. A vote being taken, all Directors voted aye. The Officer Elections were completed, and Resolution 17-2022 documents the results of such elections.

Update on Annual Committee Approval of Conflicts of Interest, and Board Member Training Status

The Committee discussed their review of Board members' submissions for the Annual Conflict of Interest Declarations and advised the Board of the results. Staff indicated that they and counsel actively refer to the Declarations as matters come before the Corporation. The Committee discussed that while the document represents a static point in time, the Board is encouraged to discuss any new relationships and activities with staff and counsel throughout the year. 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.

It was again noted, as disclosed in previously submitted Declarations and in the minutes of Board Meetings, that CAC has: (i) one board member who also serves as an IDA Board Member and there are on-going CAC/IDA/CRC professional services agreements, and such Board Member has disclosed his role and recused himself from any CAC Board deliberation/action on the professional service agreements; (ii) two bank accounts with entities at which Board members are employed or serve as a Director, all of which are in accordance written agreements pursuant to previous Board authorizations and such Board Members have/will recuse themselves from any Board deliberation/action related to such matters; (iii) there are two Board Members who serve as unpaid directors on two not-for-profit corporations which are grant recipients pursuant to grant programs authorized by the Board, and such Board Members have/will recuse themselves from any deliberation/action related to such matters; (iv) there are two Board Members who serve as an unpaid member/Chair of the Capital Region Economic Development Council to which CAC is a regular grant applicant; (v) there are two Board Members who serve as unpaid directors on a not-for-profit corporation to which the Corporation is a member; and (vi) there is on Board Member who is the Executive Director of a local public authority which possesses certain property rights pursuant to an easement that was previously approved by the Corporation. A written report from the Governance Committee detailing and discussing the Committee's review and approval of the above facts/circumstances was provided to the Board.

It was further reported that the Governance Committee had approved the declared interests of the Directors during its Dec. meeting, subject to such Board Members recusing themselves from any Board deliberation/action concerning such interests.

Review Confidential Board Evaluations Forms Submitted

The Committee reviewed the Summary of Confidential Board Evaluations with the Board. No negative comments were received from Board members, and Chair Michael Castellana and staff reiterated that board members are encouraged to communicate any issues that may occur throughout the year.

Review of ABO Board Member Training Status

Staff reported that all Board members have taken the ABO training with the exception of one member who has previously completed the JCOPE ethics training. It was noted that in accordance with best practices recommended by the ABO, four members have refreshed their training in the past three years. In addition, six members have refreshed their training in the past five years.

Annual Corporate Performance Review

Review Attainment of 2022 Capitalize Albany Performance Measurements and Approve 2022 Public Authorities Performance Measurements Report

The Committee and staff reviewed with the Board the Attainment of 2022 Capitalize Albany Performance Measurements and noted that the content of the report is expected to be submitted to the ABO as part of the 2022 PARIS report due in March 2023. A discussion was had by the Board on the accomplishments of the organization, as highlighted in both the performance report and Annual Report.

Review Mission and Establish 2023 Annual Performance Measurements – Resolution 18-2022

Staff reviewed the Mission and Performance Goals for 2022 with the Board, which had been reviewed without updates by the Governance Committee. After a discussion, a motion to accept to accept 2023 *Mission and Performance Goals - Resolution 18-2022* was made by Havidan Rodriguez and seconded by Matt Peter. A vote being taken, the motion passed with all members voting aye.

Governance Committee Charter Revision – Resolution 20-2022

Staff and counsel reviewed a proposed change to the Governance Committee Charter which was discussed by the Governance Committee in December and received a positive recommendation. A motion to approve *Governance Committee Charter Revision – Resolution 20-2022* was made by John Harris and seconded by Havidan Rodriguez. A vote being taken, the motion passed with all members voting aye.

Other Business

2023 IDA/CRC Professional Service Agreement Approval – Resolution 21-2022

Counsel reviewed the *IDA/CRC Professional Service Agreement Approval - Resolution 21-2022* with the Board and reported that after discussions with the IDA Board, the management fee was increased for 2023 and that no other changes had been made to the agreement. A motion to adopt the *IDA/CRC Professional Service Agreement Approval – Resolution 21-2022* was made by Havidan Rodriguez and seconded by John Harris. A vote being taken, the motion passed with all other members voting aye.

IDA Economic Development Professional Service Agreement Approval -- Resolution 22-2022

Counsel reviewed the *IDA Economic Development Fee for Service Approval - Resolution 22-2022* with the Board. No changes to the agreement were suggested for 2023. A motion to adopt the *Economic Development Professional Service Agreement Approval -- Resolution 22-2022* was made by Matt Peter and seconded by John Harris. A vote being taken, the motion passed with all other members voting aye.

Liberty Park

Staff and counsel gave a brief update on the property acquisition and on-going building maintenance at Liberty Park.

The Chair invited Board Member David Parente to speak about quality of life concerns along Central Avenue. Mr. Parente spoke about a recent break-in at the STEAM Garden and general conditions which are negatively impacting the businesses on the corridor on Central Avenue. A discussion was had by the Board about both local and national trends and issues facing businesses.

Review Reasonableness of 2023 Officer Compensation – Resolution 19-2022

At 9:38, staff left the room and the Board reviewed the *Reasonableness of 2023 Officer Compensation – Resolution 19-2022*. Following extensive discussion, a motion to approve *Reasonableness of 2023 Officer Compensation – Resolution 19-2022* was made by Matt Peter and seconded by John Harris. A vote being taken, the motion passed with all other members voting aye.

Adjournment

There being no further business the Capitalize Albany Corporation Board meeting was adjourned at 9:56 a.m.

CAPITALIZE ALBANY CORPORATION

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

Years ended December 31, 2022 and 2021

CAPITALIZE ALBANY CORPORATION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Capitalize Albany Corporation

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying consolidated financial statements of Capitalize Albany Corporation, which comprise the consolidated statements of net position as of December 31, 2022 and 2021, and the related consolidated statements of revenues, expenses and changes in net position, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Capitalize Albany Corporation as of December 31, 2022 and 2021, and the respective changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Capitalize Albany Corporation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note 1 to the financial statements, Capitalize Albany Corporation adopted GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Capitalize Albany Corporation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Capitalize Albany Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Capitalize Albany's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 to 9 be presented to supplement the basic consolidated financial statements. Such information is the responsibility of management and, although not a part of the basic consolidated financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic consolidated financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic consolidated financial statements, and other knowledge we obtained during our audit of the basic consolidated financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated _____, 2023, on our consideration of Capitalize Albany Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Capitalize Albany Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Capitalize Albany Corporation's internal control over financial reporting and compliance.

Albany, New York
_____, 2023

CAPITALIZE ALBANY CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management Discussion and Analysis (MD&A) of Capitalize Albany Corporation's ("Capitalize Albany" or "the Corporation") activities and financial performance, is offered as an introduction and overview of the consolidated financial statements of Capitalize Albany Corporation for the fiscal year ended December 31, 2022. Following this MD&A are the basic consolidated financial statements of the Corporation together with the notes thereto which are essential to a full understanding of the data contained in the consolidated financial statements. In addition to the notes, this section also presents certain supplementary information to assist with the understanding of Capitalize Albany Corporation's financial operations.

Capitalize Albany Corporation has a Corporate Governance Policy, which includes a conflict of interest policy and a conflict of interest disclosure. The conflict of interest disclosure is distributed to and completed by the Corporation's Board of Directors on an annual basis.

Not less than six times annually, the Board of Directors of Capitalize Albany Corporation meets to discuss programming needs, project activity and progress, and meets quarterly to discuss the Corporation's financial position. The Finance and Investment Committee meets on a quarterly basis or more frequently if necessary to provide enhanced project and transactional analysis. As necessary, the Committee makes recommendations for the Board's consideration. The Governance Committee meets twice a year or more frequently if necessary to among other things review and update corporate governance principles and practices. The Audit Committee meets twice a year among other things to appoint and oversee the Corporation's independent auditors, review and approve the Corporation's year-end financial statements and reviews the effectiveness of internal controls. In addition, the Audit Committee, without management present, independently meets with the external auditors to discuss relevant issues and concerns.

OPERATION SUMMARY

The mission of Capitalize Albany Corporation is to facilitate strategic economic development and stimulate transformative investment throughout the City of Albany, making New York's Capital a vibrant place to thrive. As a registered 501(c) (3) non-profit organization, the Corporation implements programs and resources to create, retain, and attract business in the City of Albany. Powered by investors composed of Albany's community and business leaders, Capitalize Albany manages and coordinates the local economic development functions in the City of Albany.

In 1979, the Capitalize Albany Corporation (formerly Albany Local Development Corporation) was incorporated to primarily provide financing to eligible businesses in order to create and retain employment and investment within the City of Albany. The Corporation continues to extend loans and plays an active role in facilitating strategic development, business development and transformational real estate development projects that have been identified as a priority. These efforts are developed in partnership with regional stakeholders and are backed by market analysis and trend identification. Implementation of its initiatives is accomplished through direct efforts of the Corporation as well as through collaboration with complementary organizations and tools.

Business Development

Capitalize Albany encourages job creation and business development through its work with individual businesses. This work includes, but is not limited to, extending grants and loans to new and existing businesses, providing technical support with respect to accessing city, state and other economic development resources, and helping businesses to identify appropriate locations to grow and expand within the City. Capitalize Albany staff worked with more than 130 businesses in 2022. Capitalize Albany also works with government officials, business leaders, community and neighborhood organizations, and the public to ensure that the City maintains and enhances an environment that is both conducive to new business growth and supportive of the expansion of existing enterprises.

CAPITALIZE ALBANY CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

In recent years, the Corporation has administered three distinct grant programs (Amplify Albany, Downtown Retail, and Small Business Façade) in order to generate interest in commercial corridors, attract new investment at street level in the Downtown core and improve the quality of neighborhood commercial districts while catalyzing new investment. To respond to the needs of local small businesses as they deal with ongoing impacts of COVID-19, in 2020 the Corporation launched the Small Business Adaptation Program (SBAP), whereby it administered grants in 2021 and 2022 to approximately 60 predominantly women and minority-owned businesses funded directly by the City of Albany Industrial Development Agency (CAIDA) and Albany Community Development Agency. Following funding approvals from the City of Albany Capital Resource Corporation (CACRC) prior to the pandemic, in early 2022, the Corporation launched the Neighborhood Retail Grant Program, which is designed to assist retail businesses with the costs associated with renovating or retrofitting a commercial space located in one of the identified neighborhoods within West Hill, Arbor Hill, North Albany & the South End, four of the City's Neighborhood Strategy Areas.

Real Estate Development

Capitalize Albany facilitates real estate development in the City of Albany through programs and partnerships as well as brick and mortar projects of its own.

In 2010, the Corporation's Board of Directors established a Revolving Real Estate Loan Fund designed to provide subordinate lending to qualifying borrowers at below market rates in concert with primary lenders for the purpose of stimulating strategic development projects. The Board allocated \$2 million to capitalize the Fund which is focused on revitalizing strategic vacant or underutilized real estate that will contribute positive and transformational development activity. Through December 31, 2022, \$3,075,000 has been disbursed under this revolving loan fund program representing over \$37 million of project investment within the City of Albany. These projects have created 193 market-rate rental units.

Capitalize Albany also plays an active role, both directly and through technical assistance, in local transformative real estate developments that advance local, regional and state economic development and revitalization initiatives as described in the section below. In 2022, the Corporation assisted 36 multifamily, affordable housing, hotel and commercial projects by identifying available funding sources, providing technical assistance, and coordinating with local permitting agencies. Capitalize Albany also advanced its own real estate development projects through continued acquisition and stabilization of the parcels at Liberty Park and completion of design and engineering for the Clinton Market Collective at 11 Clinton Avenue. In 2022, the Corporation raised additional funds and procured a contractor to construct the Clinton Market Collective project, which is expected to break ground in Spring 2023.

In addition to in-house real estate development efforts, Capitalize Albany, contracted under a professional services agreement, administers and provides staffing, office equipment, phone and computer network support to the City of Albany Industrial Development Agency (CAIDA) and the City of Albany Capital Resource Corporation (CACRC). In the past five years, more than \$744 million of investment was made possible in the City of Albany with support from the CAIDA, creating 3,700 construction and 590 new and retained full-time jobs.

Strategic Initiatives

The Corporation continues to follow the citywide economic development plan laid out in the Capitalize Albany Strategy as well as neighborhood, commercial district, City and Regional economic development and revitalization strategies to catalyze strategic growth in the Capital City. The Corporation's execution of these various plans has resulted in the assistance of roughly \$500 million in Downtown Albany and more than \$1 billion of activity throughout Albany's neighborhoods. Strategic projects such as the Skyway, a new half-mile long linear park which opened in 2022 backed more by than \$10 million in state resources, the eight-acre Liberty Park redevelopment supported by the Upstate Revitalization Initiative and the planned Clinton Market Collective project, a Downtown Revitalization Initiative project, are direct result of the proven economic development strategies implemented by the Corporation.

CAPITALIZE ALBANY CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

The revitalization of Downtown Albany is also a strategic priority of Capitalize Albany Corporation. In response to the recognized need for a common vision, strategic direction, and tactical solutions to issues facing the Downtown neighborhood, Capitalize Albany launched Impact Downtown Albany, a strategic plan which positions Downtown, its adjacent warehouse district and waterfront as the ideal urban center, in 2014. The plan has provided a clear path forward for projects, incentives and structural changes and define what Downtown Albany should be striving toward throughout the next decade. Through December 31, 2022, Impact Downtown Albany has led to more than \$500 million of project investment recently completed and underway within the City of Albany. Facilitating the creation of Downtown residential units continues to be a priority and will act as a driving market force for economic development. Under Impact Downtown Albany the Corporation has assisted in the creation of more than 780 units to date. More than 305 are currently under construction.

In 2015, the Impact Downtown Albany strategy served as a core guiding document for the creation of the Capital Region Economic Development Council's transformative regional strategy, the Capital 20.20 Plan. The Plan's Metro section prioritizes downtown development and matches Impact Downtown Albany catalyst sites with developers, resources, and prospective tenants to build on the current momentum and move aggressive projects forward. Implementation of Capital 20.20 began in 2015 and continues to be a priority for the Corporation.

In 2022, Capitalize Albany continued its role as the strategic coordinator for the City of Albany, leading the development of a Downtown Revitalization Initiative planning and application process for South Pearl Street and assisted in the preparation and coordination of a Restore New York application for the Central Warehouse, which was successfully awarded in December 2022.

FINANCIAL OPERATIONS HIGHLIGHTS

Capitalize Albany Corporation's activities fluctuate greatly from year to year. With such diversity, it is not always meaningful to compare revenue and expenditure levels to prior years. While revenues and expenditures for any given year represent activity during that year, one must consider the level of program revenue to program expenses within a given year, in relation to the projects undertaken and accomplished during that same year. A condensed summary of revenues and expenses for the years ended December 31, 2022 and 2021 is shown below:

	<u>2022</u>	<u>2021</u>
Total revenues		
Operating revenues	\$1,598,184	\$1,651,379
Capital grant funding	3,039,268	486,472
Forgiveness of Paycheck Protection Program loan	-	129,100
	<u>4,637,452</u>	<u>2,266,951</u>
Total expenses	<u>2,278,302</u>	<u>2,443,959</u>
Change in net position	<u>\$2,359,150</u>	<u>\$ (177,008)</u>

Total revenues increased \$2,370,501 or 105%:

- Capital grant income of \$486,472 in 2021 to \$3,039,238 in 2022 was recognized under the ESD grant for the acquisition and redevelopment of property in the Liberty Park neighborhood in Downtown Albany.
- Forgiveness of Paycheck Protection Program Loan income of \$129,100 was realized in 2021.

CAPITALIZE ALBANY CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

- Grant and contribution income that is not capital-related is classified as operating revenue and increased \$79,324 or 12% from \$687,646 in 2021 to \$766,970 in 2022. Revenue derived from grants and contributions is typically program specific and non-recurring. Significant grants and contributions in 2022 include \$250,000 from the CAIDA, \$165,843 from the Albany Community Development Agency and \$103,228 from the NY Department of State.
- Rental income increased \$171,203 58% from \$293,480 in 2021 to \$464,683 in 2022. This increase was primarily due to increased lease revenues received from the Liberty Park parking operations as well as a one time payment for an easement needed for a rightaway needed on the Corporation's property located in the Quackenbush Square area.
- Other interest and investment income decreased \$311,343 or 372% from \$83,726 in 2021 to \$(227,617) in 2022 primarily due to FMV adjustments on the equity portion of the Corporation's investment portfolio.
- Interest income on mortgage notes increased \$3,132 or 6% from \$55,938 in 2021 to \$59,070 in 2022 due to a full year interest being collected on a mortgage that closed in 2022.
- Fees, program, and other income increased \$4,489 or 1% from \$530,589 in 2021 to \$535,078 in 2022. This primarily due to the Corporation collecting more in sponsorship and investor dues in 2022.

Total expenses decreased \$165,657 or 7%:

- Salaries and fringe benefits decreased \$9,589 or 1% from \$1,129,828 in 2021 to \$1,120,239 in 2022. This decrease is primarily attributable to staffing vacancies which occurred during 2022.
- Program and project costs decreased \$57,514 or 7% from \$833,935 in 2021 to \$766,451 in 2022. The decrease is primarily attributable to lower activity in 2022 related to the Clinton Market Collective project.
- Professional and consulting expenses increased \$59,599 or 17% from \$346,362 in 2021 to \$405,961 in 2022. This increase is attributable to the Corporation outsourcing certain positions within the Corporation.
- Interest expense increased \$4,266 or 332% from \$1,286 in 2021 to \$5,552 in 2022. This increase is attributable to an increase in interest expense related to the variable rate bonds for the Corning Preserve project.
- Bad debt expense totaled (\$2,358) in 2021 compared to (\$220,581) in 2022. The Corporation's allowance for losses is evaluated on a regular basis by management. Additional bad debt provisions are charged to earnings and offset by recoveries, if any.
- Other administrative expenses increased \$55,804 or 41% from \$134,876 in 2021 to \$190,680 in 2022. This increase is attributable to higher maintenance costs, membership expenses for production of the Corporation's annual report and annual event and employee related expenses related to training and networking events.

CAPITALIZE ALBANY CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

A condensed summary of Capitalize Albany's net position at December 31, 2022 and 2021 is shown below:

	<u>2022</u>	<u>2021</u>
Assets		
Cash and cash equivalents	\$ 1,342,410	\$ 2,783,119
Investments	6,047,993	6,303,026
Restricted cash	4,464,465	6,237,551
Other assets	1,154,883	1,362,718
Mortgage notes receivable, net of allowances	1,134,245	1,306,842
Property, plant and equipment, net (includes property held for investment and lease)	1,617,287	1,788,995
Liberty Park properties	6,829,131	4,115,439
Total assets	<u>\$ 22,590,414</u>	<u>\$ 23,897,690</u>
Deferred Outflows of Resources	<u>\$ -</u>	<u>\$ -</u>
Liabilities		
Bonds payable	\$ 495,000	\$ 720,000
Other liabilities	122,973	234,222
Unearned grant and other income	2,517,640	5,636,973
Revolving loan fund liability	718,187	715,773
Total liabilities	<u>\$ 3,853,800</u>	<u>\$ 7,306,968</u>
Deferred Inflows of Resources	<u>\$ 1,548,404</u>	<u>\$ 1,761,662</u>
Net Position		
Net investment in capital assets	\$ 7,951,418	\$ 5,184,434
Restricted net position	115,107	115,146
Unrestricted net position	9,121,685	9,529,480
Total net position	<u><u>\$ 17,188,210</u></u>	<u><u>\$ 14,829,060</u></u>

CURRENT KNOWN FACTS, DECISIONS OR CONDITIONS

In 2022, Capitalize Albany will focus on the continued implementation of Corporation, local, regional and State revitalization strategies and strategic plans to further economic development and growth through new programs and initiatives, focusing on a variety of areas, including long-range vision, community engagement, and market-driven recommendations. These implementation efforts will be consistent with the Corporation's mission and align with the business, real estate and strategic development activities outlined above.

Capitalize Albany Corporation will also continue to focus on the implementation of the specific components of the Capital 20.20 Plan which are consistent with the mission of the Corporation. Special focus will be given to those projects which directly align with the objectives of Impact Downtown.

Capitalize Albany will also continue to facilitate the Capitalize Albany Economic Development Strategy. As part of that strategy, the Corporation will continue to focus on developing more downtown residential capacity and will pursue opportunities that will result in catalytic development projects as well as maximize and diversify potential revenue sources for the Corporation.

Continual execution of the Strategic Plan established by the Corporation's Board in 2009 will translate into potential projects. New economic development opportunities with the potential to generate new resources to stimulate growth will be developed by re-focusing and deploying existing strengths and resources. Ultimately, programmatic, marketing, and financial initiatives will reconcile to the objectives set forth in the Strategic Plan.

CAPITALIZE ALBANY CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

In December 2016, the Corporation was awarded State funding, to study the feasibility of and design the conversion of the I-787 northbound exit ramp from Quay Street to Clinton Avenue into the Region's first and only highline park — the Skyway. Corporation staff provided support as the City and NYS Department of Transportation for construction of the project, which opened in 2022.

In December 2017, the Corporation entered into a PSA with the Albany Convention Center Authority (ACCA) for transfer of property interests in the roughly five-acre ACCA surplus property surrounding Liberty Park in downtown Albany. The Corporation and the ACCA closed on this agreement in 2019. This development site (Liberty Park) was highlighted as a priority in both the Impact Downtown Albany and Capital 20.20 plans. In 2018, the Corporation formed Liberty Square Development, LLC to aid in the revitalization efforts to acquire and develop properties related to Liberty Park site redevelopment.

In 2019, the Corporation was awarded up to \$15 million in Upstate Revitalization Initiative funds for the redevelopment of Liberty Park. This funding will support acquisition, demolition, stabilization of property, infrastructure and public space improvements, design, planning, construction and renovation costs. Empire State Development approved the distribution of \$10.1 million for associated preliminary costs. Capitalize Albany has used the grant to acquire all parcels in the 8 acre footprint, with the exception of .88 acres for which the Corporation submitted an acquisition assistance application to the CAIDA in 2020 to facilitate future development within the site. Pursuant to an Order of the Supreme Court, CAIDA successfully took title to the properties in October 2022 under Eminent Domain Procedure Law. The Corporation anticipates closing on the final properties in 2023 following the satisfaction of required notice period under Public Authorities Law. The legal proceedings to determine the final valuation of the properties are anticipated to begin in 2023.

In 2018, the City of Albany was chosen as the Capital Region's New York State Downtown Revitalization Initiative (DRI) \$10 million-winner in an effort administered by the Corporation on behalf of the City. Capitalize Albany's Clinton Market Collective project was competitively awarded \$1 million. This DRI Priority Project will create a new market concept and proving ground for start-up businesses on the Corporation-owned 11 Clinton Avenue site. Capitalize Albany initiated the project's design phase in 2020 and expects to break ground and complete the initial phase in 2023.

FINANCIAL STATEMENTS

Capitalize Albany Corporation's financial statements are prepared on an accrual basis in accordance with U.S. generally accepted accounting principles promulgated by the Government Accounting Standards Board (GASB). Capitalize Albany Corporation is organized under the Not-For-Profit Corporation laws of the State of New York. Capitalize Albany follows enterprise fund accounting; accordingly, the financial statements are presented using the economic resources management focus. These financial statements are presented in a manner similar to a private business.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Corporation's finances for all those interested. Questions concerning any of the information provided in this report or request for additional information should be addressed in writing to the Controller, Capitalize Albany Corporation, 21 Lodge Street, Albany, NY 12207.

CAPITALIZE ALBANY CORPORATION
CONSOLIDATED STATEMENTS OF NET POSITION
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Assets		
Current Assets:		
Cash and cash equivalents	\$ 1,342,410	\$ 2,783,119
Investments	6,047,993	6,303,026
Restricted cash	4,464,465	6,237,551
Mortgage notes receivable, net	254,660	51,901
Accrued interest receivable	26,903	23,149
Grant receivables	303,216	252,304
Lease receivables	301,696	284,790
Other receivables	44,971	19,624
Total current assets	<u>12,786,314</u>	<u>15,955,464</u>
Noncurrent Assets:		
Mortgage notes receivable, net	879,585	1,254,941
Lease receivables	346,413	644,413
Other receivables	93,401	93,630
Property held for investment and lease, net	1,298,133	1,464,488
Property and equipment, net	319,154	324,507
Liberty Park properties	6,829,131	4,115,439
Other assets	38,283	44,808
Total noncurrent assets	<u>9,804,100</u>	<u>7,942,226</u>
Total assets	<u>\$ 22,590,414</u>	<u>\$ 23,897,690</u>
Deferred Outflows of Resources	<u>\$ -</u>	<u>\$ -</u>
Liabilities		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 63,452	\$ 174,701
Funds held related to Hudson River Way campaign	59,521	59,521
Unearned grant and other income	2,517,640	5,636,973
Bonds payable, current portion	240,000	225,000
Total current liabilities	<u>2,880,613</u>	<u>6,096,195</u>
Noncurrent Liabilities:		
Bonds payable, less current portion	255,000	495,000
Revolving loan fund liability	718,187	715,773
Total noncurrent liabilities	<u>973,187</u>	<u>1,210,773</u>
Total liabilities	<u>\$ 3,853,800</u>	<u>\$ 7,306,968</u>
Deferred Inflows of Resources	<u>\$ 1,548,404</u>	<u>\$ 1,761,662</u>
Net Position		
Net invested in capital assets	\$ 7,951,418	\$ 5,184,434
Restricted for:		
CDBG eligible activities	115,107	115,067
Other program specific activities	-	79
Unrestricted	9,121,685	9,529,480
Total net position	<u><u>\$ 17,188,210</u></u>	<u><u>\$ 14,829,060</u></u>

See notes to consolidated financial statements.

CAPITALIZE ALBANY CORPORATION
CONSOLIDATED STATEMENTS OF REVENUES AND EXPENSES AND
CHANGES IN NET POSITION
For the Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Operating Revenues		
Grant and contribution income	\$ 766,970	\$ 687,646
Rental income	464,683	293,480
Other interest and investment (loss) income, net	(227,617)	83,726
Interest income on mortgage notes	59,070	55,938
Fees, program, and other income	535,078	530,589
Total operating revenues	<u>1,598,184</u>	<u>1,651,379</u>
Operating Expenses		
Salaries and fringe benefits	1,120,239	1,129,828
Program and project costs	776,451	833,965
Professional and consulting expenses	405,961	346,362
Interest expense	5,552	1,286
Bad debt (recovery) expense	(220,581)	(2,358)
Other administrative expenses	190,680	134,876
Total operating expenses	<u>2,278,302</u>	<u>2,443,959</u>
Change in Net Position Before Capital Funding	(680,118)	(792,580)
Capital grant funding	3,039,268	486,472
Forgiveness of Paycheck Protection Program loan	-	129,100
Change in Net Position	2,359,150	(177,008)
Net Position, Beginning of Year	14,829,060	15,006,068
Net Position, End of Year	<u>\$ 17,188,210</u>	<u>\$ 14,829,060</u>

See notes to consolidated financial statements.

CAPITALIZE ALBANY CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash Flows From Operating Activities		
Cash received from customers	\$ 580,589	\$ 362,777
Cash received from grantors and contributors	621,992	693,844
Other operating cash receipts	535,078	530,589
Cash payments to suppliers and grantees	(1,292,012)	(1,125,952)
Cash payments to employees	(1,120,239)	(1,129,828)
Net cash used in operating activities	<u>(674,592)</u>	<u>(668,570)</u>
Cash Flows From Capital and Related Financing Activities		
Purchase of property held for investment and lease	(8,645)	-
Purchase of property and equipment	(11,976)	-
Purchase of Liberty Park properties	(2,713,692)	-
Principal payments on bonds payable	(225,000)	(220,000)
Interest paid on bonds payable	(5,552)	(1,286)
Net cash used in capital and related financing activities	<u>(2,964,865)</u>	<u>(221,286)</u>
Cash Flows From Investing Activities		
Interest on cash, cash equivalents, restricted cash, and investments	70,325	74,203
Proceeds from sales and maturities of investments	7,317,260	5,361,144
Purchase of investments	(7,355,101)	(5,398,864)
Issuance of mortgage notes receivable	-	(500,000)
Repayments received on mortgage notes and other receivables	393,178	358,158
Net cash provided by (used in) investing activities	<u>425,662</u>	<u>(105,359)</u>
Change in cash, cash equivalents, and restricted cash	(3,213,795)	(995,215)
Cash, cash equivalents, and restricted cash:		
Beginning of year	<u>9,020,670</u>	<u>10,015,885</u>
End of year	<u><u>\$ 5,806,875</u></u>	<u><u>\$ 9,020,670</u></u>
Reconciliation of Cash, Cash Equivalents, and Restricted Cash to the Statements of Net Position:		
Cash and cash equivalents	\$ 1,342,410	\$ 2,783,119
Restricted cash	<u>4,464,465</u>	<u>6,237,551</u>
	<u><u>\$ 5,806,875</u></u>	<u><u>\$ 9,020,670</u></u>

See notes to consolidated financial statements.

CAPITALIZE ALBANY CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS, CONTINUED
For the Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Reconciliation of Change in Net Position Before Capital Funding to Net Cash Used in Operating Activities		
Change in net position before capital funding	\$ (680,118)	\$ (792,580)
Adjustments to reconcile change in net position before capital funding to net cash used in operating activities:		
Depreciation and amortization	192,329	193,253
Adjustment for (gains) losses on mortgage notes and other receivables	(220,581)	(2,358)
Net realized and unrealized losses (gains) on investments	292,874	(34,084)
Interest income on cash, cash equivalents, restricted cash, and investments	(76,022)	(69,957)
Interest expense on bonds payable	5,552	1,286
Changes in:		
Grant receivables	(68,612)	3,192
Lease receivables	281,094	278,610
Other receivables, accrued interest receivable and other assets	1,050	21,473
Accounts payable and accrued expenses	(111,249)	(4,002)
Unearned grant and other income	(80,065)	(54,313)
Revolving loan fund liability	2,414	1,286
Deferred inflow of resources	(213,258)	(210,376)
Net cash used in operating activities	<u>\$ (674,592)</u>	<u>\$ (668,570)</u>

See notes to consolidated financial statements.

CAPITALIZE ALBANY CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 1 — ORGANIZATION AND MISSION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Mission

Capitalize Albany Corporation (the "Corporation") was formed under the Not-for-Profit Corporation Laws of the State of New York in October 1979 for the purposes of facilitating the creation of new employment opportunities, retaining existing jobs and encouraging investment that will expand the commercial and industrial tax base within the City of Albany (City). The Corporation facilitates large scale transformational real estate projects to accomplish its mission.

The Corporation's mission is accomplished by providing technical support for City, State and other economic development programs and loaning money to new or existing businesses. Additionally, the Corporation has invested in certain real estate, and leases such real estate to businesses in order to further job opportunities within the City.

The Corporation formed Citywide Property Holdings, LLC (Citywide) in April 2008 for the limited purpose of assisting the Corporation in the furtherance of the Corporation's mission. The Corporation is the sole member and manager of Citywide. Citywide's participation in the furtherance of the Corporation's mission is evaluated on a project basis. This participation includes, but is not limited to, holding property as available for sale to enhance project development.

The Corporation formed Liberty Square Development, LLC in January 2018 for the limited purpose of assisting the Corporation in the furtherance of the Corporation's mission. The Corporation is the sole member and manager of Liberty Square Development, LLC. Liberty Square Development LLC's operations includes, but are not limited to, the acquisition, disposition and development of properties located in the Liberty Park area of Downtown Albany.

The consolidated financial statements represent the consolidated financial position and the consolidated changes in financial position and cash flows of the Corporation, Citywide, and Liberty Park Development, LLC. All intercompany transactions between the Corporation, Citywide, and Liberty Park Development, LLC have been eliminated for financial reporting purposes.

Basis of Accounting and Presentation

The Corporation follows enterprise fund reporting; accordingly, the accompanying financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Capitalize Albany Corporation's consolidated financial statements apply all applicable Governmental Accounting Standards Board (GASB) pronouncements as well as applicable Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

Revenue Recognition

Grant and contribution income

Grants, contributions, and similar items, including capital grant funding, are recognized as revenue when all requirements imposed by the grantor or contributor, if any, have been satisfied. Grant funds received for which all requirements have not yet been met are recorded as unearned grant and other income.

Rental income

Rental income is recognized as earned over the term of the related lease arrangements.

CAPITALIZE ALBANY CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 1 — ORGANIZATION AND MISSION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

Fees, program, and other income

Fees, program, and other income consists primarily of management fees, which are recognized as earned under a management fee arrangement with terms of generally one year.

In addition, the Corporation, under Urban Development Action Grants (UDAG) financing arrangements through the United States Department of Housing and Urban Development (HUD), has recognized grant amounts as mortgage notes receivable, with corresponding credits to deferred program support. Principal repayments on these notes are recognized as fees, program, and other income and are applied against deferred program support. The UDAG agreements provide that the program income, together with the interest earned thereon, are restricted by HUD to be used for Title I eligible activities. The deferred program support account, in the Corporation's consolidated balance sheet, is a contra account which reflects UDAG loan principal repayments scheduled to be received in future years. There were no new UDAG grants in either 2022 or 2021.

Cash and Cash Equivalents

Cash is comprised of various interest bearing and non-interest bearing deposits in several financial institutions. The Corporation considers all highly liquid investments with original maturities of three months or less to be cash equivalents except for cash equivalents included in the investment account, which are included in investments in the accompanying consolidated balance sheets.

Investments

Investments are carried at fair value on a recurring basis, based on current market prices.

Mortgage Notes Receivable and Allowance for Losses

As explained further in Note 5, mortgage notes receivable are carried at the principal amount outstanding, net of an allowance for estimated uncollectible amounts. The Corporation's allowance for losses is evaluated on a regular basis by management and is estimated based on delinquency rates, current economic conditions, borrowers' outstanding balances, an analysis of borrowers' financial condition, and estimated value of any underlying collateral. This evaluation is inherently subjective as it requires estimates that are susceptible to significant revision as more information becomes available. The allowance for losses is increased by provisions charged to earnings and reduced by charge-offs, net of recoveries.

Loans made by the Corporation to recipient entities are generally issued as part of larger financial packages involving additional lenders. Substantially all of the Corporation's mortgage notes receivable, which are collateralized by real property and/or equipment, are subordinated to the loans provided by these other lenders. In some cases, projected growth and overall economic conditions have substantially changed since loan origination. The Corporation attempts to work with borrowers who are experiencing financial difficulties and has entered into debt restructuring agreements with respect to certain financially troubled borrowers. These restructuring agreements often incorporate notes, for which current repayment is contingent upon favorable future events as specified in the note agreement. Such uncertainties have been considered by the Corporation in establishing the estimated allowance for possible losses.

CAPITALIZE ALBANY CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 1 — ORGANIZATION AND MISSION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Mortgage Notes Receivable and Allowance for Losses (Continued)

The Corporation places impaired loans on nonaccrual status and recognizes interest income on such loans only on a cash basis. Accrual of interest is discontinued on a loan when management believes, after considering economics, business conditions, and collection efforts that the borrower's financial condition is such that collection of interest is doubtful. Uncollectible interest previously accrued is charged off. Income is subsequently recognized only to the extent cash payments are received until, in management's judgment, the borrower's ability to make periodic interest and principal payments is back to normal, in which case the loan is returned to accrual status.

Property Held for Investment and Lease, Net

Property held for investment and lease is carried at the lower of cost or net realizable value and represents assets acquired to assist in the Corporation's mission of encouraging economic development and business retention within the City.

Property and Equipment, Net

Property and equipment is stated at cost. Depreciation of property and equipment is provided using straight-line method over the estimated useful lives of the respective assets ranging from 5 years for equipment to 40 years for buildings.

Liberty Park Properties

Liberty Park consists of property within the boundaries of South Pearl Street, Madison Avenue, Broadway, and Hudson Avenue in the City of Albany, referred to as Liberty Park, held by the Corporation for possible redevelopment.

The Corporation records Liberty Park assets at historical cost. Cost is considered the appropriate basis for this project because several uncertainties exist with regard to the timing and nature of redevelopment completion. Cost includes the purchase price of the property and site improvement and development costs. The costs of normal maintenance and operation of the properties that do not add to the value of the properties are not capitalized. Cost basis does not necessarily represent fair value.

See Note 8 for additional information.

Description of Leasing Arrangements

The Corporation, as part of its mission, has entered into arrangements leasing various parcels of real estate. The lease terms range from one to thirty years. The lease term is defined as the non-cancelable period of the lease plus any option to extend the lease when it is reasonably certain that it will be exercised. For leases with a term, including renewals, of twelve months or less, no lease assets or liabilities have been recorded in accordance with GASB Statement No. 87, *Leases*. See Note 9 for further disclosure of the lease arrangements.

Use of Estimates

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CAPITALIZE ALBANY CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 1 — ORGANIZATION AND MISSION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Corporation is a publicly supported organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Citywide and Liberty Park Development LLC's annual tax information filings are included with the annual filings of their sole member, Capitalize Albany Corporation.

Net Position

In order to present consolidated financial condition and consolidated operating results of the Corporation in a manner consistent with limitations and restrictions placed upon the use of resources, the Corporation classifies net position into three categories as follows:

Net invested in capital assets – This component of net position consists of property and equipment, including property held for investment and lease, net of accumulated depreciation, and reduced by the outstanding balances of debt attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net invested in capital assets. Rather, when applicable, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted – This component of net position consists of constraints placed on assets use through external constraints imposed by creditors, by law or regulation, or through enabling legislation.

Unrestricted – This component of net position consists of net position that does not meet the definition of "net invested in capital assets" or "restricted."

Reclassifications

Certain items in the prior year financial statements have been reclassified to conform to the current year presentation.

Change in Accounting Principle

During the fiscal year ended December 31, 2022, the Corporation implemented GASB Statement No. 87, *Leases*. This statement changes the reporting of leases that were previously classified as operating leases, requiring the recognition of certain lease assets and liabilities along with the recognition of inflows and outflows of resources, as appropriate.

The Corporation applied the new standard retroactively to January 1, 2021, the beginning of the earliest period presented. As part of implementation, as of December 31, 2021, lease receivables of \$929,203 and deferred inflows of resources of \$1,761,662 were presented in the Statement of Net Position (including a reclassification from unearned revenue to deferred inflows of resources of \$832,459). In addition, the Corporation's fiscal year 2021 income statement has been reclassified to conform to the new standard. \$2,589 has been reclassified from rental revenue to interest revenue. There was no material impact on the Corporation's December 31, 2021 net position.

CAPITALIZE ALBANY CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 1 — ORGANIZATION AND MISSION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

For purposes of preparing these financial statements, Capitalize Albany Corporation considered events through the date the financial statements were available for issuance.

NOTE 2 — CASH AND CASH EQUIVALENTS

The Corporation maintains its cash in bank accounts with several financial institutions.

The Corporation has not experienced any losses with respect to its cash and cash equivalents balances. Based on management's review of the strength of the financial institutions, management feels the risk of loss on its cash balances is minimal.

At December 31, 2022, the carrying amount and the bank balances of the Corporation's deposits were approximately \$1,342,000 and \$1,043,000, respectively. Of the bank balances, approximately \$25,000 was insured under FDIC coverage. The remaining approximately \$1,018,000 was fully collateralized by securities pledged by the depositories to secure these deposits. There were no uncollateralized amounts at December 31, 2022.

NOTE 3 — RESTRICTED CASH

Generally, restricted cash represents funds that have been placed in a segregated account that cannot be used for a purpose other than the purpose for which that account is designated. Restricted cash includes amounts restricted for the following purposes at December 31:

	<u>2022</u>	<u>2021</u>
Liberty Park	\$3,588,721	\$5,372,312
CDBG eligible activities	115,268	115,228
EC/EDZ revolving loan fund	700,854	690,379
Hudson River Way campaign	59,622	59,632
Total restricted cash and cash equivalents	<u>\$4,464,465</u>	<u>\$6,237,551</u>

At December 31, 2022, bank balances of restricted cash were approximately \$4,464,000, of which approximately \$451,000 were not insured under FDIC coverage or collateralized. The Liberty Park bank balance is fully collateralized in compliance with the Corporation's investment guidelines. Uncollateralized amounts were maintained with major financial institutions considered by management to be secure.

CAPITALIZE ALBANY CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 4 — INVESTMENTS AND FAIR VALUE MEASUREMENTS

Investments consist of the following at December 31:

	2022		2021	
	Cost	Fair Value	Cost	Fair Value
Fixed Income Securities	\$ 5,759,996	\$ 5,571,616	\$ 5,539,715	\$ 5,543,619
Equities and Mutual Funds	145,589	328,650	145,589	420,187
Money Market	147,727	147,727	339,220	339,220
Total	<u>\$ 6,053,312</u>	<u>\$ 6,047,993</u>	<u>\$ 6,024,524</u>	<u>\$ 6,303,026</u>

Unrealized (losses) gains of approximately \$(284,000) and \$30,000 at December 31, 2022 and 2021, respectively, are included in other interest and investment (loss) income in the consolidated statements of revenue and expenses and changes in net position.

GASBS No. 72, *Fair Value Measurement and Application*, establishes requirements on how fair value should be measured, which assets and liabilities should be measured at fair value, and what information about fair value should be disclosed in the notes to the financial statements. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The following table sets forth, within the fair value hierarchy, the Corporation's assets at fair value at December 31, 2022 and 2021:

	December 31, 2022			
	Level 1	Level 2	Level 3	Total
Money Market	\$ 147,727	\$ -	\$ -	\$ 147,727
Equities	328,650	-	-	328,650
Corporate Debt Securities	988,237	-	-	988,237
U.S. Treasury	4,292,201	-	-	4,292,201
Municipal Bonds	-	291,178	-	291,178
	<u>\$ 5,756,815</u>	<u>\$ 291,178</u>	<u>\$ -</u>	<u>\$ 6,047,993</u>

	December 31, 2021			
	Level 1	Level 2	Level 3	Total
Money Market	\$ 339,220	\$ -	\$ -	\$ 339,220
Equities	420,187	-	-	420,187
Corporate Debt Securities	1,226,004	-	-	1,226,004
U.S. Treasury	3,766,712	-	-	3,766,712
Municipal Bonds	-	550,903	-	550,903
	<u>\$ 5,752,123</u>	<u>\$ 550,903</u>	<u>\$ -</u>	<u>\$ 6,303,026</u>

CAPITALIZE ALBANY CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 5 — MORTGAGE NOTES RECEIVABLE, NET

The Corporation's mortgage notes receivable are comprised of 20 and 22 individual accounts at December 31, 2022 and 2021, respectively, with an average outstanding principal balance approximating \$152,000 and \$156,000 at December 31, 2022 and 2021, respectively.

Repayment terms and interest rates on mortgage loans vary with each loan. Generally, interest rates range from 0% to 9% per year, with a weighted yield on all loans approximating 4.05% and 4.02% for the years ended December 31, 2022 and 2021, respectively. Current maturities range from 2023 through the year 2080.

Substantially all mortgage notes are collateralized by a subordinate interest in real property and/or equipment.

The composition of mortgage notes receivable by funding source is as follows at December 31:

	2022		2021	
	Number of		Number of	
	Notes	Amount	Notes	Amount
CDBG	1	\$ 33,735	1	\$ 33,735
UDAG	8	881,358	8	881,358
EC/EDZ	2	109,077	2	123,903
Revolving Real Estate Loan Fund	2	842,805	3	1,104,471
Other	7	1,168,175	8	1,284,861
	<u>20</u>	<u>3,035,150</u>	<u>22</u>	<u>3,428,328</u>
Less allowance for losses		(1,900,905)		(2,121,486)
Mortgage notes receivable, net		1,134,245		1,306,842
Less: current portion		254,660		51,901
Noncurrent		<u>\$ 879,585</u>		<u>\$ 1,254,941</u>

The Community Block Development Grant Program (CDBG) and UDAG notes were funded through monies received under Federal programs in prior years. The Enterprise Community/Economic Development Zone (EC/EDZ) notes were funded through grant monies received in prior years (see Note 11).

The Revolving Real Estate Loan Fund was established through an allocation of \$2 million of general funds of the Corporation for the purpose of stimulating strategic development projects. The Corporation also lends monies to individuals, businesses, and non-profit agencies for other projects in furtherance of its mission utilizing general funds of the Corporation. Both the Revolving Real Estate Loan Fund and Other notes are not restricted by any external funding sources.

The recorded investment in mortgage notes receivable that are considered to be impaired approximated \$1,946,000 and \$2,167,000 at December 31, 2022 and 2021, respectively. The allowance for losses related to impaired loans approximated \$1,901,000 and \$2,121,000 at December 31, 2022 and 2021, respectively. Interest income recognized during 2022 and 2021 on impaired mortgage notes receivable, while such mortgage notes receivable were impaired, was not material.

CAPITALIZE ALBANY CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 6 — PROPERTY HELD FOR INVESTMENT AND LEASE, NET

The following is a summary of changes in property held for investment and lease for the year ended December 31, 2022:

	January 1, <u>2022</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Reclassification</u>	<u>Impairment</u>	December 31, <u>2022</u>
Riverfront Bar & Grill - Utilities Project	\$ 43,800	\$ -	\$ -	\$ -	\$ -	\$ 43,800
Quackenbush Square Parking Lot	146,864	-	-	-	-	146,864
Quackenbush House	204,445	-	-	-	-	204,445
Palace Properties	25,000	-	-	-	-	25,000
Corning Preserve Project	4,114,091	-	-	-	-	4,114,091
Land at 11 Clinton Avenue	225,000	8,645	-	-	-	233,645
Land at 174 North Pearl	114,915	-	-	-	-	114,915
	4,874,115	8,645	-	-	-	4,882,760
Less accumulated depreciation	3,409,627	175,000	-	-	-	3,584,627
	<u>\$ 1,464,488</u>					<u>\$ 1,298,133</u>

The following is a summary of changes in property held for investment and lease for the year ended December 31, 2021:

	January 1, <u>2021</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Reclassification</u>	<u>Impairment</u>	December 31, <u>2021</u>
Riverfront Bar & Grill - Utilities Project	\$ 43,800	\$ -	\$ -	\$ -	\$ -	\$ 43,800
Quackenbush Square Parking Lot	146,864	-	-	-	-	146,864
Quackenbush House	204,445	-	-	-	-	204,445
Palace Properties	25,000	-	-	-	-	25,000
Corning Preserve Project	4,114,091	-	-	-	-	4,114,091
Land at 11 Clinton Avenue	225,000	-	-	-	-	225,000
Land at 174 North Pearl	114,915	-	-	-	-	114,915
	4,874,115	-	-	-	-	4,874,115
Less accumulated depreciation	3,234,648	174,979	-	-	-	3,409,627
	<u>\$ 1,639,467</u>					<u>\$ 1,464,488</u>

Corning Preserve Project

The Corporation, in 2002, functioned as the conduit agency with several related parties related to a project to construct various improvements to a portion of the Corning Preserve Park (Corning Preserve Project). The Corporation entered into an interim use and ground lease agreement with the City providing for a ground lease of the property owned by the City, underlying the Corning Preserve Project. The interim use and ground lease agreement has a thirty-five year term and provides for a nominal rent payment. At the end of the lease term the Corning Preserve Project reverts to the City.

The Corporation entered into a lease agreement with the City of Albany Industrial Development Agency (CAIDA) to sublease the property to the CAIDA. The sublease expires at the earlier of a date requested by the Corporation or the completion date of the Corning Preserve Project. The lease agreement provides for a nominal payment. The Corporation also entered into an installment sale agreement with the CAIDA pursuant to which the Corporation is obligated, among other things, to complete the Corning Preserve Project as the agent of the CAIDA and the CAIDA sells the Corning Preserve Project to the Corporation on an installment basis. The Corporation's payments under the installment sale agreement are equivalent to the debt service requirements on the \$4,390,000 in 2002 Civic Facility Revenue Bonds issued by the CAIDA to fund the Corning Preserve Project, which is accounted for as bonds payable (see Note 10).

CAPITALIZE ALBANY CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 6 — PROPERTY HELD FOR INVESTMENT AND LEASE, NET (Continued)

Corning Preserve Project (Continued)

The Corporation entered into a shared use and sublease agreement with the Albany Port District Commission (the "Port"). Under the shared use and sublease agreement the Port is obligated to perform on behalf of the Corporation, the Corporation's obligations under the interim use and ground lease agreement and the installment sale agreement. Also under the shared use and sublease agreement, which is accounted for as a lease under GASB Statement No. 87, *Leases*, the Port is obligated to fund the Corporation's obligations relating to the Corning Preserve Project, including funding payments sufficient to cover all related bond debt service and certain other expenses (see Note 9).

NOTE 7 — PROPERTY AND EQUIPMENT, NET

The following is a summary of changes in property and equipment for the year ended December 31, 2022:

	January 1, 2022	Additions	Dispositions	December 31, 2022
Land	\$ 49,300	\$ -	\$ -	\$ 49,300
Building and improvements	485,035	-	-	485,035
Furniture and equipment	191,564	11,976	-	203,540
Total	725,899	11,976	-	737,875
Less accumulated depreciation	401,392	17,329	-	418,721
	<u>\$324,507</u>	<u>\$ (5,353)</u>	<u>\$ -</u>	<u>\$ 319,154</u>

The following is a summary of changes in property and equipment for the year ended December 31, 2021:

	January 1, 2021	Additions	Dispositions	December 31, 2021
Land	\$ 49,300	\$ -	\$ -	\$ 49,300
Building and improvements	485,035	-	-	485,035
Furniture and equipment	191,564	-	-	191,564
Total	725,899	-	-	725,899
Less accumulated depreciation	383,118	18,274	-	401,392
	<u>\$342,781</u>	<u>\$ (18,274)</u>	<u>\$ -</u>	<u>\$ 324,507</u>

Depreciation expense, including depreciation expense on property held for investment and lease, was approximately \$192,000 and \$193,000 for the years ended December 31, 2022 and 2021, respectively.

NOTE 8 — LIBERTY PARK PROPERTIES

Liberty Park consists of property within the boundaries of South Pearl Street, Madison Avenue, Broadway, and Hudson Avenue in the City of Albany, referred to as Liberty Park, held by the Corporation for possible redevelopment.

CAPITALIZE ALBANY CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 8 — LIBERTY PARK PROPERTIES (Continued)

The Corporation records Liberty Park assets at historical cost. Cost is considered the appropriate basis for this project because several uncertainties exist with regard to the timing and nature of redevelopment completion. Cost includes the purchase price of the property and site improvement and development costs. The costs of normal maintenance and operation of the properties that do not add to the value of the properties are not capitalized. Cost basis does not necessarily represent fair value.

In December 2017, the Corporation entered into a Purchase and Sale Agreement with the Albany Convention Center Authority (ACCA) for the transfer of property interests in the roughly five acre ACCA surplus property surrounding Liberty Park in downtown Albany (Liberty Park) for a nominal purchase price of \$1. The Corporation and the ACCA closed on this transfer effective December 2019. As part of the agreement, the Corporation assumed certain ground lease obligations.

In 2019, the Corporation was awarded up to \$15 million in Upstate Revitalization Initiative funds for the redevelopment of Liberty Park. Empire State Development (ESD) approved an initial investment of \$10.1 million for the acquisition of property rights (fee and/or leasehold interests as needed), emergency demolition, property maintenance, operation and stabilization, and administration, planning and design, which was transferred to a restricted cash account held by the Corporation. Drawdowns of grant funds from the restricted account must be approved by ESD.

The Corporation utilized a portion of the grant funds to purchase portions of the Liberty Park site, with certain existing leases that have since been terminated, for approximately \$3,300,000 in November 2019, which is included in the Liberty Park properties asset in the accompanying consolidated statements of net position.

Effective October 24, 2022, and pursuant to an Order of the Supreme Court dated October 21, 2022, the City of Albany Industrial Development Agency (CAIDA) was vested with title to various parcels of land related to the Liberty park site that the Corporation previously held under ground lease agreements (the "Liberty Park Land Parcels") pursuant to the provisions of the Eminent Domain Procedure Law of the State of New York (the "EDPL"). Pursuant to Section 302 of the EDPL, the CAIDA arranged for the preparation of a commercial appraisal of the Land and such appraisal estimated the fair market value of the Liberty Park Land Parcels to be equal to \$2,650,000. In connection with the vesting of such title, the CAIDA deposited an amount equal to \$2,650,000 with the office of the Albany County Clerk as an advance payment (the "Advance Payment") for the acquisition of the Liberty Park Land Parcels pursuant to a Notice of Deposit with Court dated September 30, 2022. The actual amount to be paid by the CAIDA for the acquisition of the Liberty Park Land Parcels is subject to a determination by the Supreme Court pursuant to a proceeding under the EDPL. The Corporation and the CAIDA have entered into a Funding Agreement dated as of November 11, 2020 whereby the Corporation has agreed to pay the purchase price for the Liberty Park Land Parcels. The CAIDA has authorized the conveyance of the Liberty Park Land Parcels to Liberty Square Development, LLC, a subsidiary of the Corporation, for the purpose of holding title to the Liberty Park Land Parcels. The CAIDA expects to complete the conveyance of the Liberty Park Land Parcels following the satisfaction of the 90-day public agency notice period required under Section 2897 of the Public Authorities Law. The Corporation utilized grant funds to provide the CAIDA with the \$2,650,000 advance payment in July 2022, which is included in the Liberty Park properties asset in the accompanying consolidated statements of net position due to the intention of conveyance of the properties from the CAIDA to the Corporation after the 90-day public agency notice period. All previous ground leases related to these properties have since been terminated.

CAPITALIZE ALBANY CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 8 — LIBERTY PARK PROPERTIES (Continued)

Significant assets, liabilities, revenues, and expenses associated with the Liberty Park properties as of and for the years ended December 31, 2022 and 2021 are summarized below and included in the referenced category (financial statement line item) in the consolidated financial statements:

	2022	2021
Assets		
Restricted cash	<u>\$3,588,721</u>	<u>\$ 5,372,312</u>
Liberty Park properties	<u>\$6,829,131</u>	<u>\$ 4,115,439</u>
Liabilities		
Unearned program support and revolving loan fund liability	<u>\$2,164,992</u>	<u>\$ 5,204,260</u>
Rental income	<u>\$ 117,863</u>	<u>\$ 48,194</u>
Capital grant funding	<u>\$3,039,268</u>	<u>\$ 486,472</u>
Program and project costs	<u>\$ 389,437</u>	<u>\$ 468,207</u>

NOTE 9 — LEASES

The Corporation is lessor in multiple property lease arrangements. The Corporation leases out the Quackenbush Square Parking Lot, Quackenbush House and the Corning Preserve Project which are classified as property held for investment and lease (see Note 6), to help accomplish its economic development goals. The Corporation also leases out office space within one of their buildings.

The Corporation leases the Corning Preserve Project to the Albany Port District Commission (the "Port") under a shared use and lease agreement (see Note 6). The shared use and sublease agreement has a thirty year term expiring in 2032. Under the shared use and lease agreement the Port is obligated to make lease payments sufficient to cover all related bond debt service and certain other expenses. The annual rent payments due from the Port will change on a year to year basis as a result of the variable interest rate associated with the bonds, the amortization schedule of the bonds and bond prepayments. The Corporation is recognizing the base rental income on a straight-line basis over the life of the lease based on the lease factors at inception of the lease. For each of the years ended December 31, 2022 and 2021, rental income approximated \$151,000. Increases or decreases to the base rental income result from changes in lease factors occurring subsequent to the inception of the lease and are recognized as contingent rentals in the period that the changes take place.

Original terms of the space and building leases range from three to fifteen years. Certain agreements provide for periodic adjustments to base rents based upon changes in the CPI. These variable revenues are recognized as period costs in the year incurred.

The Corporation reported lease receivables of \$648,109 and \$929,203 at December 31, 2022 and 2021, respectively, on their non-cancelable leases that have initial lease terms in excess of one year or remaining lease terms in excess of one year from January 1, 2021, the initial application date of GASB Statement No. 87, *Leases*. The interest rates used in the Corporation's calculations of the present value of the lease receivables ranged from 0.23% to 0.63%.

CAPITALIZE ALBANY CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 9 — LEASES (Continued)

The following is a schedule by year of the future minimum receipts to be recognized on these leases:

	<u>Principal</u>	<u>Interest</u>	<u>Total Receipts</u>
2023	\$299,432	\$1,573	\$301,005
2024	297,118	855	297,973
2025	44,149	113	44,262
2026	<u>7,410</u>	<u>3</u>	<u>7,413</u>
	<u>\$648,109</u>	<u>\$2,544</u>	<u>\$650,653</u>

Deferred inflows of resources of \$1,548,404 and \$1,761,662 are reported in the Statement of Net Position at December 31, 2022 and 2021, respectively, related to these leases. The deferred inflows of resources will be recognized as lease revenue over the term of the lease on a straight-line basis.

The following is a schedule of revenues recognized for the years ended December 31, 2022 and 2021 related to the above leases:

	<u>2022</u>	<u>2021</u>
Lease-related Revenue		
Lease Revenue		
Building	\$ 41,456	\$ 41,456
Land	151,123	151,123
Office Space	<u>19,238</u>	<u>19,238</u>
Total Lease Revenue	211,817	211,817
Interest Revenue	1,906	2,589
Variable and Other Revenue	<u>8,037</u>	<u>-</u>
Total	<u>\$221,760</u>	<u>\$214,406</u>

At December 31, 2022, \$800 of interest earned and not yet received related to these leases was reported within accrued interest receivable.

NOTE 10 — BONDS PAYABLE

The following is a summary of changes in bonds payable for the year ended December 31, 2022:

	<u>January 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>December 31, 2022</u>
Bonds Payable:				
CAIDA Corning Preserve Project (A)	\$ 720,000	\$ -	\$ (225,000)	\$ 495,000
Less current maturities	<u>225,000</u>			<u>240,000</u>
	<u>\$ 495,000</u>			<u>\$ 255,000</u>

CAPITALIZE ALBANY CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 10 — BONDS PAYABLE (Continued)

The following is a summary of changes in bonds payable for the year ended December 31, 2021:

	<u>January 1, 2021</u>	<u>Increases</u>	<u>Decreases</u>	<u>December 31, 2021</u>
Bonds Payable:				
CAIDA Corning Preserve Project (A)	\$ 940,000	\$ -	\$ (220,000)	\$ 720,000
Less current maturities	<u>220,000</u>			<u>225,000</u>
	<u>\$ 720,000</u>			<u>\$ 495,000</u>

- (A) The Corporation functioned as the conduit agency in connection with a 2002 Civic Facility Revenue bond issue of the CAIDA in the amount of \$4,390,000. The proceeds were utilized to fund a project that includes the construction of various improvements to the Corning Preserve Park. The obligation requires monthly payment of interest and the interest rate is adjusted weekly. The bonds mature in May 2027. The bonds are secured by a letter of credit issued by Key Bank. The letter of credit requires principal payments on the outstanding bonds, annually on May 1, in prescribed amounts currently ranging from \$240,000 in 2023 to \$255,000 in 2024, thus providing for the full amortization of the bonds by the 2027 maturity date. The letter of credit also requires principal payments on the outstanding bonds if certain grant proceeds related to the Corning Preserve Project are received. The interest rate at December 31, 2022 was 2.06% (0.14% at December 31, 2021). The Corning Preserve Project is leased to the Port under a related agreement (see Note 9).

At December 31, 2022, principal and interest requirements to maturity are as follows:

	<u>Principal</u>	<u>Interest</u>
2023	\$ 240,000	\$ 5,552
2024	255,000	6,900
2025	<u>-</u>	<u>1,751</u>
	<u>\$ 495,000</u>	<u>\$ 14,203</u>

NOTE 11 — REVOLVING LOAN FUND LIABILITY

In June 1999, the Corporation was awarded a grant of \$643,291 to establish and operate a revolving loan fund to benefit prospective or existing Enterprise Community and/or Economic Development Zone (EC/EDZ) businesses. Generally, repayments on loans originated are to be recycled back into the loan fund to provide additional loans. However, with approval from the Empire State Development Corporation ("ESDC"), interest generated from the loans can be recorded as revenue to the extent that it offsets administrative expenses related to operating the loan fund. Approximately \$0 and \$4,000 of such revenue was recognized for the years ended December 31, 2022 and 2021, respectively.

NOTE 12 — EMPLOYEE BENEFIT PLANS

Retirement Plan

Effective January 1, 2020, the Corporation replaced the existing SEP-IRA plan with a company-sponsored 401(k) plan. The Corporation elected to continue to contribute 11% of eligible employee compensation to the 401(k) plan.

CAPITALIZE ALBANY CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 12 — EMPLOYEE BENEFIT PLANS (Continued)

Retirement Plan (Continued)

During 2022 and 2021, nine and twelve employees were covered by the plans, and total contribution expenses incurred were approximately \$90,000 and \$93,000, respectively.

Post Employment Benefit

The Corporation does not offer post employment benefits to its employees.

NOTE 13 — PAYCHECK PROTECTION PROGRAM LOAN

In May 2020, the Corporation received loan proceeds of \$129,100 under the Small Business Administration's ("SBA") Paycheck Protection Program ("PPP") established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"). Generally, the PPP loan and related accrued interest are forgivable, as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains certain payroll levels.

In accordance with GASB 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, the PPP loan is required to be reported as a liability until the entity is legally released from the debt. The Corporation applied for and was notified that the full \$129,100 in eligible expenditures for payroll and other expenses described in the CARES Act was forgiven effective January 5, 2021. The forgiveness was recognized in the 2021 consolidated statement of revenues and expenses and changes in net position.

The Corporation must maintain all records relating to the PPP loan for six years from the date the loan is forgiven.

NOTE 14 — COMMITMENTS AND CONTINGENCIES

Professional Services Agreement

During 2015, the Corporation entered into a professional services agreement with the City of Albany with a five-year term with renewals. The agreement was amended and restated in October 2021. Under this agreement the City of Albany provides economic development, planning, and community development consultancy services in furtherance of the Corporation's mission. The Corporation's fee to the City of Albany under this agreement totaled approximately \$53,000 for 2021 and \$0 for the year ending on December 31, 2022.

COVID-19

In September 2022, the State of New York ended its coronavirus disease (COVID-19) State of Emergency which had been in place since March 2020. Management's determination is that currently, there has been minimal financial effect on the Corporation. Management continues to closely monitor financial results, including areas with a greater risk of potential adverse impact, including repayments of mortgage notes receivable and any significant decline in investment values.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Capitalize Albany Corporation

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated financial statements of Capitalize Albany Corporation, which comprise the consolidated statement of net position as of December 31, 2022, and the related consolidated statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated _____, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Capitalize Albany Corporation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Capitalize Albany Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of Capitalize Albany Corporation's internal control.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Capitalize Albany Corporation's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including Investment Guidelines for Public Authorities and Capitalize Albany Corporation's investment guidelines, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Albany, New York
_____, 2023

2022 Assessment of the Effectiveness of Internal Controls

Capitalize Albany Corporation (“Corporation”) Major Business Functions:

The primary mission of the Corporation is as follows:

Facilitate economic development projects within the City of Albany

The Capitalize Albany Corporation (formerly the Albany Local Development Corporation) was incorporated in 1979 to primarily provide financing to eligible businesses in order to create and retain employment and investment within the City of Albany. The Corporation also plays an active role in facilitating large-scale transformational real estate projects that the Corporation identifies as a priority.

No changes have occurred with respect to funding sources, mission or objectives of the Corporation during 2022. Accomplishments, including financial status, committee accomplishments and legal requirements are outlined on a monthly basis via publicly advertised and open meetings. Minutes of these meetings as well as supporting documents are maintained on the agency’s website.

Risks Associated with the Corporation’s Operations:

Public meeting rules are in place and regularly followed. The Chair of the Board of Directors is regularly engaged as are other board members. The Audit and Finance Committees regularly reviews financial information which is then presented to the board at publically open meetings. Additionally, for both legal and financial aspects, the Corporation utilizes outside sources with expertise in the associated functions to lend additional controls. As such, risks are deemed to be low for all activities and functions within the Corporation. A review for 2022 finds no change to the differing levels of involvement and approval.

Internal Control Systems in Place

There has been a longstanding set of policies, procedures and guidelines in place at the Corporation that are designed to ensure the Corporation's mission is carried out in full and to minimize risk. These items remained in place during 2022. Some of the key internal controls in place include:

- Public meeting and disclosure requirements are in effect and regularly followed.
- Board of Directors annually reviews and accepts the NYS PAAA policies.
- As noted previously, the use of external parties provides additional levels of internal control. Additionally, personnel with appropriate backgrounds and experience are utilized to help identify such items as legal or financial risks.
- Consistent reports are provided to management as well as the various committees and the full Board of Directors.
- The Corporation annually has a financial audit. The financial audit provides an opinion on the financial statements and also includes the audit related assessment of internal controls.
- The Corporation’s board actions have addressed internal controls through review and adoption of policies and procedures. These policy and procedures include the following:
 - Annual Board adoption and acceptance of NYS PAAA policies
 - Annual Board adoption and acceptance of PARIS reports
 - Annual external financial audit with Audit Committee oversight

- Annual completion of Board self-evaluation.
- Annual meeting of membership to appoint Board of Directors
- Annual review and acceptance of the Corporation's performance goals
- Annual completion of the Board's Conflict of Interest Declaration forms
- Annual Review and adoption of the Corporation's Procurement Policy
- Annual Review and adoption of the Corporation's Investment Policy
- Annual Review of the Corporation's investment performance
- Annual Review and adoption of the Corporation's Property Acquisition and Disposition Policy.

Extent to Which the Internal Control System is Effective

Management has reviewed the internal control system for 2022 and finds that the items as outlined above remain in place and functioning as expected. The Corporation's most recent financial audit (for the calendar year 2021 and the year ended December 31, 2021) identified no material weaknesses or significant deficiencies. Policies and procedures in place are deemed sufficient. As noted previously, the Corporation's staff regularly reviews updates to pertinent rules.

Corrective Action

No specific corrective action is required at this time. Management consistently works to strengthen controls as possible.

March 10, 2023

To: Chairman and Board, Capitalize Albany Corporation (“CAC”)

From: Chairman, CAC Audit Committee

Subj: *CAC Audit Committee Annual Report for 2022*

The CAC Audit Committee Charter provides that the Audit Committee “shall present annually to the Corporation’s Board a written report of how it has discharged its duties and responsibilities as outlined in the Charter.”

Below is the Committee’s Annual Report for 2022. The format below identifies each of the Committee’s four major areas of responsibilities followed by a summary of the Committee’s 2022 activities.

I. Independent Audit

A. “Appoint, compensate and oversee the independent auditors”

- Committee engaged CAC’s independent auditor;
- Committee met with the independent auditor to review the scope/planning of audit prior to audit commencement and ensured CAC’s full transparency/cooperation with the audit process;
- Committee met with the independent auditor during, and following, the audit to oversee the audit process and review/approve CAC’s audited financial results, report on internal controls, and related auditor communications; and
- Committee reviewed both the 2021 and 2022 audit process and the performance/independence of the independent auditor, and found no deficiencies.

II. Internal Controls

A. “Review the Management’s assessment of internal controls and the independent auditor’s report on internal controls”

- Committee reviewed CAC management’s assessment of internal controls and the independent auditor’s report on internal controls.

III. Special Investigations

A. “Ensure . . . confidential mechanism to report suspected fraudulent activities, allegations of corruption, fraud . . . and oversee special investigations as needed”

- No allegations/reports of any improper activity were received by the Committee.

IV. Other Responsibilities

A. “Review Committee’s Charter annually . . . and recommend any proposed changes to the Board”

- No proposed changes to the Charter were recommended in 2022.

B. “Conduct an annual self-evaluation of [Committee] performance, including its . . . compliance with the Charter and request Board approval for proposed changes”

- Committee reports that it complied with the Charter and has no request for Charter changes.

Annual Report for Capitalize Albany Corporation

Fiscal Year Ending: 12/31/2022

Run Date: 03/24/2023

Status: UNSUBMITTED

Certified Date: N/A

Governance Information (Authority-Related)

Question		Response	URL (if Applicable)
1.	Has the Authority prepared its annual report on operations and accomplishments for the reporting period as required by section 2800 of PAL?	Yes	www.capitalizealbany.com
2.	As required by section 2800(9) of PAL, did the Authority prepare an assessment of the effectiveness of its internal controls?	Yes	www.capitalizealbany.com
3.	Has the lead audit partner for the independent audit firm changed in the last five years in accordance with section 2802(4) of PAL?	Yes	N/A
4.	Does the independent auditor provide non-audit services to the Authority?	No	N/A
5.	Does the Authority have an organization chart?	Yes	www.capitalizealbany.com
6.	Are any Authority staff also employed by another government agency?	No	
7.	Has the Authority posted their mission statement to their website?	Yes	www.capitalizealbany.com
8.	Has the Authority's mission statement been revised and adopted during the reporting period?	No	N/A
9.	Attach the Authority's measurement report, as required by section 2824-a of PAL and provide the URL.		www.capitalizealbany.com

Annual Report for Capitalize Albany Corporation

Fiscal Year Ending: 12/31/2022

Run Date: 03/24/2023

Status: UNSUBMITTED

Certified Date: N/A

Governance Information (Board-Related)

Question	Response	URL (If Applicable)
1. Has the Board established a Governance Committee in accordance with Section 2824(7) of PAL?	Yes	N/A
2. Has the Board established an Audit Committee in accordance with Section 2824(4) of PAL?	Yes	N/A
3. Has the Board established a Finance Committee in accordance with Section 2824(8) of PAL?	Yes	N/A
4. Provide a URL link where a list of Board committees can be found (including the name of the committee and the date established):		www.capitalizealbany.com
5. Does the majority of the Board meet the independence requirements of Section 2825(2) of PAL?	Yes	N/A
6. Provide a URL link to the minutes of the Board and committee meetings held during the covered fiscal year		www.capitalizealbany.com
7. Has the Board adopted bylaws and made them available to Board members and staff?	Yes	www.capitalizealbany.com
8. Has the Board adopted a code of ethics for Board members and staff?	Yes	www.capitalizealbany.com
9. Does the Board review and monitor the Authority's implementation of financial and management controls?	Yes	N/A
10. Does the Board execute direct oversight of the CEO and management in accordance with Section 2824(1) of PAL?	Yes	N/A
11. Has the Board adopted policies for the following in accordance with Section 2824(1) of PAL?		
Salary and Compensation	Yes	N/A
Time and Attendance	Yes	N/A
Whistleblower Protection	Yes	N/A
Defense and Indemnification of Board Members	Yes	N/A
12. Has the Board adopted a policy prohibiting the extension of credit to Board members and staff in accordance with Section 2824(5) of PAL?	Yes	N/A
13. Are the Authority's Board members, officers, and staff required to submit financial disclosure forms in accordance with Section 2825(3) of PAL?	Yes	N/A
14. Was a performance evaluation of the board completed?	Yes	N/A
15. Was compensation paid by the Authority made in accordance with employee or union contracts?	No	N/A
16. Has the board adopted a conditional/additional compensation policy governing all employees?	No	

Annual Report for Capitalize Albany Corporation

Fiscal Year Ending: 12/31/2022

Run Date: 03/24/2023

Status: UNSUBMITTED

Certified Date: N/A

Board of Directors Listing

Name	Adams, Kaweeda	Nominated By	Other
Chair of the Board	No	Appointed By	Other
If yes, Chair Designated by		Confirmed by Senate?	N/A
Term Start Date	12/14/2021	Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty?	Yes
Term Expiration Date	12/31/2024	Complied with Training Requirement of Section 2824?	Yes
Title		Does the Board Member/Designee also Hold an Elected or Appointed State Government Position?	No
Has the Board Member Appointed a Designee?		Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position?	Yes
Designee Name		Ex-Officio	

Name	Briccetti, Heather	Nominated By	Other
Chair of the Board	No	Appointed By	Other
If yes, Chair Designated by		Confirmed by Senate?	N/A
Term Start Date	12/14/2021	Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty?	Yes
Term Expiration Date	12/31/2024	Complied with Training Requirement of Section 2824?	Yes
Title		Does the Board Member/Designee also Hold an Elected or Appointed State Government Position?	Yes
Has the Board Member Appointed a Designee?		Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position?	No
Designee Name		Ex-Officio	

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Name	Castellana, Michael	Nominated By	Other
Chair of the Board	Yes	Appointed By	Other
If yes, Chair Designated by	Elected by Board	Confirmed by Senate?	N/A
Term Start Date	12/14/2021	Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty?	Yes
Term Expiration Date	12/31/2024	Complied with Training Requirement of Section 2824?	Yes
Title		Does the Board Member/Designee also Hold an Elected or Appointed State Government Position?	No
Has the Board Member Appointed a Designee?		Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position?	No
Designee Name		Ex-Officio	

Name	Fancher, Michael	Nominated By	Other
Chair of the Board	No	Appointed By	Other
If yes, Chair Designated by		Confirmed by Senate?	N/A
Term Start Date	12/15/2020	Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty?	Yes
Term Expiration Date	12/31/2023	Complied with Training Requirement of Section 2824?	Yes
Title		Does the Board Member/Designee also Hold an Elected or Appointed State Government Position?	Yes
Has the Board Member Appointed a Designee?		Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position?	No
Designee Name		Ex-Officio	

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Status: UNSUBMITTED

Certified Date: N/A

Name	Gaddy, Anthony	Nominated By	Other
Chair of the Board	No	Appointed By	Other
If yes, Chair Designated by		Confirmed by Senate?	N/A
Term Start Date	12/14/2021	Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty?	Yes
Term Expiration Date	12/31/2024	Complied with Training Requirement of Section 2824?	Yes
Title		Does the Board Member/Designee also Hold an Elected or Appointed State Government Position?	No
Has the Board Member Appointed a Designee?		Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position?	No
Designee Name		Ex-Officio	

Name	Harris, John	Nominated By	Other
Chair of the Board	No	Appointed By	Other
If yes, Chair Designated by		Confirmed by Senate?	N/A
Term Start Date	12/13/2022	Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty?	Yes
Term Expiration Date	12/31/2025	Complied with Training Requirement of Section 2824?	Yes
Title		Does the Board Member/Designee also Hold an Elected or Appointed State Government Position?	No
Has the Board Member Appointed a Designee?		Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position?	No
Designee Name		Ex-Officio	

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Certified Date: N/A

Name	Parente, David	Nominated By	Other
Chair of the Board	No	Appointed By	Other
If yes, Chair Designated by		Confirmed by Senate?	N/A
Term Start Date	12/14/2021	Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty?	Yes
Term Expiration Date	12/31/2024	Complied with Training Requirement of Section 2824?	Yes
Title		Does the Board Member/Designee also Hold an Elected or Appointed State Government Position?	No
Has the Board Member Appointed a Designee?		Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position?	No
Designee Name		Ex-Officio	

Name	Peter, Matthew	Nominated By	Other
Chair of the Board	No	Appointed By	Other
If yes, Chair Designated by		Confirmed by Senate?	N/A
Term Start Date	12/20/2022	Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty?	Yes
Term Expiration Date	12/31/2025	Complied with Training Requirement of Section 2824?	Yes
Title		Does the Board Member/Designee also Hold an Elected or Appointed State Government Position?	No
Has the Board Member Appointed a Designee?		Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position?	Yes
Designee Name		Ex-Officio	

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Status: UNSUBMITTED

Certified Date: N/A

Name	Rodriguez, Havidan	Nominated By	Other
Chair of the Board	No	Appointed By	Other
If yes, Chair Designated by		Confirmed by Senate?	N/A
Term Start Date	12/13/2022	Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty?	Yes
Term Expiration Date	12/31/2025	Complied with Training Requirement of Section 2824?	No
Title		Does the Board Member/Designee also Hold an Elected or Appointed State Government Position?	Yes
Has the Board Member Appointed a Designee?		Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position?	No
Designee Name		Ex-Officio	

Name	Tomson, Anders	Nominated By	Other
Chair of the Board	No	Appointed By	Other
If yes, Chair Designated by		Confirmed by Senate?	N/A
Term Start Date	12/15/2020	Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty?	Yes
Term Expiration Date	12/31/2023	Complied with Training Requirement of Section 2824?	Yes
Title		Does the Board Member/Designee also Hold an Elected or Appointed State Government Position?	No
Has the Board Member Appointed a Designee?		Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position?	No
Designee Name		Ex-Officio	

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Certified Date: N/A

Name	Torrejón, Karen	Nominated By	Other
Chair of the Board	No	Appointed By	Other
If yes, Chair Designated by		Confirmed by Senate?	N/A
Term Start Date	12/15/2020	Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty?	Yes
Term Expiration Date	12/31/2023	Complied with Training Requirement of Section 2824?	Yes
Title		Does the Board Member/Designee also Hold an Elected or Appointed State Government Position?	No
Has the Board Member Appointed a Designee?		Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position?	No
Designee Name		Ex-Officio	

Name	Vero, John	Nominated By	Other
Chair of the Board	No	Appointed By	Other
If yes, Chair Designated by		Confirmed by Senate?	N/A
Term Start Date	12/13/2022	Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty?	Yes
Term Expiration Date	12/31/2025	Complied with Training Requirement of Section 2824?	Yes
Title		Does the Board Member/Designee also Hold an Elected or Appointed State Government Position?	No
Has the Board Member Appointed a Designee?		Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position?	No
Designee Name		Ex-Officio	

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Certified Date: N/A

Name	del Peral, Sonya	Nominated By	Other
Chair of the Board	No	Appointed By	Other
If yes, Chair Designated by		Confirmed by Senate?	N/A
Term Start Date	12/14/2021	Has the Board Member/Designee Signed the Acknowledgement of Fiduciary Duty?	Yes
Term Expiration Date	12/31/2024	Complied with Training Requirement of Section 2824?	Yes
Title		Does the Board Member/Designee also Hold an Elected or Appointed State Government Position?	No
Has the Board Member Appointed a Designee?		Does the Board Member/Designee also Hold an Elected or Appointed Municipal Government Position?	No
Designee Name		Ex-Officio	

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Certified Date: N/A

Staff Listing

Name	Title	Group	Department/ Subsidiary	Union Name	Bargaining Unit	Full Time/ Part Time	Exempt	Base Annualized Salary	Actual salary paid to the Individual	Overtime paid by Authority	Performance Bonus	Extra Pay	Other Compensati on/Allowanc es/Adjustme nts	Total Compensati on paid by Authority	Individual also paid by another entity to perform the work of the Authority	If yes, Is the payment made by a State or local governme nt
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Certified Date: N/A

Benefit Information

During the fiscal year, did the Authority continue to pay for any of the above mentioned benefits for former staff or individuals affiliated With the Authority after those individuals left the Authority?	No
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Board Members

Name	Title	Severance Package	Payment for Unused Leave	Club Member-ships	Use of Corporate Credit Cards	Personal Loans	Auto	Transportation	Housing Allowance	Spousal / Dependent Life Insurance	Tuition Assistance	Multi-Year Employment	None of these Benefits	Other
Adams, Kaweeda	Board of Directors												X	
Briccetti, Heather	Board of Directors												X	
Castellana, Michael	Board of Directors												X	
Fancher, Michael	Board of Directors												X	
Gaddy, Anthony	Board of Directors												X	
Harris, John	Board of Directors												X	
Parente, David	Board of Directors												X	
Peter, Matthew	Board of Directors												X	
Rodriguez, Havidan	Board of Directors												X	
Tomson, Anders	Board of Directors												X	
Torrejon, Karen	Board of Directors												X	
Vero, John	Board of Directors												X	
del Peral, Sonya	Board of Directors												X	

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Certified Date: N/A

Staff

Name	Title	Severance Package	Payment for Unused Leave	Club Member- ships	Use of Corporate Credit Cards	Personal Loans	Auto	Transportation	Housing Allowance	Spousal / Dependent Life Insurance	Tuition Assistance	Multi-Year Employment	None of these Benefits	Other
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Status: UNSUBMITTED

Certified Date: N/A

Subsidiary/Component Unit Verification

Is the list of subsidiaries, as assembled by the Office of the State Comptroller, correct?	No
Are there other subsidiaries or component units of the Authority that are active, not included in the PARIS reports submitted by this Authority and not independently filing reports in PARIS?	Yes

Name of Subsidiary/Component Unit	Status
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Request Subsidiary/Component Unit Change

Name of Subsidiary/Component Unit	Status	Requested Changes
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Request Add Subsidiaries/Component Units

Name of Subsidiary/Component Unit	Establishment Date	Purpose of Subsidiary/Component Unit
Citywide Property Holdings, LLC	4/28/2008	Assist the Corporation in the furtherance of its mission and to enhance project development.
Liberty Square Development LLC	1/5/2018	Assist the Corporation in the furtherance of its mission and to enhance project development.

Request Delete Subsidiaries/Component Units

Name of Subsidiary/Component Unit	Termination Date	Reason for Termination	Proof of Termination Document Name
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Status: UNSUBMITTED

Certified Date: N/A

Summary Financial Information
SUMMARY STATEMENT OF NET ASSETS

			Amount
Assets			
Current Assets			
	Cash and cash equivalents		\$1,342,410.00
	Investments		\$6,047,993.00
	Receivables, net		\$904,543.00
	Other assets		\$26,903.00
	Total current assets		\$8,321,849.00
Noncurrent Assets			
	Restricted cash and investments		\$4,464,465.00
	Long-term receivables, net		\$1,319,399.00
	Other assets		\$38,283.00
	Capital Assets		
		Land and other nondepreciable property	\$7,451,088.00
		Buildings and equipment	\$4,854,085.00
		Infrastructure	\$144,591.00
		Accumulated depreciation	\$4,003,346.00
		Net Capital Assets	\$8,446,418.00
	Total noncurrent assets		\$14,268,565.00
Total assets			\$22,590,414.00
Liabilities			
Current Liabilities			
	Accounts payable		\$63,452.00
	Pension contribution payable		\$0.00
	Other post-employment benefits		\$0.00
	Accrued liabilities		\$0.00
	Deferred revenues		\$2,517,640.00
	Bonds and notes payable		\$240,000.00
	Other long-term obligations due within one year		\$59,521.00
	Total current liabilities		\$2,880,613.00
Noncurrent Liabilities			

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	Pension contribution payable		\$0.00
	Other post-employment benefits		\$0.00
	Bonds and notes payable		\$255,000.00
	Long term leases		\$0.00
	Other long-term obligations		\$2,266,591.00
	Total noncurrent liabilities		\$2,521,591.00
Total liabilities			\$5,402,204.00
Net Asset (Deficit)			
Net Assets			
	Invested in capital assets, net of related debt		\$7,951,418.00
	Restricted		\$115,107.00
	Unrestricted		\$9,121,685.00
	Total net assets		\$17,188,210.00

SUMMARY STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS

			Amount
Operating Revenues			
	Charges for services		\$614,091.00
	Rental and financing income		\$396,086.00
	Other operating revenues		\$38,850.00
	Total operating revenue		\$1,049,027.00
Operating Expenses			
	Salaries and wages		\$850,883.00
	Other employee benefits		\$269,356.00
	Professional services contracts		\$400,727.00
	Supplies and materials		\$5,207.00
	Depreciation and amortization		\$192,329.00
	Other operating expenses		(\$53,260.00)
	Total operating expenses		\$1,665,242.00
Operating income (loss)			(\$616,215.00)
Nonoperating Revenues			
	Investment earnings		(\$229,518.00)
	State subsidies/grants		\$3,142,556.00
	Federal subsidies/grants		\$0.00
	Municipal subsidies/grants		\$0.00
	Public authority subsidies		\$465,843.00

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	Other nonoperating revenues		\$197,839.00
	Total nonoperating revenue		\$3,576,720.00
Nonoperating Expenses			
	Interest and other financing charges		\$5,552.00
	Subsidies to other public authorities		\$0.00
	Grants and donations		\$103,781.00
	Other nonoperating expenses		\$492,022.00
	Total nonoperating expenses		\$601,355.00
	Income (loss) before contributions		\$2,359,150.00
Capital contributions			\$0.00
Change in net assets			\$2,359,150.00
Net assets (deficit) beginning of year			\$14,829,060.00
Other net assets changes			\$0.00
Net assets (deficit) at end of year			\$17,188,210.00

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Current Debt

Question		Response
1.	Did the Authority have any outstanding debt, including conduit debt, at any point during the reporting period?	Yes
2.	If yes, has the Authority issued any debt during the reporting period?	No

New Debt Issuances

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Schedule of Authority Debt

Type of Debt			Statutory Authorization(\$)	Outstanding Start of Fiscal Year(\$)	New Debt Issuances(\$)	Debt Retired (\$)	Outstanding End of Fiscal Year(\$)
State Obligation	State Guaranteed						
State Obligation	State Supported						
State Obligation	State Contingent Obligation						
State Obligation	State Moral Obligation						
Other State-Funded	Other State-Funded						
Authority Debt - General Obligation	Authority Debt - General Obligation						
Authority Debt - Revenue	Authority Debt - Revenue		0.00	720,000.00	0.00	225,000.00	495,000.00
Authority Debt - Other	Authority Debt - Other						
Conduit		Conduit Debt					
Conduit		Conduit Debt - Pilot Increment Financing					
TOTALS			0.00	720,000.00	0.00	225,000.00	495,000.00

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Real Property Acquisition/Disposal List

This Authority has indicated that it had no real property acquisitions or disposals during the reporting period.

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Certified Date: N/A

Personal Property

This Authority has indicated that it had no personal property disposals during the reporting period.

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Certified Date: N/A

Property Documents

Question		Response	URL (If Applicable)
1.	In accordance with Section 2896(3) of PAL, the Authority is required to prepare a report at least annually of all real property of the Authority. Has this report been prepared?	Yes	www.capitalizealbany.com
2.	Has the Authority prepared policies, procedures, or guidelines regarding the use, awarding, monitoring, and reporting of contracts for the acquisition and disposal of property?	Yes	www.capitalizealbany.com
3.	In accordance with Section 2896(1) of PAL, has the Authority named a contracting officer who shall be responsible for the Authority's compliance with and enforcement of such guidelines?	Yes	N/A

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Grant Information

Source of Grant Funds	Not for Profit
Name of Grant Recipient	55 Columbia Street Association LLC
Address Line1	55 Columbia Street
Address Line2	
City	ALBANY
State	NY
Postal Code - Plus4	12207
Province/Region	
Country	United States
Amount of Grant Award Provided During Reporting Year	\$25,000.00
Date Grant Awarded	1/21/2022
Purpose of Grant	Business Expansion/Startup
Was the Grant Expected to Result in New Jobs Being Created?	Yes
If yes, How Many Jobs Were Planned to be Created?	1
If yes, How Many Jobs Have Been Created to Date?	1

Source of Grant Funds	Not for Profit
Name of Grant Recipient	Albany Center Galleries
Address Line1	488 Broadway
Address Line2	
City	ALBANY
State	NY
Postal Code - Plus4	12207
Province/Region	
Country	United States
Amount of Grant Award Provided During Reporting Year	\$4,898.62
Date Grant Awarded	10/5/2022
Purpose of Grant	Marketing and Business Recruitment
Was the Grant Expected to Result in New Jobs Being Created?	No
If yes, How Many Jobs Were Planned to be Created?	
If yes, How Many Jobs Have Been Created to Date?	

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Certified Date: N/A

Source of Grant Funds	Not for Profit
Name of Grant Recipient	Blooms by Marie
Address Line1	811 Madison Avenue
Address Line2	
City	ALBANY
State	NY
Postal Code - Plus4	12208
Province/Region	
Country	United States
Amount of Grant Award Provided During Reporting Year	\$3,240.00
Date Grant Awarded	12/1/2022
Purpose of Grant	Commercial Property Construction/Acquisition/Revitalization/Improvement
Was the Grant Expected to Result in New Jobs Being Created?	No
If yes, How Many Jobs Were Planned to be Created?	
If yes, How Many Jobs Have Been Created to Date?	

Source of Grant Funds	Not for Profit
Name of Grant Recipient	Bone Flowers LLC
Address Line1	68 Chestnut Street
Address Line2	
City	ALBANY
State	NY
Postal Code - Plus4	12210
Province/Region	
Country	United States
Amount of Grant Award Provided During Reporting Year	\$4,871.87
Date Grant Awarded	12/5/2022
Purpose of Grant	Marketing and Business Recruitment
Was the Grant Expected to Result in New Jobs Being Created?	No
If yes, How Many Jobs Were Planned to be Created?	
If yes, How Many Jobs Have Been Created to Date?	

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Status: UNSUBMITTED

Certified Date: N/A

Source of Grant Funds	Not for Profit
Name of Grant Recipient	Gem Drug Corporation dba Lincoln Pharmacy
Address Line1	300 Morton Avenue
Address Line2	
City	ALBANY
State	NY
Postal Code - Plus4	12209
Province/Region	
Country	United States
Amount of Grant Award Provided During Reporting Year	\$7,088.58
Date Grant Awarded	6/2/2022
Purpose of Grant	Commercial Property Construction/Acquisition/Revitalization/Improvement
Was the Grant Expected to Result in New Jobs Being Created?	No
If yes, How Many Jobs Were Planned to be Created?	
If yes, How Many Jobs Have Been Created to Date?	

Source of Grant Funds	Not for Profit
Name of Grant Recipient	Hill Street Cafe Inc
Address Line1	176-180 Madison Avenue
Address Line2	
City	ALBANY
State	NY
Postal Code - Plus4	12202
Province/Region	
Country	United States
Amount of Grant Award Provided During Reporting Year	\$7,888.00
Date Grant Awarded	9/29/2022
Purpose of Grant	Commercial Property Construction/Acquisition/Revitalization/Improvement
Was the Grant Expected to Result in New Jobs Being Created?	No
If yes, How Many Jobs Were Planned to be Created?	
If yes, How Many Jobs Have Been Created to Date?	

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Certified Date: N/A

Source of Grant Funds	Not for Profit
Name of Grant Recipient	Historic Albany Foundation
Address Line1	89 Lexington Avenue
Address Line2	
City	ALBANY
State	NY
Postal Code - Plus4	12206
Province/Region	
Country	United States
Amount of Grant Award Provided During Reporting Year	\$2,316.05
Date Grant Awarded	9/1/2022
Purpose of Grant	Marketing and Business Recruitment
Was the Grant Expected to Result in New Jobs Being Created?	No
If yes, How Many Jobs Were Planned to be Created?	
If yes, How Many Jobs Have Been Created to Date?	

Source of Grant Funds	Not for Profit
Name of Grant Recipient	Image Quilt Productions Inc
Address Line1	30 Elizabeth Street
Address Line2	
City	ALBANY
State	NY
Postal Code - Plus4	12202
Province/Region	
Country	United States
Amount of Grant Award Provided During Reporting Year	\$4,000.00
Date Grant Awarded	12/5/2022
Purpose of Grant	Commercial Property Construction/Acquisition/Revitalization/Improvement
Was the Grant Expected to Result in New Jobs Being Created?	No
If yes, How Many Jobs Were Planned to be Created?	
If yes, How Many Jobs Have Been Created to Date?	

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 Status: UNSUBMITTED
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Source of Grant Funds	Not for Profit
Name of Grant Recipient	Oman Industries, LLC
Address Line1	50 Yardboro Avenue
Address Line2	
City	ALBANY
State	NY
Postal Code - Plus4	12205
Province/Region	
Country	United States
Amount of Grant Award Provided During Reporting Year	\$525.78
Date Grant Awarded	9/1/2022
Purpose of Grant	Commercial Property Construction/Acquisition/Revitalization/Improvement
Was the Grant Expected to Result in New Jobs Being Created?	No
If yes, How Many Jobs Were Planned to be Created?	
If yes, How Many Jobs Have Been Created to Date?	

Source of Grant Funds	Not for Profit
Name of Grant Recipient	Redburn Development Partners
Address Line1	76 North Pearl Street
Address Line2	
City	ALBANY
State	NY
Postal Code - Plus4	12207
Province/Region	
Country	United States
Amount of Grant Award Provided During Reporting Year	\$24,693.83
Date Grant Awarded	1/14/2022
Purpose of Grant	Business Expansion/Startup
Was the Grant Expected to Result in New Jobs Being Created?	Yes
If yes, How Many Jobs Were Planned to be Created?	1
If yes, How Many Jobs Have Been Created to Date?	1

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Status: UNSUBMITTED

Certified Date: N/A

Source of Grant Funds	Not for Profit
Name of Grant Recipient	Restaurant 605
Address Line1	605 New Scotland Ave
Address Line2	
City	ALBANY
State	NY
Postal Code - Plus4	12208
Province/Region	
Country	United States
Amount of Grant Award Provided During Reporting Year	\$7,370.70
Date Grant Awarded	9/8/2022
Purpose of Grant	Commercial Property Construction/Acquisition/Revitalization/Improvement
Was the Grant Expected to Result in New Jobs Being Created?	No
If yes, How Many Jobs Were Planned to be Created?	
If yes, How Many Jobs Have Been Created to Date?	

Source of Grant Funds	Not for Profit
Name of Grant Recipient	Underground Railroad History Project of the Capital Region
Address Line1	194 Livingston Avenue
Address Line2	
City	ALBANY
State	NY
Postal Code - Plus4	12210
Province/Region	
Country	United States
Amount of Grant Award Provided During Reporting Year	\$1,887.58
Date Grant Awarded	9/29/2022
Purpose of Grant	Marketing and Business Recruitment
Was the Grant Expected to Result in New Jobs Being Created?	No
If yes, How Many Jobs Were Planned to be Created?	
If yes, How Many Jobs Have Been Created to Date?	

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Source of Grant Funds	Not for Profit
Name of Grant Recipient	WAMC
Address Line1	318 Central Avenue
Address Line2	
City	ALBANY
State	NY
Postal Code - Plus4	12206
Province/Region	
Country	United States
Amount of Grant Award Provided During Reporting Year	\$5,000.00
Date Grant Awarded	10/5/2022
Purpose of Grant	Marketing and Business Recruitment
Was the Grant Expected to Result in New Jobs Being Created?	No
If yes, How Many Jobs Were Planned to be Created?	
If yes, How Many Jobs Have Been Created to Date?	

Source of Grant Funds	Not for Profit
Name of Grant Recipient	Williams Francisco Initiative
Address Line1	64 Quail Street
Address Line2	
City	ALBANY
State	NY
Postal Code - Plus4	12206
Province/Region	
Country	United States
Amount of Grant Award Provided During Reporting Year	\$5,000.00
Date Grant Awarded	10/5/2022
Purpose of Grant	Marketing and Business Recruitment
Was the Grant Expected to Result in New Jobs Being Created?	No
If yes, How Many Jobs Were Planned to be Created?	
If yes, How Many Jobs Have Been Created to Date?	

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Loan Information

Source of Loan Funds	Other	Original Amount of Loan	\$275,000.00
Name of Loan Recipient	40-48 South Pearl Street, LLC	Date Loan Awarded	7/9/2015
Address Line1	95 Daniel Street	Interest Rate (%)	5
Address Line2		Length of Loan(# of years to repay)	6
City	SLINGERLANDS	Amount of Loan Principal Repaid to Date	\$275,000.00
State	NY	Purpose of Loan	Residential Property Construction/Acquisition/Rehabilitation/Improvement
Postal Code	12159	Was the loan expected to result in new jobs being created?	No
Plus4		If Yes, how many jobs were planned to be created?	
Province/Region		If Yes, how many jobs have been created to date?	
Country	United States	Have the terms of the loan been completed?	Yes

Source of Loan Funds	Other	Original Amount of Loan	\$400,000.00
Name of Loan Recipient	412 Broadway Realty LLC	Date Loan Awarded	10/17/2014
Address Line1	664 Plank Rd	Interest Rate (%)	5
Address Line2	Suite 205	Length of Loan(# of years to repay)	12
City	CLIFTON PARK	Amount of Loan Principal Repaid to Date	\$47,541.58
State	NY	Purpose of Loan	Residential Property Construction/Acquisition/Rehabilitation/Improvement
Postal Code	12065	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	8
Province/Region		If Yes, how many jobs have been created to date?	9
Country	United States	Have the terms of the loan been completed?	No

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Source of Loan Funds	Federal	Original Amount of Loan	\$100,000.00
Name of Loan Recipient	Ace Holding, LLC.	Date Loan Awarded	2/19/2004
Address Line1	2C Sterling Ridge Drive	Interest Rate (%)	5
Address Line2		Length of Loan(# of years to repay)	15
City	RENSSELAER	Amount of Loan Principal Repaid to Date	\$8,898.13
State	NY	Purpose of Loan	Commercial Property Construction/Acquisition/Revitalization/Improvement
Postal Code	12144	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	3
Province/Region		If Yes, how many jobs have been created to date?	0
Country	United States	Have the terms of the loan been completed?	No

Source of Loan Funds	Other	Original Amount of Loan	\$45,000.00
Name of Loan Recipient	Ace Holding, LLC.	Date Loan Awarded	11/2/2001
Address Line1	2C Sterling Ridge Drive	Interest Rate (%)	5
Address Line2		Length of Loan(# of years to repay)	20
City	RENSSELAER	Amount of Loan Principal Repaid to Date	\$12,857.65
State	NY	Purpose of Loan	Residential Property Construction/Acquisition/Rehabilitation/Improvement
Postal Code	12144	Was the loan expected to result in new jobs being created?	No
Plus4		If Yes, how many jobs were planned to be created?	
Province/Region		If Yes, how many jobs have been created to date?	
Country	United States	Have the terms of the loan been completed?	No

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Source of Loan Funds	Other	Original Amount of Loan	\$220,000.00
Name of Loan Recipient	Albany Center for Economic Success	Date Loan Awarded	4/20/1993
Address Line1	255 Orange Street	Interest Rate (%)	3
Address Line2		Length of Loan(# of years to repay)	25
City	ALBANY	Amount of Loan Principal Repaid to Date	\$0.00
State	NY	Purpose of Loan	Commercial Property Construction/Acquisition/Revitalization/Improvement
Postal Code	12210	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	10
Province/Region		If Yes, how many jobs have been created to date?	10
Country	United States	Have the terms of the loan been completed?	No

Source of Loan Funds	Federal	Original Amount of Loan	\$200,000.00
Name of Loan Recipient	Albany Community Development Agency	Date Loan Awarded	2/12/2004
Address Line1	200 Henry Johnson Blvd.	Interest Rate (%)	4.25
Address Line2		Length of Loan(# of years to repay)	15
City	ALBANY	Amount of Loan Principal Repaid to Date	\$182,024.65
State	NY	Purpose of Loan	Commercial Property Construction/Acquisition/Revitalization/Improvement
Postal Code	12210	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	5
Province/Region		If Yes, how many jobs have been created to date?	5
Country	United States	Have the terms of the loan been completed?	No

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Source of Loan Funds	Federal	Original Amount of Loan	\$11,107.00
Name of Loan Recipient	Andrea Thompson-Howe	Date Loan Awarded	5/26/1987
Address Line1	241 Livingston Ave.	Interest Rate (%)	3
Address Line2		Length of Loan(# of years to repay)	30
City	ALBANY	Amount of Loan Principal Repaid to Date	\$0.00
State	NY	Purpose of Loan	Residential Property Construction/Acquisition/Rehabilitation/Improvement
Postal Code	12210	Was the loan expected to result in new jobs being created?	No
Plus4		If Yes, how many jobs were planned to be created?	
Province/Region		If Yes, how many jobs have been created to date?	
Country	United States	Have the terms of the loan been completed?	No

Source of Loan Funds	Federal	Original Amount of Loan	\$55,000.00
Name of Loan Recipient	Angela Boney D/B/A Boney Enterprises	Date Loan Awarded	10/25/2000
Address Line1	P.O. Box 12421	Interest Rate (%)	5
Address Line2		Length of Loan(# of years to repay)	20
City	ALBANY	Amount of Loan Principal Repaid to Date	\$28,773.62
State	NY	Purpose of Loan	Commercial Property Construction/Acquisition/Revitalization/Improvement
Postal Code	12212	Was the loan expected to result in new jobs being created?	No
Plus4		If Yes, how many jobs were planned to be created?	
Province/Region		If Yes, how many jobs have been created to date?	
Country	United States	Have the terms of the loan been completed?	No

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Source of Loan Funds	Federal	Original Amount of Loan	\$15,000.00
Name of Loan Recipient	Angela Boney D/B/A Boney Enterprises	Date Loan Awarded	10/1/2002
Address Line1	P.O. Box 12421	Interest Rate (%)	5
Address Line2		Length of Loan(# of years to repay)	17
City	ALBANY	Amount of Loan Principal Repaid to Date	\$7,511.12
State	NY	Purpose of Loan	Commercial Property Construction/Acquisition/Revitalization/Improvement
Postal Code	12212	Was the loan expected to result in new jobs being created?	No
Plus4		If Yes, how many jobs were planned to be created?	
Province/Region		If Yes, how many jobs have been created to date?	
Country	United States	Have the terms of the loan been completed?	No

Source of Loan Funds	Federal	Original Amount of Loan	\$11,107.00
Name of Loan Recipient	Anthony Perkins	Date Loan Awarded	3/29/1989
Address Line1	225 Livingston Ave.	Interest Rate (%)	3
Address Line2		Length of Loan(# of years to repay)	30
City	ALBANY	Amount of Loan Principal Repaid to Date	\$0.00
State	NY	Purpose of Loan	Residential Property Construction/Acquisition/Rehabilitation/Improvement
Postal Code	12210	Was the loan expected to result in new jobs being created?	No
Plus4		If Yes, how many jobs were planned to be created?	
Province/Region		If Yes, how many jobs have been created to date?	
Country	United States	Have the terms of the loan been completed?	No

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Source of Loan Funds	Other	Original Amount of Loan	\$65,000.00
Name of Loan Recipient	Arbor Hill Development Corporation	Date Loan Awarded	8/12/1994
Address Line1	241 Clinton Avenue	Interest Rate (%)	7
Address Line2		Length of Loan(# of years to repay)	30
City	ALBANY	Amount of Loan Principal Repaid to Date	\$56,862.14
State	NY	Purpose of Loan	Commercial Property Construction/Acquisition/Revitalization/Improvement
Postal Code	12210	Was the loan expected to result in new jobs being created?	Yes
Plus4		If Yes, how many jobs were planned to be created?	2
Province/Region		If Yes, how many jobs have been created to date?	2
Country	United States	Have the terms of the loan been completed?	No

Source of Loan Funds	Federal	Original Amount of Loan	\$11,107.00
Name of Loan Recipient	Benjamin White	Date Loan Awarded	12/28/1988
Address Line1	179 Livingston Ave.	Interest Rate (%)	3
Address Line2		Length of Loan(# of years to repay)	30
City	ALBANY	Amount of Loan Principal Repaid to Date	\$0.00
State	NY	Purpose of Loan	Residential Property Construction/Acquisition/Rehabilitation/Improvement
Postal Code	12210	Was the loan expected to result in new jobs being created?	No
Plus4		If Yes, how many jobs were planned to be created?	
Province/Region		If Yes, how many jobs have been created to date?	
Country	United States	Have the terms of the loan been completed?	No

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Source of Loan Funds	Federal	Original Amount of Loan	\$11,107.00
Name of Loan Recipient	Byron Hamilton	Date Loan Awarded	11/23/1988
Address Line1	P.O. Box 5216	Interest Rate (%)	3
Address Line2		Length of Loan(# of years to repay)	30
City	ALBANY	Amount of Loan Principal Repaid to Date	\$0.00
State	NY	Purpose of Loan	Residential Property Construction/Acquisition/Rehabilitation/Improvement
Postal Code	12205	Was the loan expected to result in new jobs being created?	No
Plus4		If Yes, how many jobs were planned to be created?	
Province/Region		If Yes, how many jobs have been created to date?	
Country	United States	Have the terms of the loan been completed?	No

Source of Loan Funds	Other	Original Amount of Loan	\$500,000.00
Name of Loan Recipient	Center for Medical Science, Inc.	Date Loan Awarded	8/28/2009
Address Line1	747 Pierce Road	Interest Rate (%)	7.25
Address Line2		Length of Loan(# of years to repay)	10
City	CLIFTON PARK	Amount of Loan Principal Repaid to Date	\$99,698.28
State	NY	Purpose of Loan	Commercial Property Construction/Acquisition/Revitalization/Improvement
Postal Code	12065	Was the loan expected to result in new jobs being created?	No
Plus4		If Yes, how many jobs were planned to be created?	
Province/Region		If Yes, how many jobs have been created to date?	
Country	United States	Have the terms of the loan been completed?	No

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Source of Loan Funds	Other	Original Amount of Loan	\$145,000.00
Name of Loan Recipient	Costev, Inc.	Date Loan Awarded	12/11/2008
Address Line1	31 Hanacreek Drive	Interest Rate (%)	5
Address Line2		Length of Loan(# of years to repay)	30
City	RAVENA	Amount of Loan Principal Repaid to Date	\$145,000.00
State	NY	Purpose of Loan	Commercial Property Construction/Acquisition/Revitalization/Improvement
Postal Code	12143	Was the loan expected to result in new jobs being created?	No
Plus4		If Yes, how many jobs were planned to be created?	
Province/Region		If Yes, how many jobs have been created to date?	
Country	United States	Have the terms of the loan been completed?	Yes

Source of Loan Funds	Federal	Original Amount of Loan	\$190,000.00
Name of Loan Recipient	Historic Albany Foundation, Inc.	Date Loan Awarded	10/19/2007
Address Line1	89 Lexington Ave.	Interest Rate (%)	5
Address Line2		Length of Loan(# of years to repay)	2
City	ALBANY	Amount of Loan Principal Repaid to Date	\$190,000.00
State	NY	Purpose of Loan	Commercial Property Construction/Acquisition/Revitalization/Improvement
Postal Code	12206	Was the loan expected to result in new jobs being created?	No
Plus4		If Yes, how many jobs were planned to be created?	
Province/Region		If Yes, how many jobs have been created to date?	
Country	United States	Have the terms of the loan been completed?	No

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Source of Loan Funds	Other	Original Amount of Loan	\$616,950.00
Name of Loan Recipient	Historic Pastures Mansions, LLC	Date Loan Awarded	12/30/2014
Address Line1	117 West Liberty Street	Interest Rate (%)	6
Address Line2		Length of Loan(# of years to repay)	33
City	ROME	Amount of Loan Principal Repaid to Date	\$200,000.00
State	NY	Purpose of Loan	Residential Property Construction/Acquisition/Rehabilitation/Improvement
Postal Code	13440	Was the loan expected to result in new jobs being created?	No
Plus4		If Yes, how many jobs were planned to be created?	
Province/Region		If Yes, how many jobs have been created to date?	
Country	United States	Have the terms of the loan been completed?	No

Source of Loan Funds	Federal	Original Amount of Loan	\$11,107.00
Name of Loan Recipient	James McBride	Date Loan Awarded	11/26/1986
Address Line1	243 Livingston Ave.	Interest Rate (%)	3
Address Line2		Length of Loan(# of years to repay)	30
City	ALBANY	Amount of Loan Principal Repaid to Date	\$0.00
State	NY	Purpose of Loan	Residential Property Construction/Acquisition/Rehabilitation/Improvement
Postal Code	12210	Was the loan expected to result in new jobs being created?	No
Plus4		If Yes, how many jobs were planned to be created?	
Province/Region		If Yes, how many jobs have been created to date?	
Country	United States	Have the terms of the loan been completed?	No

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Source of Loan Funds	Other	Original Amount of Loan	\$125,000.00
Name of Loan Recipient	Michael and Antonella Urgo	Date Loan Awarded	6/16/2006
Address Line1	12 Briarwood Terrace	Interest Rate (%)	5
Address Line2		Length of Loan(# of years to repay)	30
City	ALBANY	Amount of Loan Principal Repaid to Date	\$34,357.43
State	NY	Purpose of Loan	Residential Property Construction/Acquisition/Rehabilitation/Improvement
Postal Code	12203	Was the loan expected to result in new jobs being created?	No
Plus4		If Yes, how many jobs were planned to be created?	
Province/Region		If Yes, how many jobs have been created to date?	
Country	United States	Have the terms of the loan been completed?	No

Source of Loan Funds	Not for Profit	Original Amount of Loan	\$500,000.00
Name of Loan Recipient	Morris Place LLC	Date Loan Awarded	5/3/2019
Address Line1	2 Haymont Terrace	Interest Rate (%)	5.5
Address Line2		Length of Loan(# of years to repay)	10
City	BRIARCLIFF MANOR	Amount of Loan Principal Repaid to Date	\$9,652.81
State	NY	Purpose of Loan	Residential Property Construction/Acquisition/Rehabilitation/Improvement
Postal Code	10510	Was the loan expected to result in new jobs being created?	No
Plus4		If Yes, how many jobs were planned to be created?	
Province/Region		If Yes, how many jobs have been created to date?	
Country	United States	Have the terms of the loan been completed?	No

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Source of Loan Funds	Federal	Original Amount of Loan	\$11,107.00
Name of Loan Recipient	Moses Devanandan	Date Loan Awarded	3/31/1988
Address Line1	177 Livingston Ave.	Interest Rate (%)	3
Address Line2		Length of Loan(# of years to repay)	30
City	ALBANY	Amount of Loan Principal Repaid to Date	\$0.00
State	NY	Purpose of Loan	Residential Property Construction/Acquisition/Rehabilitation/Improvement
Postal Code	12210	Was the loan expected to result in new jobs being created?	No
Plus4		If Yes, how many jobs were planned to be created?	
Province/Region		If Yes, how many jobs have been created to date?	
Country	United States	Have the terms of the loan been completed?	No

Source of Loan Funds	Federal	Original Amount of Loan	\$850,000.00
Name of Loan Recipient	Steuben Place Partners	Date Loan Awarded	4/15/1981
Address Line1	P.O. Box 648	Interest Rate (%)	0
Address Line2		Length of Loan(# of years to repay)	100
City	COHOES	Amount of Loan Principal Repaid to Date	\$50,089.00
State	NY	Purpose of Loan	Commercial Property Construction/Acquisition/Revitalization/Improvement
Postal Code	12047	Was the loan expected to result in new jobs being created?	No
Plus4		If Yes, how many jobs were planned to be created?	
Province/Region		If Yes, how many jobs have been created to date?	
Country	United States	Have the terms of the loan been completed?	No

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Source of Loan Funds	Federal	Original Amount of Loan	\$14,805.00
Name of Loan Recipient	Valentine Wilson	Date Loan Awarded	10/23/1992
Address Line1	258 Colonie Street	Interest Rate (%)	3
Address Line2		Length of Loan(# of years to repay)	30
City	ALBANY	Amount of Loan Principal Repaid to Date	\$0.00
State	NY	Purpose of Loan	Residential Property Construction/Acquisition/Rehabilitation/Improvement
Postal Code	12210	Was the loan expected to result in new jobs being created?	No
Plus4		If Yes, how many jobs were planned to be created?	
Province/Region		If Yes, how many jobs have been created to date?	
Country	United States	Have the terms of the loan been completed?	No

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Bond Information

Name of Recipient of Bond Proceeds	Capitalize Albany Corporation	Bond Interest Rate	1.1
Address Line1	21 Lodge Street	Last Year Bonds Expected to be Retired	2027
Address Line2		Amount of Bond Principal Retired during the Reporting Year	225000
City	ALBANY	Amount of Bond Principal Retired Prior to Reporting Year	3670000
State	NY	Current Amount of Bonds Outstanding	\$495,000.00
Postal Code	12207	Purpose of Project Requiring the Bond Issuance	Land Preservation/Resource Conservation/Recreation
Plus4		Was the Bond Issuance Expected to Result in New Jobs Being Created?	No
Province/Region		If yes, How Many Jobs Were Planned to be Created?	
Country	United States	If yes, How Many Jobs Have Been Created to Date?	
Amount of Bonds Issued	\$4,390,000.00	Have the Bonds Been Fully Retired?	No
Date Bonds Issued	2/21/2002		

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Additional Comments

Procurement Report for Capitalize Albany Corporation

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Procurement Information:

Question		Response	URL (If Applicable)
1.	Does the Authority have procurement guidelines?	Yes	www.capitalizealbany.com
2.	Are the procurement guidelines reviewed annually, amended if needed, and approved by the Board?	Yes	
3.	Does the Authority allow for exceptions to the procurement guidelines?	Yes	
4.	Does the Authority assign credit cards to employees for travel and/or business purchases?	No	
5.	Does the Authority require prospective bidders to sign a non-collusion agreement?	No	
6.	Does the Authority incorporate a summary of its procurement policies and prohibitions in its solicitation of proposals, bid documents, or specifications for procurement contracts?	No	
7.	Did the Authority designate a person or persons to serve as the authorized contact on a specific procurement, in accordance with Section 139-j(2)(a) of the State Finance Law, "The Procurement Lobbying Act"?	No	
8.	Did the Authority determine that a vendor had impermissible contact during a procurement or attempted to influence the procurement during the reporting period, in accordance with Section 139-j(10) of the State Finance Law?	No	
8a.	If Yes, was a record made of this impermissible contact?		
9.	Does the Authority have a process to review and investigate allegations of impermissible contact during a procurement, and to impose sanctions in instances where violations have occurred, in accordance with Section 139-j(9) of the State Finance Law?	No	

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Procurement Transactions Listing:

1. Vendor Name	Arthur J. Gallagher & Co.,	Address Line1	677 Broadway
Type of Procurement	Other Professional Services	Address Line2	4th Floor
Award Process	Non Contract Procurement/Purchase Order	City	ALBANY
Award Date		State	NY
End Date		Postal Code	12207
Fair Market Value		Plus 4	
Amount		Province/Region	
Amount Expended For Fiscal Year	\$121,023.41	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Insurance

2. Vendor Name	BST & Co CPA, LLP	Address Line1	c/o BST & Co; CPA's , LLP
Type of Procurement	Financial Services	Address Line2	10 British American Blvd
Award Process	Authority Contract - Non-Competitive Bid	City	LATHAM
Award Date	10/3/2016	State	NY
End Date		Postal Code	12110
Fair Market Value	\$103,310.00	Plus 4	
Amount	\$103,310.00	Province/Region	
Amount Expended For Fiscal Year	\$103,310.00	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Accounting Services

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3. Vendor Name	City of Albany	Address Line1	24 Eagle Street
Type of Procurement	Other Professional Services	Address Line2	
Award Process	Authority Contract - Non-Competitive Bid	City	ALBANY
Award Date	1/1/2020	State	NY
End Date	12/31/2025	Postal Code	12207
Fair Market Value	\$13,371.00	Plus 4	
Amount	\$13,371.00	Province/Region	
Amount Expended For Fiscal Year	\$13,371.00	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Economic Development Professional Services

4. Vendor Name	D. Hilton Associates Inc	Address Line1	9450 Grogan's Mill Road #200
Type of Procurement	Consulting Services	Address Line2	
Award Process	Authority Contract - Non-Competitive Bid	City	THE WOODLANDS
Award Date	9/17/2021	State	TX
End Date	4/29/2022	Postal Code	77380
Fair Market Value	\$8,750.00	Plus 4	
Amount	\$8,750.00	Province/Region	
Amount Expended For Fiscal Year	\$4,375.00	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Compensation Reviews

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5. Vendor Name	Fort Orange Press	Address Line1	11 Sand Creek Road
Type of Procurement	Other Professional Services	Address Line2	
Award Process	Non Contract Procurement/Purchase Order	City	ALBANY
Award Date		State	NY
End Date		Postal Code	12205
Fair Market Value		Plus 4	
Amount		Province/Region	
Amount Expended For Fiscal Year	\$12,337.00	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Annual Report Printing

6. Vendor Name	Guardian	Address Line1	PO Box 824404
Type of Procurement	Other	Address Line2	
Award Process	Authority Contract - Non-Competitive Bid	City	PHILADELPHIA
Award Date	1/1/2017	State	PA
End Date		Postal Code	19182
Fair Market Value	\$9,909.66	Plus 4	4404
Amount	\$9,909.66	Province/Region	
Amount Expended For Fiscal Year	\$9,909.66	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Employee Dental/Vision Insurance

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 Certified Date : N/A

7. Vendor Name	Intelligent Technology Solutions Inc	Address Line1	11786 State Route 9W
Type of Procurement	Technology - Consulting/Development or Support	Address Line2	
Award Process	Authority Contract - Non-Competitive Bid	City	WEST COXSACKIE
Award Date	1/1/2022	State	NY
End Date	12/31/2022	Postal Code	12192
Fair Market Value	\$36,556.46	Plus 4	
Amount	\$36,556.46	Province/Region	
Amount Expended For Fiscal Year	\$36,556.46	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Computer Services

8. Vendor Name	JE Frankovic	Address Line1	139 Bushendord Road
Type of Procurement	Other	Address Line2	
Award Process	Authority Contract - Non-Competitive Bid	City	RAVENA
Award Date	1/1/2022	State	NY
End Date	5/31/2022	Postal Code	12143
Fair Market Value	\$10,487.00	Plus 4	
Amount	\$10,487.00	Province/Region	
Amount Expended For Fiscal Year	\$10,487.00	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Snow Plowing

Procurement Report for Capitalize Albany Corporation

Fiscal Year Ending: 12/31/2022

 Run Date: 03/10/2023
 Status: UNSUBMITTED
 Certified Date : N/A

9. Vendor Name	JMD Cleaning Services	Address Line1	PO Box 291
Type of Procurement	Other	Address Line2	
Award Process	Non Contract Procurement/Purchase Order	City	RENSSELAER
Award Date		State	NY
End Date		Postal Code	12144
Fair Market Value		Plus 4	
Amount		Province/Region	
Amount Expended For Fiscal Year	\$11,725.00	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Janitorial Services

10. Vendor Name	LAZ Karp Associates LLC	Address Line1	One Financial Plaza
Type of Procurement	Other Professional Services	Address Line2	14th Floor
Award Process	Authority Contract - Non-Competitive Bid	City	HARTFORD
Award Date	1/1/2020	State	CT
End Date		Postal Code	06103
Fair Market Value	\$6,281.05	Plus 4	
Amount	\$6,281.05	Province/Region	
Amount Expended For Fiscal Year	\$6,281.05	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Parking Lot Operations

Procurement Report for Capitalize Albany Corporation

Fiscal Year Ending: 12/31/2022

 Run Date: 03/10/2023
 Status: UNSUBMITTED
 Certified Date : N/A

11. Vendor Name	Marathon Strategies, LLC	Address Line1	8 E. 29th St
Type of Procurement	Other Professional Services	Address Line2	
Award Process	Authority Contract - Competitive Bid	City	NEW YORK
Award Date	10/29/2019	State	NY
End Date		Postal Code	10016
Fair Market Value		Plus 4	
Amount	\$120,000.00	Province/Region	
Amount Expended For Fiscal Year	\$120,000.00	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Marketing & Communications

12. Vendor Name	Mid State Industries	Address Line1	1105 Catalyn Street
Type of Procurement	Design and Construction/Maintenance	Address Line2	
Award Process	Authority Contract - Competitive Bid	City	SCHENECTADY
Award Date	10/21/2022	State	NY
End Date	12/9/2022	Postal Code	12303
Fair Market Value		Plus 4	
Amount	\$78,585.00	Province/Region	
Amount Expended For Fiscal Year	\$78,585.00	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Building Repairs

Procurement Report for Capitalize Albany Corporation

Fiscal Year Ending: 12/31/2022

 Run Date: 03/10/2023
 Status: UNSUBMITTED
 Certified Date : N/A

13. Vendor Name	National Grid	Address Line1	P.O. Box 11745
Type of Procurement	Commodities/Supplies	Address Line2	
Award Process	Non Contract Procurement/Purchase Order	City	NEWARK
Award Date		State	NJ
End Date		Postal Code	07101
Fair Market Value		Plus 4	
Amount		Province/Region	
Amount Expended For Fiscal Year	\$13,285.84	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Electric & Gas Service

14. Vendor Name	Overwatch Management Group	Address Line1	142 Central Avenue
Type of Procurement	Other Professional Services	Address Line2	
Award Process	Authority Contract - Competitive Bid	City	ALBANY
Award Date	7/13/2020	State	NY
End Date		Postal Code	12206
Fair Market Value		Plus 4	
Amount	\$29,213.88	Province/Region	
Amount Expended For Fiscal Year	\$29,213.88	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Property Maintenance

Procurement Report for Capitalize Albany Corporation

Fiscal Year Ending: 12/31/2022

 Run Date: 03/10/2023
 Status: UNSUBMITTED
 Certified Date : N/A

15. Vendor Name	Paychex	Address Line1	94 New Karner Road
Type of Procurement	Other Professional Services	Address Line2	Suite 101
Award Process	Non Contract Procurement/Purchase Order	City	ALBANY
Award Date		State	NY
End Date		Postal Code	12203
Fair Market Value		Plus 4	
Amount		Province/Region	
Amount Expended For Fiscal Year	\$147,137.44	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Payroll & Benefits

16. Vendor Name	Perfection Roofing	Address Line1	705 S. Pearl Street
Type of Procurement	Design and Construction/Maintenance	Address Line2	
Award Process	Authority Contract - Competitive Bid	City	ALBANY
Award Date	4/18/2022	State	NY
End Date	12/31/2022	Postal Code	12202
Fair Market Value		Plus 4	
Amount	\$52,327.00	Province/Region	
Amount Expended For Fiscal Year	\$52,327.00	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Roof Replacement

Procurement Report for Capitalize Albany Corporation

Fiscal Year Ending: 12/31/2022

 Run Date: 03/10/2023
 Status: UNSUBMITTED
 Certified Date : N/A

17. Vendor Name	Place Alliance Northeast	Address Line1	30 Jay Street #200
Type of Procurement	Consulting Services	Address Line2	
Award Process	Authority Contract - Competitive Bid	City	SCHENECTADY
Award Date	5/27/2020	State	NY
End Date		Postal Code	12305
Fair Market Value		Plus 4	
Amount	\$265,000.00	Province/Region	
Amount Expended For Fiscal Year	\$65,288.44	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Consulting Services

18. Vendor Name	Ruth & Co	Address Line1	12 Sycamore Street
Type of Procurement	Consulting Services	Address Line2	
Award Process	Authority Contract - Non-Competitive Bid	City	ALBANY
Award Date	9/15/2021	State	NY
End Date	10/31/2021	Postal Code	12208
Fair Market Value		Plus 4	
Amount	\$15,500.00	Province/Region	
Amount Expended For Fiscal Year	\$15,500.00	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Consulting Services

Procurement Report for Capitalize Albany Corporation

Fiscal Year Ending: 12/31/2022

 Run Date: 03/10/2023
 Status: UNSUBMITTED
 Certified Date : N/A

19. Vendor Name	Selective Insurance Company of America	Address Line1	PO Box 371468
Type of Procurement	Other	Address Line2	
Award Process	Non Contract Procurement/Purchase Order	City	PITTSBURGH
Award Date		State	PA
End Date		Postal Code	15250
Fair Market Value		Plus 4	7468
Amount		Province/Region	
Amount Expended For Fiscal Year	\$18,804.46	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Insurance

20. Vendor Name	TW&A Construction Management	Address Line1	30 Jay Street
Type of Procurement	Design and Construction/Maintenance	Address Line2	
Award Process	Authority Contract - Competitive Bid	City	SCHENECTADY
Award Date	9/28/2021	State	NY
End Date		Postal Code	12305
Fair Market Value		Plus 4	
Amount	\$121,500.00	Province/Region	
Amount Expended For Fiscal Year	\$89,763.87	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Construction Management of CMC project

Procurement Report for Capitalize Albany Corporation

Fiscal Year Ending: 12/31/2022

 Run Date: 03/10/2023
 Status: UNSUBMITTED
 Certified Date : N/A

21. Vendor Name	Thomas M. Owens Esc.	Address Line1	P.O. Box 307
Type of Procurement	Legal Services	Address Line2	
Award Process	Authority Contract - Non-Competitive Bid	City	SLINGERLANDS
Award Date	12/1/2009	State	NY
End Date		Postal Code	12159
Fair Market Value		Plus 4	
Amount	\$56,918.75	Province/Region	
Amount Expended For Fiscal Year	\$56,918.75	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Legal Services

22. Vendor Name	UHY LLP	Address Line1	PO Box 8505
Type of Procurement	Other Professional Services	Address Line2	
Award Process	Authority Contract - Non-Competitive Bid	City	CAROL STREAM
Award Date	10/20/2021	State	IL
End Date	9/30/2022	Postal Code	60197
Fair Market Value	\$43,589.15	Plus 4	
Amount	\$43,589.15	Province/Region	
Amount Expended For Fiscal Year	\$43,589.15	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Auditing & Tax Services

Procurement Report for Capitalize Albany Corporation

Fiscal Year Ending: 12/31/2022

 Run Date: 03/10/2023
 Status: UNSUBMITTED
 Certified Date : N/A

23. Vendor Name	Young Sommer LLC	Address Line1	Five Palisades Drive
Type of Procurement	Legal Services	Address Line2	
Award Process	Authority Contract - Non-Competitive Bid	City	ALBANY
Award Date	11/14/2017	State	NY
End Date		Postal Code	12205
Fair Market Value	\$20,432.73	Plus 4	
Amount	\$20,432.73	Province/Region	
Amount Expended For Fiscal Year	\$20,432.73	Country	United States
Explain why the Fair Market Value is Less than the Amount		Procurement Description	Legal Services

Additional Comments

Investment Report for Capitalize Albany Corporation

Fiscal Year Ending: 12/31/2022

Run Date : 03/09/2023

Status: UNSUBMITTED

Certified Date: N/A

Investment Information

Question		Response	URL (If Applicable)
1.	Has the Authority prepared an Annual Investment Report for the reporting period as required by Section 2925 (6) of PAL?	Yes	www.capitalizealbany.com
2.	Are the Authority's investment guidelines reviewed and approved annually?	Yes	
3.	Did the Authority have an independent audit of investments as required by Section 2925(3)(f) of PAL?	Yes	www.capitalizealbany.com
4.	Has the Authority's independent auditor issued a management letter to the Authority in connection with its annual audit of investments?	No	

Additional Comments

**RESOLUTION 1-2023
OF THE
CAPITALIZE ALBANY CORPORATION**

WHEREAS, pursuant to a Board resolution in December 1983, Capitalize Albany Corporation (then known as Albany Local Development Corporation or ALDC) (“Capitalize”) approved a mortgage loan in the amount of \$50,000 to four individuals (the “Borrowers”) to be secured by certain parcels of real property owned by the Borrowers located at/adjacent to 123 Madison Avenue (at which the Stella Del Mare Italian Grocery/Deli operated) (the “Property”), and Capitalize issued such mortgage loan to the Borrowers on March 29, 1984 (the “Mortgage Loan”); and

WHEREAS, the Mortgage Loan was in the amount of \$50,000 for a fixed term of fifteen years at an interest rate of 9.5%, with monthly payments in the amount \$522.11 commencing in May 1984 with the final payment scheduled for April 1999; and

WHEREAS, in February 2023, Capitalize was notified by the attorney for the Borrowers that a November 2022 title report discovered that a mortgage discharge/satisfaction had never been filed with the Albany County Clerk’s Office evidencing that the Mortgage Loan had been paid off, and requested that Capitalize issue a mortgage satisfaction for the Mortgage Loan; and

WHEREAS, the Borrowers are presently under a purchase and sale agreement to sell the Property which needs to close in early March 2023 or risk liability/economic damages due to not being able to sell the Property, and a required condition for the sale transaction is that the Capitalize Mortgage Loan must be discharged of record; and

WHEREAS, several Capitalize mortgage loans issued in the 1980s, such as this Mortgage Loan, were not serviced in-house by Capitalize, but by third party loan servicer Capitalize does not possess documentation to show that a mortgage satisfaction was ever issued for the Mortgage Loan or paper/electronic records which show the full payment history for the Mortgage Loan; and

WHEREAS, due to (i) an extensive in-house documentation search by Capitalize staff and based on additional records provided by the Borrower which yielded significant evidence the Mortgage Loan was fully paid including but not limited to the Mortgage Loan’s note, mortgage, amortization schedule, original loan closing documentation, and copies of some of the Borrowers’ cashed/cleared checks for Mortgage Loan payments including an April 1999 endorsed/cleared check for the monthly loan payment to the loan servicer with the annotation “Final Payment” (as would be expected based on the Mortgage Loan note, amortization schedule, etc.); (ii) the Mortgage Loan does not present itself in any Capitalize aging/delinquent loan account records; and (iii) none of Capitalize’s archived Board Meeting minutes show any reference to this Mortgage Loan which would be expected if this Mortgage Loan was delinquent in any manner; and (iv) any further delay of Capitalize providing the Borrowers with the requested mortgage discharge/satisfaction would expose Capitalize to significant potential liability from the Borrowers, Capitalize staff recommended that a mortgage discharge/satisfaction be issued to the Borrowers; and

WHEREAS, following an attempt to schedule a Special Board Meeting to consider the requested mortgage discharge/satisfaction (which was not possible due to quorum requirements), the President reviewed the matter with the Chairperson of the Finance Committee and provided an email of the relevant facts to the entire Board on March 1, 2023; and

WHEREAS, the President executed and provided a mortgage discharge/satisfaction to the Borrowers on March 2, 2023; and

NOW THEREFORE BE IT RESOLVED, that the Board of Directors approves and ratifies the actions of the President in providing the Mortgage Loan discharge/satisfaction to the Borrowers on March 2, 2023.

Signed: _____
John Vero, Secretary

Date of Authorization: March 28, 2023
Prepared by: Thomas 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	_____	Heather Mulligan	_____	John Vero	_____
Michael Castellana	_____	David Parente	_____		
Sonya del Peral	_____	Matthew Peter	_____		
Michael Fancher	_____	Havidan Rodriguez	_____		
Anthony Gaddy	_____	Anders Tomson	_____		Aye: 0 No: 0
John Harris	_____	Karen Torrejon	_____		Recused: 0

**RESOLUTION 2-2023
OF THE
CAPITALIZE ALBANY CORPORATION**

WHEREAS, to ensure that the Corporation’s resources are prudently managed, and pursuant to New York Public Authorities Law (“PAL”) section 2925, the Corporation has an Investment Policy; and

WHEREAS, the CAC staff and Finance and Investment Committee annually reviews such Investment Policy to ensure it meets the Corporation’s objectives and remains in compliance with any applicable requirements; and

WHEREAS, both staff and Committee completed such reviews in 2023, and the Committee finds the Investment Policy (as attached with no recommended modifications at this time) continues to emphasize the Corporation’s primary objectives of capital preservation, liquidity, and prudent growth of principal; and

WHEREAS, the Committee has reviewed said Investment Policy and recommends Board approval of the Policy.

NOW THEREFORE BE IT RESOLVED, that the CAC Board of Directors approves the Investment Policy as attached.

Signed: _____
John Vero, Esq, Secretary

Date of Authorization: March 28, 2023
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:

Board Member	Voting	Board Member	Voting	Board Member	Voting
Kaweeda Adams	_____	Heather Mulligan	_____	John Vero	_____
Michael Castellana	_____	David Parente	_____		
Sonya del Peral	_____	Matthew Peter	_____		
Michael Fancher	_____	Havidan Rodriguez	_____		
Anthony Gaddy	_____	Anders Tomson	_____		Aye: 0 No: 0
John Harris	_____	Karen Torrejon	_____		Recused: 0

GUIDELINES FOR INVESTMENTS CAPITALIZE ALBANY CORPORATION

These guidelines detail the operative policy regarding the investing, monitoring and reporting of funds of the Capitalize Albany Corporation (“CAC”).

1) Purpose.

These investment guidelines (“Guidelines”) are intended to:

- a) Establish a system whereby current funds on hand, in excess of immediate and near-term needs, are invested to assure that such investment assets are adequately safeguarded and collateralized.
- b) Assure that such investments are adequately liquid to meet the operational needs of the CAC;
- c) Assure that an adequate system of internal control is maintained; and
- d) Assure that such investments produce a reasonable rate of return.

The primary objectives of this portfolio are: (1) preservation of capital, (2) liquidity, and (3) prudent growth of principal.

2) Authorization and Management.

The Board Members of the CAC have delegated the authorization to make day-to-day investment decisions to the President and/or Controller (“Authorized Persons”), subject to the direction from the Board and/or Finance and Investment Committee. Detailed reports of the corporation’s investments will be provided to the Finance and Investment Committee and the Committee will provide a summary of such report/required actions to the Board at the next scheduled meeting.

These Authorized Persons are to make certain that all CAC investment decisions/actions conform to:

- a. section 2925 of the Public Authorities Law; and
- b. these Guidelines.

The Authorized Persons are authorized to deposit all funds received by the CAC (in excess of those needed for on-going operations) consistent with these guidelines. Additionally, subject to Board/Finance and Investment Committee Approval, a professional investment advisor (“Advisor”) may be retained to assist the CAC’s implementation of these Guidelines and the CAC may grant the advisor discretion to execute transactions within the context of these Guidelines. The advisor will be expected to act as a fiduciary at all times in the best interest of the CAC.

3) Investment Strategy.

CAC's investment objectives will be achieved primarily with fixed-income investments and, to a lesser extent, with quality equity investments. However, there is no requirement that the portfolio contain equities.

Fixed-income securities in the combined portfolios will include cash equivalents, short- and intermediate-term fixed-income securities. The portfolio will be allocated to these categories based upon cash flow needs as determined by CAC.

Equity investments will be well diversified, high grade and readily marketable.

The investment return on the short-term fixed-income portion of the portfolio will be measured against short-term U.S. Treasury Bills. The investment return on the intermediate-term fixed-income portion of the portfolio will be measured against the Barclays Intermediate Government Credit Index. The investment return on the equity portion of the portfolio, when appropriate, will be measured against the S&P 500.

Asset Allocation*

<i>Asset Class</i>	<i>Min. Wt.</i>	<i>Max. Wt.</i>	<i>Representative Index</i>
Equities	0%	15%	S&P 500 and MSCI EAFE
<i>Domestic</i>	<i>85%</i>	<i>100%</i>	S&P 500
<i>International**</i>	<i>0%</i>	<i>15%</i>	MSCI EAFE
Fixed Income	80%	95%	BCS Int. Govt./Credit***
Cash or Equivalents	5%	25%	Treasury Bill

* The Asset Allocation requirements contained above are only intended to apply to those funds directed by the Finance and Investment Committee to be placed with the Advisor. All other funds of the Corporation are to be placed in the "Cash or Equivalents" category.

** Only broadly diversified Exchange Traded Funds will be used for investing in international equities.

*** Or other broad-based bond market benchmark agreed upon by CAC.

4) Types of Investments.

a. Cash or Equivalents. The following types of cash or equivalents investments are approved:

1. Deposits in Savings, Checking and/or Money Market Type accounts of banks doing business in New York that are collateralized or fully insured by the FDIC as to principal and expected interest

b. Fixed Income. Subject to the conditions and restrictions contained in 4(b)(6) below, the following types of cash or fixed income investments are approved:

1. Obligation of the U.S. Treasury, AAA-rated U.S. Government Agencies and obligations guaranteed by the U.S. Treasury or AAA-rated U.S. Government agencies. There is no limit on these investments, except that no more than 15% of

the fixed-income segment can be invested in Government guaranteed mortgage pass through securities.

2. Certificates of Deposit collateralized or fully insured by the Federal Deposit Insurance Corporation as to principal and expected interest.
3. Corporate debt obligations as follows:
 - a. Commercial Paper; and
 - b. Short-Term Notes or Corporate Bonds

Commercial paper must be rated at least A1/P1 with a maximum maturity of nine months. Corporate notes and bonds must be rated at least A1 by Moody's or A+ by Standard and Poor's.

4. Tax-Exempt or Taxable Municipal Securities as follows:
 - a. Municipal notes and bonds;
 - b. Adjustable rate municipals; and
 - c. Tax-Exempt commercial paper.

Municipal obligations must be rated at least "A" (or the equivalent) by a nationally recognized credit rating agency. Insured obligations must have an underlying rating of at least "A".

5. Any obligation that is not guaranteed by the U.S. Government or one of its agencies is limited to 10% of the portfolio.

6. The Following Conditions and Restrictions Apply to Fixed-Income Investments:

- a. No less than 25% of the portfolio will possess a final maturity of one year or less.
- b. The maximum weighted average maturity of the fixed-income securities (exclusive of the portion of the portfolio that matures within one year) may not exceed four years.
- c. No less than 50% of the fixed-income securities must be obligations of the U.S. Treasury or Government Agency.
- d. Fixed income securities with a maturity, expected average maturity, or reset period greater than 10 years are prohibited.
- e. Fixed income or interest rate futures are prohibited.
- f. Risky or volatile derivative securities as commonly defined by the financial industry are prohibited.
- g. Zero coupon Treasury bonds are permitted.
- h. CMO securities of any type are not permitted.
- i. Cash reserves should be invested in interest bearing securities or in an appropriate money market fund or saving/checking account.

Since it is not a regular business practice for a written contract with respect to these types of investments, no written contract is required. The operating practices herein shall govern.

- c. Equity. Equity investments are to be chosen from the New York Stock Exchange, American Stock Exchange, the regional exchanges, or the national over-the-counter market. No more than 30% of the market value of the equity portion of the portfolio should be in any one industry and no more than 10% in any one security.
- d. Collateral and Securitization. Other than those investments identified in 4(a)(1) and 4(b)(2), no collateralization or securitization of the investments are required.
- e. Written Contracts. No written contracts are required for any of the approved CAC investments except for all normal and customary investment/account documents (e.g. account statements, etc.) which provide that CAC is the full and only owner of the respective investment.

5) Operating Procedures.

- a) Approvals: The Advisor will be consulted by the Authorized Persons prior to executing any investment transactions. Authorized Persons must approve all investment transactions before they are executed.
- b) Collateral: The custodian of all collateral involved in any investment transaction must be either the CAC or third party custodian acceptable to the CAC. If at any time the required collateral does not equal the value of the investment, the CAC shall inform the third party custodian of additional collateral required. If additional collateral is not added immediately by the third party custodian involved, the CAC shall demand the return of the amount invested. Any custodian or trustee of securities in any transaction of which the CAC is a principal may not relinquish control over such securities without written consent of the CAC and the bank. Whenever investments require collateralization, such investments must be collateralized by direct obligations of the United States or New York State Government or obligations the principal and interest of which are guaranteed by the United States, one of its agencies or New York State Government.
- c) Tracking and Accounting. CAC will account for investments in accordance with generally accepted accounting principles (GAAP) for all financial statements. CAC shall receive reports monthly from any custodian/bank holding CAC investments. The Controller will review such reports monthly and verify the principal amount and market values of all investments and collateral.

6) Guidelines Annual Review or Modifications.

- a) The CAC Finance and Investment Committee and Board will review these Guidelines at least annually and may by Board resolution modify these Guidelines at any time.

7) Reports and Audits.

a) Quarterly reports of investment activity and portfolio reporting will be provided to the CAC's Finance & Investment Committee and a summary of each such quarterly report will be provided by the Committee to the Board. At least annually, and additionally as determined by the CAC Finance & Investment Committee, a report on the investment portfolio and activity will be provided to the Board. The portfolio reporting will include an estimate of fair value (market value) as obtained from the Bloomberg, financial correspondents or nationally published sources. Also included will be the characteristics of each investment, the net change in fair value since the prior month-end, with summary information for the entire portfolio.

b) Any retained investment advisor will meet with the CAC Board at least annually to discuss the portfolio and any questions of the CAC Board.

c) Annual Investment Audit. Each year, the CAC shall cause its independent auditors to conduct an audit (the "Annual Investment Audit") regarding the CAC's investments. The Annual Investment Audit shall determine whether CAC has complied with:

1. its own investment policies; adequate accounts and records are maintained which accurately reflect all transactions and report on the disposition of the CAC's assets; and a system of adequate internal controls is maintained; and
2. applicable laws and regulations.

d) Annual Investment Report. The CAC Controller shall prepare and submit an annual investment report to the Board within 90 days after the close of each fiscal year of the CAC. Upon Board approval, the report shall be filed with the City of Albany and entered/certified into the Public Authority Reporting Information System ("PARIS"). Such report shall include the following:

1. The Guidelines required by Section 2925(3);
2. The results of the Annual Investment Audit described above;
3. The investment income results of the CAC; and
4. A list of the total fees, commissions or other charges paid for CAC investment associated services by the CAC since the date of the last investment report.

The Annual Investment Report shall be filed within ninety (90) days after the close of the CAC's fiscal year.

8) Criteria for Selection of Investment Banks or Firms and Brokers.

The following are criteria for the selection of Investment Banks or Firms and Brokers:

- a) Investment Banks or Firms and Brokers authorized to do business within New York State.
- b) Investment Banks or Firms and Brokers in business for over (5) five years.
- c) Investment Banks or Firms and Brokers that have demonstrated a proven record of returns, that meet or exceed the yield and total return generated from Treasury benchmarks.
- e) Investment Managers/Advisors must be registered with the Securities and Exchange Commission (SEC) while Investment Brokers/Dealers must be members in good standing with the Securities Investors Protection Corporation (SIPC) and the Financial Industry Regulatory Authority (FINRA).

**RESOLUTION 3-2023
OF THE
CAPITALIZE ALBANY CORPORATION**

WHEREAS, the mission of the Capitalize Albany Corporation (“Corporation”) is 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, in support of such mission, Liberty Square Development LLC (of which the Corporation is the sole member) (“LLC”) has acquired a number of parcels located in the Liberty Park area of Downtown Albany (“Liberty Park Parcels”), and the Board views the redevelopment of such Liberty Park Parcels, to be of the highest strategic importance to the City of Albany’s future, and in direct alignment with the Corporation’s mission; and

WHEREAS, in accordance with the Corporation’s Procurement Policy, a request for proposals (“RFP”) was issued and publicly advertised on February 3, 2023 seeking proposals from qualified real estate development/financial advisors to assist the Corporation in evaluating potential development scenarios and related financing structures for the Liberty Park Parcels (“Consulting Services”); and

WHEREAS, in response to the RFP, four (4) proposals were received of which three (3) proposals were determined to be responsive to the RFP, and these three (3) proposals were evaluated by staff against the RFP’s eight (8) criteria and based on such review/evaluation of the proposals, staff recommends the Corporation award a contract to _____ as the bidder most qualified; and

NOW THEREFORE BE IT RESOLVED that the Board of Directors approves staff’s recommendation to engage _____ pursuant to a written contract reviewed by staff/counsel to provide the Services at a cost not to exceed \$_____ and authorizes the Executive Staff to execute any and all necessary and related documentation to achieve the purpose of this Resolution.

Signed: _____
John Vero, Esq., Secretary

Date of Authorization: March 28, 2023

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		Heather Mulligan		John Vero	
Michael Castellana		David Parente			
Sonya del Peral		Matthew Peter			
Michael Fancher		Havidan Rodriguez			
Anthony Gaddy		Anders Tomson			Aye: 0 No: 0
John Harris		Karen Torrejon			Recused: 0

**RESOLUTION 4-2023
OF THE
CAPITALIZE ALBANY CORPORATION**

WHEREAS, the mission of the Capitalize Albany Corporation (“Corporation”) is 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, Downtown Albany is the commercial hub and governmental seat of the Capital Region and the heart of Tech Valley, the revitalization of which has been identified as a strategic priority of the Corporation; and

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

WHEREAS, the Capital Region Economic Development Council establishes Liberty Park 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, the Board views the Corporation’s acquisition of real properties in the Liberty Park area of Downtown Albany, and their subsequent redevelopment, to be of the highest strategic importance to the City of Albany’s future, and in direct alignment with the Corporation’s mission; and

WHEREAS, in direct support of the Corporation’s mission, the Corporation applied to and received funding from Empire State Development’s Upstate Revitalization Initiative and Capital Grants programs (“ESD Grants”) for acquisition, stabilization, maintenance, operation and redevelopment of the Liberty Park district; and

WHEREAS, pursuant to multiple Board Resolutions from 2017 to date, the Corporation and/or Liberty Square Development LLC (of which the Corporation is the sole member, and which was formed specifically to hold title/acquire parcels in Liberty Park) (“LLC”) entered into multiple, voluntary purchase agreements with various property owners and acquired multiple parcels of property consisting of approximately five (5) acres of property identified as underutilized, vacant and/or economically stagnant in the Liberty Park district, however, the Corporation was unable to reach agreement with one owner to acquire 11 real property tax parcels in Liberty Park comprising approximately 0.88 acre and located on Hamilton Street, Dallius Street, Division Street and Broadway (the “Liberty Park Parcels”) (identified on Exhibit A which is attached and made a part hereof); and

WHEREAS, pursuant to Resolution 7-2019, the Corporation applied to the City of Albany Industrial Development Agency (“CAIDA”) in May 2020 (the “Application”) to assist the Corporation with the Corporation’s acquisition of the Liberty Park Parcels (the “Project”) in accordance with the

CAIDA's enabling legislation, Eminent Domain Procedure Law ("EDPL") and any other legal requirements; and

WHEREAS, pursuant to Resolution 18-2020, the Corporation and CAIDA entered into a "Funding and Property Transfer Agreement" in November 2020 which provides that (A) the Corporation shall be responsible for all costs associated with CAIDA's review/actions related to the Project including (i) attorney/surveyor/appraisal fees and other related reasonable costs incurred by CAIDA relating to its acquisition of the Liberty Park Parcels, (ii) an offer and reserve deposit, and (iii) and litigation and post-closing expenses; and (B) subsequent to CAIDA's acquisition of the Liberty Park Parcels, CAIDA shall transfer the Liberty Park Parcels to the Corporation or the LLC for \$1; and

WHEREAS, the CAIDA (a) on November 19, 2020, adopted a resolution (the "Public Hearing Resolution") scheduling a public hearing (the "Public Hearing") to be held with respect to the Project, and (b) on December 9, 2020, conducted the Public Hearing as required by the EDPL; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act"), and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617 as amended (the "Regulations" and collectively with the SEQR Act, "SEQRA"), the CAIDA, on January 21, 2021, adopted a resolution (the "SEQRA Resolution"), in which the CAIDA (1) determined that the Project constituted an "Unlisted Action" (as said quoted term is defined in SEQRA), (2) determined that the Project will not result in a significant adverse impact on the environment, and (3) prepared and issued a negative declaration with respect to the Project; and

WHEREAS, further pursuant to the provisions of the EDPL, the CAIDA, on January 21, 2021 adopted a resolution (the "Determination and Findings Resolution") in which the CAIDA determined (a) that the appropriate redevelopment and adaptive reuse of the City of Albany (the "City") would be frustrated if the Liberty Park Parcels were not included in the redevelopment effort, (b) that redevelopment of the site will inure to the benefit of the public by securing investment in the site, creating jobs, increasing the tax base, and encouraging further economic development, and (c) that it would proceed with the acquisition of the Liberty Park Parcels pursuant to the EDPL; and

WHEREAS, by further resolution adopted by the members of the CAIDA on December 16, 2021 (the "Acquisition Resolution"), the members of the CAIDA authorized the CAIDA to proceed with an acquisition of the Liberty Park Parcels pursuant to the provisions of the EDPL; and

WHEREAS, in accordance with the procedures under the EDPL, and pursuant to an Order of the Albany County Supreme Court dated October 21, 2022, CAIDA was vested with title to the Liberty Park Parcels; and

WHEREAS, in accordance with the Funding and Property Transfer Agreement, it is estimated that the CAIDA shall be able and ready in April 2023 to convey the Liberty Park Parcels to the Corporation or LLC for \$1.00 via a quitclaim deed and related miscellaneous documents related to the property transfer (collectively, "Property Transfer Documents"); and

NOW THEREFORE BE IT RESOLVED, that the Board of Directors authorizes the Corporation's President to act as the Authorized Representative of the LLC, cause the LLC to acquire the Liberty Park Parcels from the CAIDA, execute any related Property Transfer Documents on behalf of the LLC and/or Corporation and to take all other necessary and appropriate actions to accomplish the purposes of this resolution.

Signed: _____
John Vero, Esq., Secretary

Date of Authorization: March 28, 2023
Prepared by Thomas M. Owens, Esq.

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	_____	Heather Mulligan	_____	John Vero	_____
Michael Castellana	_____	David Parente	_____		
Sonya del Peral	_____	Matthew Peter	_____		
Michael Fancher	_____	Havidan Rodriguez	_____		
Anthony Gaddy	_____	Anders Tomson	_____	Aye: 0	No: 0
John Harris	_____	Karen Torrejon	_____	Recused: 0	