

City of Troy

Industrial Development Authority

July 11, 2014
10:30 AM
Meeting Minutes

Present: Bill Dunne, Lou Anthony, Hon. Robert Doherty, Tina Urzan, Steve Bouchey and Lisa Kyer

Absent: Hon. Dean Bodnar, Mary O'Neill and Paul Carroll

Also in attendance: Monica Kurzejeski, Justin Miller, Kate Jarosh, Andrew Piotrowski, Ken Crowe, Linda Kline and Denee Zeigler

Vice Chairman Steve Bouchey called the meeting to order at 10:35 a.m.

I. Minutes from the June 13, 2014 meeting

**Lou Anthony made a motion to approve the minutes from the June 13, 2014 meeting.
Tina Urzan seconded the motion, motion carried.**

II. 33 Second Street

Justin Miller spoke to the board about the resolution in front of them for the project at 33 Second Street. Kate Jarosh of Bonacio Construction spoke about the project and the recent tenant changes. The project will be mixed use with the basement, 1st floor and 2nd floor occupied by businesses. There will be eight apartments on the 3rd and 4th floors. Steve Bouchey asked if the current businesses already have leases. Mr. Urzan asked if they had any idea what kind of establishment would fill the available space. Ms. Jarosh advised they have received a lot of input from the residents downtown that are asking for a fine dining restaurant. There is has been a lot of interest to fill the historic space. The board thanked Ms. Jarosh for her presentation. Mr. Bouchey asked if there were any questions about the resolution in front of them.

**Lisa Kyer made a motion to accept the application for assistance from 33 Second Street, LLC.
Hon. Bob Doherty seconded the motion, motion carried.**

(See attached Authorizing Resolution 07/14 #1)

III. 273 River Street

Bill Dunne spoke about the project at 273 River Street the Riverfront Park Access project. Mr. Dunne advised that they have done some testing on the substance found while working at the site. NYSDEC advised that the levels were low and asked that we dig two monitoring wells. We should know more at the next meeting. Tina Urzan asked how far will the monitoring set us back. Mr. Dunne

advised about one month. Mr. Bouchey asked if there was any clean up if it would be the City's expense. Mr. Dunne advised the testing would be ours and the cleanup would be the City. Bob Doherty asked for interim reporting between meetings. Mr. Dunne said that is something he can do. Mr. Dunne advised that we will also be putting up some artistic renderings at the site.

IV. Financials

Andy Piotrowski presented the financials to the board members. He advised that there has not been much activity for the month of June. Mr. Piotrowski explained that there are architectural engineering expenses for the year for the Riverfront Park Access project. There is also an application fee received from Sequential Development. Mr. Piotrowski advised there was only one outstanding PILOT payment which was received this week and the residual interest will roll over.

**Hon. Bob Doherty made a motion to accept the financials.
Tina Urzan seconded the motion, motion carried.**

V. Executive Session

**Tina Urzan made a motion to move to executive session to discuss pending litigation.
Lou Anthonly seconded the motion, motion carried.**

**Tina Urzan made a motion to adjourn executive session.
Lou Anthony seconded the motion, motion carried.**

The board returned from executive session with no action taken.

VI. Adjournment

**Hon. Bob Doherty made a motion to adjourn the meeting.
Lou Anthony seconded the motion, motion carried.**

The meeting was adjourned at 11:00 a.m.

INITIAL PROJECT RESOLUTION
(33 Second Street Building, LLC Project)

A regular meeting of the Troy Industrial Development Authority (the “Authority”) was convened on July 11, 2014, at 10:30 a.m., local time, at 433 River Street, Troy, New York 12180.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Authority were:

<u>MEMBER</u>	<u>PRESENT</u>	<u>ABSENT</u>
Hon. Dean Bodnar		X
Hon. Robert Doherty	X	
Steve Bouchey	X	
Louis Anthony	X	
Paul Carroll		X
Mary O’Neill		X
Lisa Kyer	X	
Tina Urzan	X	

The following persons were ALSO PRESENT: Kate Jarosh, Andy Piotrowski, Ken Crowe, Monica Kurzejeski, Linda Kline, Justin Miller and Denee Zeigler

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to a proposed project for the benefit of 33 Second Street Building, LLC.

On motion duly made by Lisa Kyer and seconded by Lou Anthony, the following resolution was placed before the members of the Troy Industrial Development Authority:

Member	Aye	Nay	Abstain	Absent
Hon. Dean Bodnar				X
Hon. Robert Doherty	X			
Steve Bouchey	X			
Louis Anthony	X			
Paul Carroll				X
Mary O’Neill				X
Lisa Kyer	X			
Tina Urzan	X			

Resolution No. 07/14 #1

RESOLUTION OF THE TROY INDUSTRIAL DEVELOPMENT AUTHORITY (THE "AUTHORITY") (i) ACCEPTING THE APPLICATION OF 33 SECOND STREET BUILDING, LLC (THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT (AS MORE FULLY DEFINED BELOW); (ii) AUTHORIZING THE SCHEDULING, NOTICE AND CONDUCT OF A PUBLIC HEARING WITH RESPECT TO THE PROJECT; AND (iii) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AUTHORITY WITH RESPECT TO THE PROJECT

WHEREAS, by Title 11 of Article 8 of the Public Authorities Law of the State of New York, as amended, and Chapter 759 of the Laws of 1967 of the State of New York, as amended (hereinafter collectively called the "Act"), the **TROY INDUSTRIAL DEVELOPMENT AUTHORITY** (hereinafter called the "Authority") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping civic, industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, **33 SECOND STREET BUILDING, LLC** (the "Company"), has requested the Authority's assistance with a certain project (the "Project") consisting of (i) the acquisition by the Authority of a leasehold or other interest in certain parcels of real property located at 33-35 Second Street, Troy, New York 12180 (the "Land", being more particularly identified as TMID No. 101.53-7-9) and the existing improvements located thereon, including a 5-story commercial building (the "Existing Improvements"); (B) the renovation, reconstruction, refurbishing and equipping by the Company as agent of the Authority of the Existing Improvements to provide for multi-tenanted commercial facility and 10 market rate apartment units, including the reconfiguration of existing commercial space to accommodate upgraded commercial and retail spaces and apartment units, along with the installation and improvement of common areas, heating systems, plumbing, roofs, windows and other site and infrastructure improvements (collectively, the "Improvements"), all of the foregoing intended for the Company's ownership and operation of the Improvements as a mixed-use commercial, retail and housing facility that will be leased by the Company to commercial, retail and residential tenants; (C) the acquisition of and installation in and around the Land, Existing Improvements and Improvements of certain machinery, fixtures, equipment and other items of tangible personal property (the "Equipment" and, collectively with the Land, the Existing Improvements and the Improvements, the "Facility"); and (D) the lease of the Authority's interest in the Facility back to the Company; and

WHEREAS, pursuant to the Act, the Authority desires to adopt a resolution describing the Project and the Financial Assistance (as hereinafter defined) that the Authority is contemplating with respect to the Project; and

WHEREAS, it is contemplated that the Authority will (i) accept the Application submitted by the Company; (ii) approve the scheduling, notice and conduct of a Public Hearing with respect to the Project; and (iii) approve the negotiation, but not the execution or delivery, of certain documents in furtherance of the Project, as more fully described below.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE TROY INDUSTRIAL DEVELOPMENT AUTHORITY AS FOLLOWS:

Section 1. The Company has presented an application in a form acceptable to the Authority. Based upon the representations made by the Company to the Authority in the Company's application and in related correspondence, the Authority hereby finds and determines that:

(A) By virtue of the Act, the Authority has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(B) The Authority has the authority to take the actions contemplated herein under the Act; and

(C) The action to be taken by the Authority will induce the Company to develop the Project, and otherwise furthering the purposes of the Authority as set forth in the Act; and

(D) The Project will not result in the removal of a civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the "State") to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Authority hereby finds that, based on the Company's application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries; and

Section 2. The proposed Financial Assistance being contemplated by the Authority includes (i) a sales and use tax exemption for materials, supplies and rentals acquired or procured in furtherance of the Project by the Company as agent of the Authority; (ii) mortgage recording tax exemption(s) in connection with secured financings undertaken by the Company in furtherance of the Project; and (iii) an abatement or exemption from real property taxes levied against the Land and Facility pursuant to a PILOT Agreement to be negotiated.

Section 3. The Chairman, Vice Chairman, and/or Executive Director/Chief Executive Officer of the Authority are hereby authorized, on behalf of the Authority, to schedule, notice and conduct a public hearing in compliance with the Act and negotiate (but not execute or deliver) the terms of (A) a Lease Agreement, pursuant to which the Company leases the Land and Existing Improvements to the Authority, (B) a related Leaseback Agreement, pursuant to which the Authority leases its interest in the Project back to the Company, (C) a PILOT

Agreement, pursuant to which the Company agrees to make certain payments in-lieu-of real property taxes, and (D) related documents thereto; *provided* (i) the rental payments under the Leaseback Agreement include payments of all costs incurred by the Authority arising out of or related to the Project and indemnification of the Authority by the Company for actions taken by the Company and/or claims arising out of or related to the Project and (ii) the terms of the PILOT Agreement are consistent with the Authority's Uniform Tax Exemption Policy or the procedures for deviation have been complied with.

Section 4. The officers, employees and agents of the Authority are hereby authorized and directed for and in the name and on behalf of the Authority to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Authority with all of the terms, covenants and provisions of the documents executed for and on behalf of the Authority.

Section 5. These Resolutions shall take effect immediately.

SECRETARY'S CERTIFICATION

STATE OF NEW YORK)
COUNTY OF RENSSELAER)

I, Denee Zeigler, the undersigned, Secretary of the Troy Industrial Development Authority (the "Authority"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Authority, including the Resolution contained therein, held on July 11, 2014, with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Authority had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Authority present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Authority this 11th day of July, 2014.

Denee Zeigler

(SEAL)