



**TROY LOCAL DEVELOPMENT CORPORATION
Board of Director
Meeting Minutes**

**May 20, 2016
8:30 a.m.**

BOARD MEMBERS PRESENT: Kevin O'Bryan, Dep. Mayor Monica Kurzejeski, Andy Ross and John Donohue

ABSENT:

ALSO IN ATTENDANCE: Justin Miller, James Lozano, Mary Ellen Flores, Ken Crowe, Michael Flynn, Derek Foster, Karla Guererri, Jean Corina, Adam Siemiginowski, Lorraine, McCleary, Lynda Caccamo, Deanna DalPos and Denee Zeigler

Minutes

The Chairman called the meeting to order at 8:30 a.m.

I. Minutes

The board reviewed the minutes from the April 22, 2016 board meeting.

Andy Ross made a motion to approve the April 22, 2016 board meeting minutes.

Dep. Mayor Monica Kurzejeski seconded the motion, motion carried.

II. Façade Grant Program

The Chairman spoke to the 50/50 Façade Grant applicants and advised that all of the information submitted was reviewed ahead of time. The board had a general discussion with the applicants about the process. Karla Guererri advised the board she is in the Historic District and that she will need to go through that process. Ms. Guererri asked if there was a timeframe she had to follow in order to complete the project. Monica Kurzejeski advised they have one year from the approval date to complete the project. Ms. McCleary advised that her contractor has found some additional issues since their last estimate and inquired about changes to their current estimate. The board advised to if there are any changes to the quotes submitted with the packets an updated one will need to be submitted. Ms. Kurzejeski stressed the need for quotes.

Andy Ross made a motion to approve the 50/50 Façade Grants listed below:

- 1823 Fifth Avenue, Michael Flynn
- 1831 Fifth Avenue, Michael Flynn
- 383 Congress Street, Adam Siemiginowski
- 64 Washington Street, Karla Guererri
- 40-42 and 44 River Street, Daigle Development, LLC
- 223 4th street, Jean Corina
- 234 3rd street, Lynda Caccamo
- 2942 Sixth Ave, Lorraine McCleary
- 3 Hill Street, Guillermo Zappi

Monica Kurzejeski seconded the motion, motion carried.

III. Troy Living, LLC

Justin Miller advised that in connection with the proposed sale of the Conservatory, the current owner, Troy Living, LLC, is asking for the LDC's consent to assign the regulatory agreement on record from their NYS Main Street grant recorded in 2012. Mr. Miller advised they are about four years into a seven year compliance period. The board did not have any questions.

Andy Ross made a motion to approve the reassignment of the NYS Main Street regulatory agreement from Troy Living, LLC to Irving Ave 158, LLC.

John Donohue seconded the motion, motion carried.

IV. Financials and 50\50 Façade Improvement Program

The board asked about the status of the funds for the façade grant program. The chairman advised we can discuss it along with the financials. He introduced Jim Lozano of CFO for Hire as the LDC's accounting and reporting. Mr. Lozano also introduced Mary Ellen Flores to the new board member.

Mr. Lozano advised that there is currently \$728,000 in cash with about \$237,000 already committed to projects. The actual cash balance is \$490,000 but it is not reflected on the financials. The board discussed that about 90% of the façade grant applicants complete the project and there was some interest in the target areas, but more citywide. The chairman advised that we need to take a closer look at managing the grant program going forward. Mr. Donohue asked about the best way for him to come up to speed on all of the projects. The chairman advised to set up a meeting with Ms. Kurzejeski and Mr. Miller, but any of the people involved would be available to answer questions. Mr. Lozano spoke about setting up a separate account for the façade grants. Mr. Miller asked about the restricted cash account that was set up. Mr. Lozano advised that he will look into to see if checks can be written from that account and if so will move the total amount of committed façade grant funds into that restricted account. Mr. Ross noted that this will help to create a clear picture of how the program is working.

Mr. Lozano advised \$66,000 in accounts receivable; with a bulk of that being Waste Connections PILOT in the amount of \$47,000. He advised that we have also moved the loans to the asset accounts and created a reserve of 15% of the total loans outstanding. The Chairman explained some of the background for this to the new board member.

Mr. Lozano advised no changes to the fixed asset side of things; which relates to the King Fuels site. The chairman advised that this might be a topic to set up a meeting on; as it is a long and detailed. Mr. Lozano noted that there was an increase in pre-paid accounts due to an insurance payment.

Mr. Lozano advised that on the liability side, we booked \$40,000 in grants. He added that as a reminder we have some unearned income that we are accruing for Hudson River Recycling throughout the year from rent payments.

The board had a discussion on the King Fuels site and how important it is to the future of the LDC. Ms. Kurzejeski advised that the notes payable section is a HUD Section 108 loan. Mr. Donohue asked about why the March statement appears to be the same as the April statement. Mr. Lozano advised that we make two payments a year; one is interest only and one is principle. The chairman advised that we may have to schedule a special King Fuels meeting in order to discuss. Mr. Lozano advised that there is a draft copy work paper that is used for the loans and he can share with the board if they would like.

Mr. Lozano advised that there was a \$57,000 deficit on the income statement made of up legal fees and grants for economic development. He added that the revenue is pretty standard for the month.

The chairman advised the new board member to take the time to look over the financials and ask any questions that he may have. The board had a general discussion on the how the loans are set up.

Mr. Ross asked if there were any loans that they were concerned with. Ms. Flores advised that there were a few that are overdue. Mr. Donohue asked how we are remedying this. Mr. Miller advised that CFO can contact the legal department to let them know that the account is delinquent and further action is required. Mr. Ross asked if that can be done going forward. The chairman advised yes but would like to wait until they are 60 days past due. After that point, legal can step in. Ms. Kurzejeski asked if the terms will be set in the loan agreement. Mr. Miller advised that it would be part of our internal controls. The chairman advised that we will have a formal collection policy sent to the board members for the next meeting.

Dep. Mayor Monica Kurzejeski made a motion to approve the financials as presented.

John Donohue seconded the motion, motion carried.

- V. Mrs. Kurzejeski advised there is a personnel item to discuss in executive session. Mr. Miller added that

Andy Ross made a motion to enter into executive session at 9:20 a.m. to discuss a personnel issue.

Dep. Mayor Monica Kurzejeski seconded the motion, motion carried.

Andy Ross made a motion to adjourn executive session at 9:34 a.m. Dep. Mayor Monica Kurzejeski seconded the motion, motion carried.

VI. Staffing

The board had a general discussion about the establishing a budget line item for the CEO of the LDC.

Andy Ross made a motion to approve a budget line item of \$15,000 annually to pay the CEO of the Troy Local Development Corporation. John Donohue seconded the motion, motion carried.

VII. Adjournment

The meeting was adjourned at 9:35 a.m.

John Donohue made a motion to adjourn the meeting. Andy Ross seconded the motion, motion carried.