



Tuesday, January 23, 2024
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 12, 2023
2. Guest Speaker: Mayor Kathy Sheehan
3. Report of Executive Staff – Corporation Update
4. Report of the Finance & Investment Committee
 - a. Review of 2023 Unaudited 4th Quarter Results
 - b. Annual Review of Corporate Policies
 - i. Review/Approve Investment Policy – Resolution 1-2024
 - ii. Review/Approve Procurement Policy – Resolution 2-2024
5. Other Business
 - a. Clinton Market Update
 - i. Construction Management Contract Amendment – Resolution 3-2024
 - b. Liberty Park Update
6. Board Only and/or Executive Session (if necessary)

MINUTES



CAPITALIZE ALBANY
CORPORATION

Date of Meeting: December 12, 2023

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 12, 2023 at 21 Lodge Street Albany, NY 12207.

The following were in attendance:

Board of Directors:

Anders Tomson	Heather Mulligan	Kaweeda Adams
Sonya del Peral	David Parente	Michael Castellana
John Harris	Matthew Peter	Michael Fancher

Staff: Andy Corcione, Renee McFarlin, Michael Bohne, Emma Fullem, Cassidy Roberts, Patrick Gareau

Others: Tom Owens, Tom Libertucci

Excused Members: Havidan Rodriguez, Karen Torrejon, John Vero

Excused Staff: Ashley Mohl

Board member Anthony Gaddy joined via telephone; he was not counted for quorum purposes and did not vote.

Chairman Anders Tomson called the regular meeting of the Capitalize Albany Corporation (“Corporation”) Board to order at 8:08 a.m.

Review of the minutes from the Regular Meeting of October 24, 2023

The Board reviewed the minutes of the October 24, 2023, Regular Board meeting. A motion to approve the minutes was made by Matthew Peter and seconded by John Harris. A vote being taken, the motion passed with all members voting aye.

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 2023. Staff distributed copies of the Capitalize Albany Corporation Annual Report, reviewed the Corporation’s activities and accomplishments for 2023, and discussed the Corporation’s strategy and projects moving forward. The Board commended staff on the work and progress made in the City of Albany in 2023.

Report of the Finance & Investment Committee

Staff reported on the recent Finance & Investment Committee meeting. Including:

Bank and Investment Account Signatory – Resolution 17-2023

The Committee and staff reviewed with the Board the Corporation’s authorized signatories. Corporation bylaws permit the Board to approve additional authorized signatories in addition to the authorization conferred to the Board Chairperson and President. Due to recent staffing changes, the Committee recommended the addition of the Board Treasurer as an authorized signatory. A motion to approve *Bank and Investment Account Signatory – Resolution 17-2023* was made by Matthew Peter and seconded by Michael Fancher. A vote being taken, the resolution passed with all members voting aye.

21 Lodge Street – Downtown Business Improvement District Lease Amendment – Resolution 18-2023

The Committee, staff and counsel advised the Board that the Downtown BID lease base term expires at the end of 2023 with a three year option. Staff recommended that the Corporation amend the lease with the BID to provide for modifying the three year option to a one-year extension through December 31, 2024 and two (2) one-year options with the rent for 2024 equaling the 2023 rent, and any future year rent to be increased by CPI. A motion to approve *21 Lodge Street – Downtown Business Improvement District Lease Amendment – Resolution 18-2023* was made by Michael Castellana and seconded by Sonya del Peral. A vote being taken, the resolution passed unanimously.

Trailways License

Staff recommended a month-to-month extension of the present license agreement between Trailways and the Corporation, commencing December 1, 2023. A motion to approve a month-to-month extension was made by Michael Fancher and seconded by Sonya del Peral. A vote being taken, the motion passed with all members voting aye.

Report of the Governance Committee

Governance Committee Chair John Harris 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

Review of Board and Committee Appointments

Election of 2024 Board Officers – Resolution 19-2023

Counsel introduced the *Election of 2024 Board Officers Resolution 19-2023* 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 Anders Tomson as Board Chair and seconded by Kaweeda Adams. A vote being taken, with Anders Tomson abstaining and all other Directors voting aye. A vote being taken, with Anders Tomson abstaining and all other Directors voting aye. A nomination to elect Heather Mulligan as Vice Chair was made by Matthew Peter and seconded by Kaweeda Adams. A vote being taken, with Heather Mulligan abstaining and all other Directors voting aye. A nomination to elect John Vero as Board Secretary was made by Matthew Peter and seconded by Kaweeda Adams. A vote being taken, with all Directors voting aye. A nomination to elect John Harris as Board Treasurer was made by Matthew Peter and seconded by Kaweeda Adams. A vote being taken, with John Harris abstaining and all other Directors voting aye. A nomination to elect Ashley Mohl as President (Interim) of Capitalize Albany Corporation was made by Matthew Peter and seconded by Kaweeda Adams. A vote being taken, all Directors voted aye. The Officer Elections were completed, and Resolution 19-2023 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 is both a CAC application active before the IDA as well as on-going CAC/IDA/CRC professional services agreements, and such Board Member has disclosed his role and has/will recuse himself from any CAC Board deliberation/action on the professional service agreements; (ii) two bank accounts with entities at which two 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) three Board Members who serve as unpaid directors of two not-for-profit corporations which are grant applicants (or 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) one Board Member who serves as an unpaid member/Chair of the Capital Region Economic Development Council to which CAC is a regular grant applicant and has/will recuse himself from any deliberation/action related to matters related to CREDC; (v) three Board Members who serve as unpaid directors on a not-for-profit corporation to which the Corporation belongs as a paid member and have/will recuse themselves from any deliberation/action related to the not-for-profit; and (vi) one Board Member is a member of the management of a local public authority which CAC shares certain property rights subject to fees paid by CAC pursuant to an easement approved by the Board, and such Board Member shall recuse himself from any deliberation/action related to such matter. 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 November meeting, subject to such Board Members recusing themselves from any Board deliberation/action concerning such interests.

Review Confidential Board Evaluations Forms Submitted

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

Review Governance Committee Self-Evaluation

Staff reported that all Board members have taken the ABO training. It was noted that in accordance with best practices recommended by the ABO, three members have refreshed their training in the past three years.

Annual Corporate Performance Review

Review Attainment of 2023 Capitalize Albany Performance Measurements and Approve 2023 Public Authorities Performance Measurements Report

The Committee and staff reviewed with the Board the Attainment of 2023 Capitalize Albany Performance Measurements and noted that the content of the report is expected to be submitted to the ABO as part of the 2023 PARIS report due in March 2024. 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 2024 Annual Performance Measurements – Resolution 20-2023

Staff reviewed the Mission and Performance Goals for 2024 with the Board, which had been reviewed without updates by the Governance Committee. After a discussion, a motion to accept to accept *2024 Mission and Performance Goals – Resolution 20-2023* (it was noted this vote was also to approve the 2023 Performance Measures Report) was made by Kaweeda Adams and seconded by John Harris. A vote being taken, the motion passed with all members voting aye.

Other Business

2024 IDA/CRC Professional Service Agreement Approval – Resolution 22-2023

Counsel reviewed the *IDA/CRC Professional Service Agreement Approval - Resolution 22-2023* with the Board and reported that after discussions with the IDA Board, no changes had been made to the agreement, including maintaining the same fee from 2023 to 2024 due to a reduction in potential projects in the pipeline, potentially reflecting early impacts of the City's 2023 inclusionary zoning laws. A motion to adopt the *IDA/CRC Professional Service Agreement Approval – Resolution 22-2023* was made by John Harris and seconded by Michael Fancher. A vote being taken, the motion passed with all other members voting aye.

IDA Economic Development Professional Service Agreement Approval – Resolution 23-2023

Counsel reviewed the *IDA Economic Development Fee for Service Approval - Resolution 23-2023* with the Board. No changes to the agreement were suggested for 2024. 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.

Clinton Market Collective Update

Staff gave a brief update on construction progress at Clinton Market Collective, reporting that work at the site is nearly 80% completed, with an opening anticipated in 2024.

Liberty Park Update

Staff and counsel gave a brief update on the property acquisition and on-going building maintenance at Liberty Park. Members of the Stantec team were in attendance to provide an update to the Board on their building conditions and redevelopment assessment, including the development of a Request for Proposals to solicit interested parties to invest in the site.

Authorizing Acceptance and Execution of NYSHCR Main Street Grant – Resolution 24-2023

Staff advised the Board that a grant of \$356,250 was awarded to Capitalize Albany Corporation through Round 13 of the Consolidated Funding Application process for funds to stabilize the former Trailways building at 358 Broadway. A motion to adopt *Authorizing Acceptance and Execution of NYSHCR Main Street Grant – Resolution-24-2023* was made by Michael Castellana and seconded by John Harris. A vote being taken, the resolution passed unanimously.

Stantec Real Estate Advisory Services Update

A motion to move into executive session to discuss the potential acquisition or sale or lease of real property which the publicity would substantially affect its value was made by Matthew Peter and seconded by Heather Mulligan. Tom Libertucci left the meeting. The Board entered Executive Session at 9:04 a.m. upon a unanimous vote.

Review Reasonableness of 2024 Officer Compensation – Resolution 21-2023

At 9:38 a.m., Staff left the room and the Board reviewed the *Reasonableness of 2023 Officer Compensation – Resolution 21-2023*. Following extensive discussion, the Board exited Executive Session at 9:48 a.m. upon unanimous vote following a motion by John Harris seconded by Matt Peter. It was noted that no action was taken during Executive Session.

A motion to approve *Reasonableness of 2023 Officer Compensation – Resolution 21-2023* was made by Matthew Peter and seconded by John Harris. Following discussion and 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.

	January 1, 2023 - December 31, 2023				Original Budget	Projected Variance from Budget
	YTD Actual	YTD Budget	Variance - \$	Variance - %		
REVENUE						
General Economic & Community Development Support Income	\$ 467,543	\$ 490,118	\$ (22,575)	-5%	\$ 490,118	\$ -
Real Estate Income	225,121	236,896	(11,775)	-5%	236,896	(9,038)
Professional Service Agreement Income	716,344	564,228	152,116	27%	564,228	128,000
Loan Interest Income	54,571	39,216	15,355	39%	39,216	10,368
Fee Income	-	7,250	(7,250)	-100%	7,250	(7,250)
Direct Finance Lease Income	-	-	-	0%	-	-
Investment & Interest Income	248,993	82,916	166,077	200%	82,916	73,417
FMV Adj on Fidelity Inv	3,539	-	3,539	100%	-	3,539
G/L on Sale/Redemption	184,924	-	184,924	100%	-	184,924
Membership & Event Support	32,500	33,500	(1,000)	-3%	33,500	(10,007)
TOTAL REVENUE	<u>\$ 1,933,535</u>	<u>\$ 1,454,124</u>	<u>\$ 479,411</u>	33%	<u>\$ 1,454,124</u>	<u>\$ 373,953</u>
EXPENSE						
Salaries & Fringe Expense	\$ 1,123,632	\$ 1,353,502	\$ (229,870)	-17%	\$ 1,353,502	\$ (196,037)
Professional Fees	302,791	277,859	24,932	9%	277,859	19,701
Administrative Expenses	74,431	137,610	(63,179)	-46%	137,610	(56,440)
Interest Expense	11,881	1,285	10,596	825%	1,285	-
Real Estate Expenses	-	2,486	(2,486)	100%	2,486	(500)
Occupancy Expense	51,139	50,375	764	2%	50,375	3,310
Bad Debt Expense (recovery)	-	-	-	100%	-	-
Membership, Event & Marketing Expenses	19,509	27,500	(7,991)	-29%	27,500	(5,000)
TOTAL EXPENSES BEFORE DEPRECIATION	<u>\$ 1,583,383</u>	<u>\$ 1,850,617</u>	<u>\$ (267,234)</u>	-14%	<u>\$ 1,850,617</u>	<u>\$ (234,966)</u>
NET INCOME BEFORE DEPRECIATION & PROGRAM ACTIVITY	<u>\$ 350,152</u>	<u>\$ (396,493)</u>	<u>\$ 746,645</u>	-188%	<u>\$ (396,493)</u>	<u>\$ 608,919</u>
DEPRECIATION	<u>\$ 192,328</u>	<u>\$ 206,822</u>	<u>\$ (14,494)</u>	-7%	<u>\$ 206,822</u>	<u>\$ -</u>
NET INCOME (LOSS) AFTER DEPRECIATION	<u>\$ 157,824</u>	<u>\$ (603,315)</u>	<u>\$ 761,139</u>	126%	<u>\$ (603,315)</u>	<u>\$ 608,919</u>
PROJECT & PROGRAM REVENUE						
Liberty Park	\$ 160,565	\$ 614,162	\$ (453,597)	-74%	\$ 614,162	\$ (7,319)
Capitalize Albany Grant Programs and Clinton Markets Collective	1,713,898	3,050,000	(1,336,102)	100%	3,050,000	(718,601)
BIG ARPA funds	188,465	-	188,465	100%	-	188,465
Total Program Income	<u>\$ 2,062,928</u>	<u>\$ 3,664,162</u>	<u>\$ (1,601,234)</u>	-44%	<u>\$ 3,664,162</u>	<u>\$ (537,455)</u>
PROJECT & PROGRAM EXPENSE						
Liberty Park Expenses	\$ 165,532	\$ 437,392	\$ (271,860)	-62%	\$ 437,392	\$ 61,932
Capitalize Albany Grant Programs	271,732	250,000	21,732	9%	250,000	(99,199)
Clinton Market Collective	-	-	-	100%	-	-
Total Program Expense	<u>\$ 437,264</u>	<u>\$ 687,392</u>	<u>\$ (250,128)</u>	-36%	<u>\$ 687,392</u>	<u>\$ (37,267)</u>
NET INCOME (LOSS) FROM PROGRAM ACTIVITY	<u>\$ 1,625,664</u>	<u>\$ 2,976,770</u>	<u>\$ (1,351,106)</u>	45%	<u>\$ 2,976,770</u>	<u>\$ (500,188)</u>
NET INCOME (LOSS) AFTER DEPRECIATION & PROGRAM ACTIVITY	<u>\$ 1,783,488</u>	<u>\$ 2,373,455</u>	<u>\$ (589,967)</u>	25%	<u>\$ 2,373,455</u>	<u>\$ 108,731</u>

These financial statements omit substantially all disclosures required by US GAAP. They have not been subjected to an audit, review or compilation agreement, and therefore no assurance is provided on them.

CAPITALIZE ALBANY CORPORATION PROPERTY

Parcel ID	Acres	Location
76.34-2-32	0.06	21 Lodge Street
65.82-5-35	0.11	174 North Pearl Street
76.8-1-3	0.38	35 Spencer Street
76.27-1-25.1	0.03	Spencer Street
76.8-1-4	0.06	41 Montgomery Street
65.82-5-38	0.07	168 North Pearl Street
65.82-5-37	0.07	170 North Pearl Street
76.26-4-12	0.03	27 Clinton Avenue
76.26-4-11	0.03	27 1/2 Clinton Avenue
76.26-4-10	0.04	29 1/2 Clinton Avenue
76.26-4-15	0.44	Front of 11 Clinton Avenue
76.27-1-20	0.31	683 Broadway (1 Quackenbush Square)
76.42-5-21	0.02	58 Green Street
76.42-5-22	0.04	52-54 Green Street
76.42-5-23	0.07	50 Green Street
76.42-5-24	0.04	52 Hudson Street
76.42-5-25	0.07	50 Hudson Street
76.42-5-27	0.13	46 Hudson Street
76.42-5-28	0.01	37 Division St
76.42-5-29	0.03	41 Division St
76.42-5-30	0.04	43 Division St
76.42-5-31	0.04	45 Division St
76.42-5-32	0.04	47 Division St
76.42-5-33	0.04	49 Division St
76.42-5-34	0.3	10 Dallius Street
76.42-5-44	0.25	358 Broadway
76.50-1-3	0.04	56 Division St
76.50-1-4	0.03	54 Division St
76.50-1-5	0.03	52 Division St
76.50-1-6	0.04	57 Green St
76.50-1-7	0.01	57 1/2 Green St
76.50-1-8	0.04	59 Green Street
76.50-1-9	0.13	61 Green St
76.50-1-10	0.07	65 Green St
76.50-1-11	0.03	69 Green Street
76.50-1-12	0.02	65 Hamilton St
76.50-1-13	0.02	67 Hamilton St
76.50-1-14	0.02	60 Green Street
76.50-1-15	0.02	62 Green St
76.50-1-16	0.02	62 1/2 Green St
76.50-1-17	0.04	64 Green St
76.50-1-18	0.06	66 Green St
76.50-1-19	0.08	72 Green St
76.50-1-20	0.04	74 Green St
76.50-1-21	0.02	46 Division St
76.50-1-22	0.03	44 Division St
76.50-1-23	0.42	27 Dallius St
76.50-1-24	0.10	14 Dallius Street
76.50-1-25	0.04	22 Dallius Street
76.50-1-26	0.03	39 Hamilton Street
76.50-1-27	0.05	37 Hamilton Street
76.50-1-28	0.06	31 Hamilton Street
76.50-1-29	0.14	23 Liberty Street
76.50-1-30	0.10	28 Division Street
76.50-1-32	0.11	342 Broadway
76.50-1-33	0.25	338 Broadway
76.50-1-34	0.08	1 City Sq
76.50-1-35	0.01	330 Broadway Rear
76.11-1-7	0.44	3 City Square
76.11-1-8	0.14	2 E-Comm Sq
76.11-1-9	0.05	3 E-Comm Sq
76.11-1-10	0.29	310 Broadway
76.11-1-12	0.03	298 Broadway
76.11-1-13	0.09	5 Pruyn St
76.50-1-31	0.21	346 Broadway
	0.56	Coming Preserve
	5.36	Coming Preserve - 2002 Port Bonds/Improvements

CAC FINANCE & INVESTMENT COMMITTEE CHARTER

The Finance & Investment Committee Charter was adopted by the Board of Directors of the Capitalize Albany Corporation (“CAC”) on March 31, 2009 and amended on January 26, 2016.

Purpose

The purpose of the Finance & Investment Committee shall be to (1) ensure the financial health of CAC (2) ensure that CAC assets are protected and resources are used appropriately and (3) assist the Board in understanding CAC’s financial condition.

Scope of Responsibilities

The CAC Finance & Investment Committee shall be responsible for the following:

- Project review
 - Review projects and recommend action for Board approval.
 - Review proposals for the issuance of debt.
- Involvement with CAC finance department management.
 - Work with management to ensure timely and accurate financial data is presented to the Board.
 - Review and recommend new or revised financial policies to the Board for approval.
- Budget Oversight
 - Provide guidelines for the development of the annual operating budget.
 - Review and recommend an annual operating budget for Board approval.
 - Review the financial performance of CAC against budget projections for the period to-date.
- Investment Oversight
 - Develop the investment policy for CAC and review this policy annually.
 - As necessary, recommend investment policy changes to the Board for approval.
 - Meet with the investment manager (if any) at least annually to review the performance. As appropriate, conduct a search for and select a new investment manager.
 - Coordinate with Audit Committee to deliver annual investment report to CAC Board of Directors.
- Meet with CAC staff or outside counsel, as necessary.
- Retaining, at the CAC’s expense, such outside counsel, experts and other advisors as the Finance & Investment Committee may deem appropriate, upon approval of said expenditure(s) by the CAC Board of Directors.

- Recommend any recommend changes to its Committee Charter to the Board.

The CAC Board will ensure that the Finance & Investment Committee has sufficient resources to carry out its duties.

Composition of Committee and Selection of Members

The membership of the Committee shall be as set forth in accordance with and pursuant to Article IV, Section 9 of the Corporation's bylaws. The Finance and Investment Committee shall be comprised of not less than three (3) independent members. The members shall serve until their resignation, retirement, removal by the Board or until their successors shall be appointed and qualified. When feasible, the immediate past Finance and Investment Committee Chair will continue serving as a member of the Committee for at least one year to ensure an orderly transition.

Finance & Investment Committee members shall possess or obtain a basic understanding of financial reporting, accounting, and auditing.

Meetings

The Committee will meet a minimum of four times per year, with the expectation that additional meetings may be required to adequately fulfill all the obligations and duties outlined in the charter. Meeting agendas will be prepared for every meeting and provided to Committee members in advance of the scheduled meeting, along with the appropriate materials needed to make informed decisions. The Committee shall act only on the affirmative vote of a majority of the members at a meeting or by unanimous consent. Minutes of these meetings are to be recorded.

Members of the Committee, as well as the appropriate senior staff are expected to attend each committee meeting, in person or via telephone or videoconference.

The Committee may invite other individuals to attend meetings and provide pertinent information, as necessary.

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 1-2024
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 2024, 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: January 23, 2024
Prepared by: Ashley Mohl

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

CAPITALIZE ALBANY CORPORATION

PROCUREMENT POLICY (NON-REAL ESTATE PROCUREMENTS)

SECTION 1. PURPOSE AND AUTHORITY. The purpose of this procurement policy (the "Policy") is to outline the procurement policy of Capitalize Albany Corporation (the "Corporation") applicable to procurements of goods and services paid for by the Corporation for its own use and benefit.

SECTION 2. SECURING GOODS AND SERVICES. All goods and services will be secured by use of written requests for proposals, written quotations, verbal quotations, or any other method that assures that goods/services will be purchased in a competitive manner except for in the following circumstances: purchases costing less than \$5,000; purchases under state contracts pursuant to Section 104 of the General Municipal Law; purchases under county contracts pursuant to Section 103(3) of the General Municipal Law; or purchases pursuant to Section 4 of this Policy. Regardless of the estimated cost of any purchase of goods and/or services, the Corporation will seek to obtain the best value for the Corporation while meeting all relevant purchase requirements.

SECTION 3. METHOD OF PURCHASE. The following method of purchase will be used when required by this Policy in order to achieve the highest savings:

<u>Estimated Amount of Purchase Contract</u>	<u>Method</u>
\$5,000-\$10,000	Price obtained by 2 verbal quotations with the approval of two CAC officers
\$10,001-\$50,000	Price obtained by 3 written/fax quotations with approval by two CAC officers
\$50,001 and above	Price obtained through issuance of Request For Proposals with award made by resolution of Board of Directors

(B) Number of Proposals or Quotations. A good faith effort shall be made to obtain the required number of proposals or quotations. If the purchaser is unable to obtain the required number of proposals or quotations, the purchaser will document the attempt made at obtaining the proposals. In no event shall the failure to obtain the proposals be a bar to the procurement.

(C) Documentation. Documentation is required of each action is taken in connection with each procurement. Documentation and an explanation is required whenever a contract is awarded to other than the lowest responsible offeror. This documentation will include an explanation of how the reward will achieve savings or how the offeror was not responsible. A determination that the offeror is not responsible shall be made by the Corporation and may not be challenged under any circumstances.

SECTION 4. CIRCUMSTANCES WHERE SOLICITATION OF ALTERNATIVE PROPOSALS AND QUOTATIONS NOT IN BEST INTEREST. This Policy may contain circumstances when, or types of procurements for which, in the sole discretion of the directors of the Corporation, the solicitation of alternative proposals or quotations will not be in the best interest of the Corporation. In the following circumstances, it may not be in the best interests of the Corporation to solicit quotations or document the basis for not accepting the lowest bid:

(A) Professional Services. Professional services or services requiring special or technical skill, training or expertise. The individual, company or firm must be chosen based on accountability, reliability, responsibility, skill, conflict of interests, reputation, education and training, judgement, integrity, continuity of service and moral worth. Furthermore, certain professional services to be provided to the Corporation (e.g., legal and accounting services) impact liability issues of the Corporation and its directors, including securities liability in circumstances where the Corporation is issuing bonds. These qualifications and the concerns of the Corporation regarding its liability and the liability of its directors are not necessarily found or addressed in the individual, company or firm that offers the lowest price and the nature of these services are such that they do not readily lend themselves to competitive procurement procedures.

In determining whether a service fits into this category, the Corporation shall take into consideration the following guidelines: (a) whether the services are subject to state licensing or testing requirements; (b) whether substantial formal education or training is a necessary prerequisite to the performance of the services; and (c) whether the services require a personal relationship between the individual and the directors of the Corporation. Professional or technical services shall include but not be limited to the following: services of an attorney (including bond counsel); services of a physician; technical services of an engineer or architect engaged to prepare plans, maps and estimates; securing insurance coverage and/or services of an insurance broker; services of a certified public accountant; investment management services; printing services involving extensive writing, editing or art work; management of Corporation-owned property; real estate brokerage services; appraisers; and computer software or programming services for customized programs, or services involved in substantial modification and customizing of pre-packaged software.

(B) Emergency Purchases. Due to the nature of this exception, these goods or services must be purchased immediately and a delay in order to seek alternate proposals may threaten the life, health, safety or welfare of the public. This section does not preclude alternate proposals if time permits.

(C) Purchases of Secondhand Goods. Purchases of surplus and second-hand goods from any source. It is difficult to try to compare prices of used goods and a lower price may indicate an older product.

(D) Special Findings. In the event the Corporation determines that the solicitation of alternative proposals or quotations is not in the best interests of the Corporation pursuant to this Section 4, the Corporation shall approve such determination in writing by the: (i) President for procurements \leq \$50,000; or (ii) Board for procurements $>$ \$50,000. Such written approval/resolution should include any findings described in this Section 4 related to such determination.

SECTION 5. POLICY REVIEW. This Policy will be reviewed and approved annually by the Board.

**RESOLUTION 2-2024
OF THE
CAPITALIZE ALBANY CORPORATION**

WHEREAS, pursuant to New York Public Authority Law, the Capitalize Albany Corporation has adopted a written Procurement Policy (“Policy”) pursuant to which the Corporation procures goods and services; and

WHEREAS, Section 7 of the Policy provides for an annual review of the Policy;

NOW THEREFORE BE IT RESOLVED, that the attached Policy has been reviewed and approved.

Signed: _____
John Vero, Esq., Secretary

Date of Authorization: January 23, 2024
Prepared by: Ashley Mohl

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

**RESOLUTION 3-2024
OF THE
CAPITALIZE ALBANY CORPORATION**

WHEREAS, the mission of the Capitalize Albany Corporation (“CAC”) 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 its mission, CAC participates in a multitude of initiatives designed to contribute to the economic growth of the City including but not limited to programs funded by other entities which supports the CAC mission; and

WHEREAS, the area known as Clinton Square was awarded designation by the City of Albany’s New York State Downtown Revitalization Initiative (“DRI”) as an essential hub capable of connecting and leveraging growth within downtown, the Warehouse District, the Arbor Hill and Sheridan Hollow neighborhoods, and the Hudson Riverfront; and

WHEREAS, CAC’s property at 11 Clinton Avenue (“Federal Park”) has been identified as the heart of the Clinton Square zone and an important component of the Albany Skyway as both an opportunity to physically connect and drive users to Albany’s many assets as well as create a venue; and

WHEREAS, CAC, after successful application through the 2019 DRI process, was awarded \$1,160,240 (“DRI Funding”) for the redesign, engineering and renovation of Federal Park to allow for the creation of diverse pop up retail, installments by local artists, signature events and enhanced pedestrian connections, and to anchor Clinton Square’s role as both an engaging destination and an introduction to unique and vibrant local arts and commercial venues (“Clinton Market Collective” or “CMC Project”); and

WHEREAS, in addition to the DRI Funding, CAC has also successfully obtained third party funding in the amount of \$3,560,240 for the CMC Project which is comprised of (i) \$1,160,240 of DRI Funding; (ii) \$1,100,000 from the City of Albany pursuant to an ARPA Grant; (iii) \$750,000 from NYS ESD pursuant to an NYSESD Capital Grant; (iv) \$200,000 from National Grid pursuant to a Urban Center/Commercial District Revitalization Grant; and (v) up to \$610,000 of CAC’s funds (pursuant to Resolutions 16-2022 and 5-2023); and

WHEREAS, in accordance with CAC’s procurement policy and subsequent to issuing open/publicly advertised RFPs, and pursuant to a Board Resolution, CAC entered into a contract with TW&A Construction Management (a NYS certified WBE) (the “CM Consultant”) in April 2021 to provide construction management/owner representative services for the CMC Project at an estimated cost of \$135,000 (Resolution #9-2021); and

WHEREAS, during the construction of the CMC Project: (i) due to the unexpected presence/discovery of significantly more underground utilities located underneath the Federal Park than anticipated, the CM Consultant have been required to provide significantly more professional services than what would have been reasonably expected when their respective contracts were entered into for the CMC Project; and (ii)

the General Contractor has requested certain change orders related to necessary Project design changes (e.g. retaining wall, drainage, fencing) in order to complete the CMC Project; and

WHEREAS, the Board previously authorized Staff to amend the CM Consultant contract from an amount of \$135,000 to \$230,000 (pursuant to Resolution 5-2023); and

WHEREAS, since June 2023, the CM Consultant has provided additional ongoing construction management approaching full utilization of the previously-approved \$230,000 in contract value; and

WHEREAS, services to be rendered until anticipated project completion in June 2024 are projected to increase costs to approximately \$265,000; and

WHEREAS, following extensive review by staff, and staff review with the Finance Committee, in order to address the unanticipated professional services, it is recommended to amend the CM Consultant contract from an amount of \$230,000 to \$_____.

NOW THEREFORE BE IT RESOLVED, the Board authorizes the President with counsel review to negotiate and execute an amendment to the professional service contract up to a maximum not-to-exceed value of \$_____.

Signed: _____
 John Vero, Esq., Secretary

Date of Authorization: January 23, 2024
 Prepared by: Ashley Mohl

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

**RESOLUTION 4-2024
OF THE
CAPITALIZE ALBANY CORPORATION**

WHEREAS, the mission of Capitalize Albany Corporation (“CAC”) is to facilitate economic, commercial and business development and investment in the City of Albany; and

WHEREAS, pursuant to previous Board authorization and in support of its mission, CAC entered into a lease agreement dated March 11, 2011 (“Lease”) for CAC’s property known as “The Quackenbush House” with The Old English Pub, Inc. (“Tenant” or “OEP”) for a base term of five (5) years with three (3) five (5) year options (at the election of OEP) providing with a maximum potential lease term through March 10, 2031; and

WHEREAS, the Lease provides that OEP “shall not assign or sublet this Lease without the prior written consent of Landlord, which consent may be unreasonably withheld”, thereby providing CAC with approval authority in its sole discretion for any potential assignment; and

WHEREAS, OEP has requested that CAC approval for OEP’s assignment of its interest in the Lease to a new business to be operated by Leslie Mahoney (“Mahoney”), and both OEP and Mahony have provided some information to CAC in support of such request including Mahoney’s last two years of personal/business income tax returns, Mahoney Personal Statement of Net Worth, and OEP’s last three years of Cash Flow/Profit & Lost Statements which materials were reviewed by the Finance and Investment Committee; and

WHEREAS, CAC staff have requested additional information from Mahoney and OEP related to the sale/assignment of the OEP Lease (and related business) including the Purchase & Sale Agreement for the business sale, any financing involved and/or being obtained and/or assumed by Mahoney, Mahoney’s Business Plan, ownership and entity information for the potential OEP assignee, and similar personal/business information on any other Mahoney partners/co-owners in the potential OEP assignee, and when such additional information is received, CAC will review such additional information and brief each member of the Finance and Investment Committee on such additional information; and

WHEREAS, the Finance and Investment Committee recommends that the Board provide the Chairperson of the Finance and Investment Committee with the authority to approve the requested Lease Assignment, conditioned on (i) receiving such additional requested information (as described above) in a reasonably complete and satisfactory format/status and the President reviewing such information with the members of the Finance Committee; and (ii) amending the lease to provide a personal guaranty from Mahoney (and potentially other involved principals) and confirming appropriate insurance coverage for such potential OEP assignee; and

NOW THEREFORE BE IT RESOLVED, that the President, contingent on approval from the Finance and Investment Committee Chairperson, is authorized to execute any and all documents to approve the Lease assignment and any related amendments to the Lease, and any necessary other documentation to effectuate the intent of this Resolution.

Signed: _____
 John Vero, Esq., Secretary

Date of Authorization: January 22, 2024
 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	_____		
Michael Castellana	_____	David Parente	_____		
Sonya del Peral	_____	Havidan Rodriguez	_____		
Michael Fancher	_____	Anders Tomson	_____		
Anthony Gaddy	_____	Karen Torrejon	_____		Aye: 0 No: 0
John Harris	_____	John Vero	_____		Recused: 0