



**Tuesday, September 24, 2024**  
21 Lodge Street, Board Room  
8:00 a.m.

**CAPITALIZE ALBANY**  
**CORPORATION**

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

*Detailed minutes of the proceedings will be posted on the Corporation's website following the meeting.*

## Agenda

1. Review of Minutes from the Regular Board Meeting of August 27, 2024
2. Report of Executive Staff – Corporation Update
3. Report of the Finance & Investment Committee
4. Liberty Park Update
  - a. Grant Disbursement Agreement ESD - Second Board Approval - *Resolution 10-2024*
5. Other Business
  - a. Distribute 2025 Conflict of Interest Policy Forms
6. Board Only and/or Executive Session (if necessary)

# MINUTES



CAPITALIZE ALBANY  
CORPORATION

**Date of Meeting:** August 27, 2024

**Meeting:** Capitalize Albany Corporation Board Meeting

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The meeting of the Capitalize Albany Corporation Board of Directors was held at 8:00 a.m. Tuesday, August 27, 2024 at 21 Lodge Street, Albany, NY 12207.

The following were in attendance:

*Board of Directors:*

Michael Castellana	Anthony Gaddy	Dr. Havidán Rodríguez
Sonya del Peral	John Harris	Anders Tomson
Michael Fancher	David Parente	John Vero

*Staff:* Ashley Mohl, Andrew Biggane, Mike Bohne, Andrew Corcione, Maria Lynch, Renee McFarlin, Olivia Sewak and Cassidy Roberts

*Others:* Tom Owens, Esq.; and Joseph F. Castiglione, Esq., Young / Sommer LLC (by phone)

*Excused Members:* Kaweeda Adams, Heather Mulligan, Richard Sleasman, Dr. Toyin Tofade and Karen Torrejon

Chair Anders Tomson called the regular meeting of the Capitalize Albany Corporation (“Corporation”) Board to order at 8:05 a.m.

## **Review of the minutes from the Regular Board Meeting of June 24, 2024**

The Board reviewed the minutes of the June 24, 2024 Regular Board meeting. A motion to approve the minutes was made by John Harris and seconded by Michael Fancher. A vote being taken, the motion passed with all present members voting aye.

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

Staff provided a comprehensive update on the current activities of the organization and staff.

### *Business Development*

Staff reported that Downtown Retail Grant recipient Viva Empanadas will hold their grand opening and ribbon-cutting today at 1 p.m. at 90 N. Pearl Street. On August 22<sup>nd</sup> Capitalize Albany received approval from the City of Albany Capital Resource Corporation for the transfer of previously-budgeted \$70,000 in strategic initiatives funding (\$50,000 to the Downtown Retail Grant Program and \$20,000 to Amplify Albany), ensuring continued funding for both programs through the end of the year.

### *Strategic Development*

Staff updated the Board that NYS’s Consolidated Funding Application (CFA) process has wrapped for the year. Capitalize Albany facilitated a CFA workshop at the Albany Black Chamber on June 24<sup>th</sup>, which was attended by ESD Regional Director Mike Yevoli. Acting as the City liaison for the CFA process, Staff secured 11 letters of support from the Mayor, with 3 projects requiring formal municipal resolutions from the Common Council.

Staff also reported that latest round of New York State’s Downtown Revitalization Initiative (DRI) and New York Forward has been launched. On the City’s behalf, Capitalize Albany is leading efforts to prepare a third application to compete for South Pearl DRI funding. The optional "Intent to Apply" is due by September 6<sup>th</sup>, with the final application deadline set for October 18<sup>th</sup>.

In response to the recent media announcement regarding St. Rose properties, Staff noted that 6 of the 7 Board seats on the Albany Pine Hills Land Authority have been filled, with the Mayor's appointment still pending. A tour of the St. Rose properties with the College's broker is scheduled for next week, and Staff has recently met with an interested development team to discuss potential opportunities for the properties.

Based on a potential conflict of interest, Michael Castellana noted that he will abstain from the discussion regarding St. Rose.

## **Financial Update**

### *Quarterly Financial Report*

Staff reported on the recent Finance & Investment Committee meeting, including the Committee's review of the Q2 2024 Financials. As of June 30, 2024, Capitalize Albany Corporation reported a pre-audit net income of \$417,450, compared to a budgeted net loss of \$189,855 and a net loss of \$127,357 in 2023. Operating revenue exceeded the 2024 budget by 40%,. Operating expenses were 19% below budget. Clinton Market expenses are capitalized, and they are on the balance sheet. Moving forward, the operating expenses will come through the P&L. The Corporation's unrestricted cash has decreased slightly.

### *Quarterly Investment Update*

Staff and the Board discussed the Investment Portfolio and its performance for Q2 2024.

## **Property Agreements**

### *Property Agreements - 21 Lodge Street - Downtown Albany Business Improvement District*

Staff reported they received correspondence from the Downtown Albany Business Improvement District ("the BID") related to their existing lease at 21 Lodge Street and that the BID has elected not to exercise the option to renew their lease with Capitalize Albany. The BID will be moving to a new location prior to the expiration of their current lease on December 31, 2024. The Board discussed potential opportunities for 21 Lodge and encouraged Staff to contemplate all viable options.

### *Clinton Market Collective Update*

Staff reported that the grand opening event on August 1<sup>st</sup> was attended by over 150 people, including the NYS Secretary of State, the Mayor, and other elected officials. Capitalize Albany is wrapping up reimbursements for construction of Clinton Market. The majority of NYS Department of State funding has been reimbursed. Initial documentation for the \$750K Empire State Development (ESD) reimbursement was submitted on August 20<sup>th</sup>, and Staff expects to seek the full \$250K reimbursement from National Grid by the end of Q3 2024.

The project budget totals \$3.87M, with up to \$610K from Corporation resources. Final costs are being reconciled, as final invoices are received. The RFP for a market operator for CMC, the Skyway and Quackenbush Square is due by September 20<sup>th</sup>, with a Board decision expected in October. The space is now available for licensed use, and the market's website, featuring an inquiry form, is live. Staff is finalizing a maintenance agreement with the Albany Parking Authority after soliciting estimates, with the Corporation's property manager handling interim trash removal and maintenance. Staff and the Board had a robust discussion about ongoing operations and next steps for Clinton Market.

### *Capitalize Albany Corporation Procurement Policy*

Counsel and Staff presented the need for an amendment to the Capitalize Albany Corporation Procurement Policy. Due to current staffing levels and only one officer position of the Corporation being presently filled, a revision is necessary to ensure compliance with the Corporation's procurement policy. The proposed change would amend the sections of the procurement policy where it currently requires the approval of two officers to require the approval of one officer and one director to authorize procurements. Counsel stated that the resolution would be brought to the Board meeting for ratification when the Board performs its annual review and approval of the procurement policy.

Chair Tomson called for a motion to amend the language *of the Capitalize Albany Corporation Procurement Policy*) to amend the sections of the Corporation's procurement policy where it currently requires the approval of two officers to require the approval of one officer and one director. A motion was made by Dr. Havidán Rodríguez and seconded by Michael Fancher. A vote being taken, the motion passed with all present members voting aye. The Board also discussed the recommendation to review the procurement policy and consider amending the threshold for the value of procurements which require Board authorization. Staff will review and make a recommendation on an amended procurement policy at an upcoming Board meeting as part of the Corporation's annual procurement policy review.

Michael Fancher left the meeting at 8:54 a.m.

#### **Report of the Liberty Park Committee**

On the recommendation of Counsel, Chair Tomson called for a motion to enter Executive Session for the purposes of discussion concerning present litigation. A motion was made by Dr. Havidán Rodríguez and seconded by Sonya del Peral. Upon a unanimous vote, the Board entered Executive Session at 8:55 a.m.

Dr. Havidán Rodríguez motioned to exit Executive Session and was seconded by Michael Castellana. With all present members voting aye, the meeting exited Executive Session at 9:51 a.m.

At the recommendation of Counsel Chair Tomson called for a motion to recommend and authorize the President of the Capitalize Albany Corporation to move forward with perfecting the appeal in the litigation with PSC, LLC.

John Harris made a motion to recommend and authorize the President of the Capitalize Albany Corporation to move forward with perfecting the appeal in the litigation with PSC, LLC and the motion was seconded by Michael Castellana. A vote being taken, the motion passed with all present members voting aye.

Counsel then noted for the record that no action was taken during the Executive Session.

#### **Adjournment**

There being no further business, the Capitalize Albany Corporation Board meeting was adjourned at 9:53 a.m.

**RESOLUTION 10-2024  
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**, Downtown Albany is the commercial 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**, the Liberty Park district has been consistently identified by multiple CAC and NYS studies and analyses as “Downtown’s largest development opportunity” and a “prime area for development to catalyze economic growth”, and such studies/analyses highlight its redevelopment as a strategic priority; 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 support of its mission and 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”) acquired multiple parcels of underutilized, vacant and/or economically stagnant property consisting of approximately eight (8) acres in the Liberty Park district (“Liberty Park Properties”); and

**WHEREAS**, CAC applied to the Capital Region Economic Development Council and Empire State Development (“ESD”) for resources from the Upstate Revitalization Initiative in December 2017 to assist with the expenses related to the Liberty Park Properties; and

**WHEREAS**, CAC was provided an Incentive Proposal dated April 23, 2019 awarding \$15 million in funding for multiple phases of project activities for certain cost/expenses related to the Liberty Park Properties;

**WHEREAS**, the ESD Board of Directors approved an Upstate Revitalization Initiative award of \$10,193,720 (“Initial Imprest Account Award”) to be used for the cost of real estate acquisition, property maintenance, operation and stabilization, emergency demolition, lease/rent expenses, and design and planning costs associated with the Liberty Park Mixed Use Development Capital and Working Capital project; on Thursday, May 16, 2019 and in connection with this award and pursuant to Resolution 10-2019, CAC entered into a Grant Disbursement Agreement (“Original GDA”) with ESD in June 2019 to receive such Initial Imprest Account Award and implement the grant; and

**WHEREAS**, on September 19, 2024, the ESD Board of Directors approved an additional amount of \$1,306,280 (“Additional Imprest Account Award”) to be added to the Initial Imprest

Account Award be used for the CAC’s cost of real estate acquisition, property maintenance, operation and stabilization, administration costs, emergency demolition, and design and planning costs associated with the Liberty Park Properties; and

**NOW**, therefore be it resolved that the Board of Directors authorizes the Corporation’s President to negotiate and execute a second Grant Disbursement Agreement with ESD related to the Additional Imprest Account Award, and to take all other actions, including but not limited to the execution of any other agreements, necessary to effect the intent of this resolution.

Signed: \_\_\_\_\_

Secretary

Date of Authorization: September 24, 2024

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:

<b>Board Member</b>	<b>Voting</b>	<b>Board Member</b>	<b>Voting</b>	<b>Board Member</b>	<b>Voting</b>
Kaweeda Adams	_____	Heather Mulligan	_____	Karen Torrejon	_____
Michael Castellana	_____	David Parente	_____	John Vero	_____
Sonya del Peral	_____	Havidan Rodriguez	_____		
Michael Fancher	_____	Richard Sleasman	_____		
Anthony Gaddy	_____	Toyin Tofade	_____	Aye: 0 No: 0	
John Harris	_____	Anders Tomson	_____	Recused: 0	

## **Conflict of Interest Policy**

A major strength of the Capitalize Albany Corporation (CAC) is the insight and knowledge provided by its Board of Directors. Due to their respective business/government positions, member of the CAC Board are active in the community and in business transactions within the City of Albany. Inevitably, perceived or real conflicts of interests and governance issues may arise. Conflict of interests (real and perceived) should not prevent an individual from serving as a director or staff member unless the extent of the interest is so significant that the potential for divided loyalty is present in a significant number of situations. CAC's **Conflict of Interest policy** requires that members of the Board of Directors and staff reveal any personal, family or business interests that they have, that, by creating a divided loyalty, could influence their judgment as it relates to CAC. **A conflict of interest exists** whenever an individual could benefit, directly or indirectly, from access to information or from a decision over which they might have influence, or, where someone might reasonably perceive there to be such a benefit and influence. Examples of possible conflict of interest situation with respect to CAC include, but are not limited to:

- A board or staff member has a personal or business relationship with the CAC as a supplier of goods or services or as a landlord or tenant
- A board or staff member has a direct or indirect interest financially in any contract entered into by CAC or accepts any gratuity, financial or otherwise, from any vendor of CAC
- A board or staff member has a personal or financial relationship with a client/borrower of CAC
- CAC is employing someone who is directly related to, or has a personal or financial relationship with, a board member or other staff member
- Conduct that is disloyal, disruptive, competitive, or damaging to CAC; for example, staff should not accept outside employment if that employment is to be conducted during the hours that the staff member is working for CAC, or if such employment conflicts with the effectiveness of the staff member's work for CAC
- A board or staff member is utilizing CAC information or services for their personal use
- A staff member is performing activities that are unrelated to CAC work during working hours
- A staff member of CAC shall not directly or indirectly, solicit any gift, or accept or receive any gift having a value of seventy-five dollars or more, whether in the form of money, services, loan, travel, entertainment, hospitality, thing or promise, or any other form.

## Procedure for Handling an Actual, Perceived or Possible Conflict of Interest

1. The Board shall annually complete a “Conflict of Interest Declaration” which shall be reviewed by the CAC Governance/Audit Committees to determine if the potential for a conflict of interest exists. Additionally, prior to election of any new member of the Board, such member will complete/submit the declaration to the CAC Governance/Audit Committees.
2. In addition to the declaration submitted in accordance with #1 above, members of the Board and staff have a duty to disclose (as soon as practicable) any personal, family, or business interests that may, in the eyes of another person, influence their judgment.
3. The Board as a whole has a duty to disclose specific conflicts or interests to the CAC Governance Committee when that interest may affect the reputation or credibility of the organization, and to disclose the Board’s procedure for operating in the presence of such conflicts.
4. Board members and staff have a duty to recuse themselves from participating in any discussion and voting on matters on which they have a conflict of interest. Such exemptions should be recorded in minutes of meetings if normally kept.
5. Any business relationship between an individual (or a company where the individual is an owner or in a position of authority) and CAC, outside of their relationship as a Board or staff member, must be formalized in writing and approved by the Audit/Governance Committee and the full Board of Directors.



**Annual Completion of Conflict of Interest Declaration**

To: Capitalize Albany Corporation Nominating/Governance Committee  
21 Lodge Street  
Albany, NY 12207

This Annual Statement is made pursuant to the Conflict of Interest Policy of the Capitalize Albany Corporation. The undersigned has received a copy of the CAC Conflict of Interest Policy, has read and understands such policy, and has complied and agrees to comply with such policy. In addition to specific disclosures by the undersigned of actual or possible conflicts of interest as matters have arisen at meetings attended by the undersigned, please be advised of the following (indicate any other affiliations, boards, etc. that may lead to discloseable conflicts of interest; if none, please so state):

- 1. Please list primary employer and address:

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- 2. Please list any office, trusteeships, directorship, position, or relationship of ANY nature (e.g. lawyer, lobbyist, consultant, etc.), whether compensated or not, held by you with any person, firm, corporation or other organization who or which is known by you have any matter pending or financial relationship with Capitalize Albany Corporation.

<u>Agency</u>	<u>Nature of Affiliation/Relationship</u>
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Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_