

**Vice-Chair**  
Steve Bouchey

**Troy**  
**Industrial Development**  
**Authority**



**Board Members**

Hon. Dean Bodnar

Mr. Paul Carroll

Hon. Robert Doherty

Louis Anthony

Mary O'Neill

Lisa Kyer

Tina Urzan

**And**

**Capital Resource Corporation**

**BOARD OF DIRECTORS MEETING**

**July 11, 2014**  
**10:30 a.m.**

**Planning Department Conference**  
**Room**

**City Hall**

**A G E N D A**

- I. Approval of Minutes from the June 13, 2014 IDA board meeting.
- II. 33 Second Street Initial Project Resolution (Bill)
- III. Riverfront Park Access Project, 273 River Street (Bill)
- IV. Financials (Selena/Joe)
- V. New Business

# City of Troy Industrial Development Authority

June 13, 2014  
10:30 AM  
Meeting Minutes

**Present:** Bill Dunne, Lou Anthony, Hon. Dean Bodnar, Mary O'Neill, Hon. Robert Doherty, Tina Urzan and Lisa Kyer

**Absent:** Steve Bouchey and Paul Carroll

**Also in attendance:** Monica Kurzejeski, Francine Vero, Elizabeth Young, Larry Novak, Kate Jarosh, Jeff Buell, Selena Skiba, and Denee Zeigler

In the absence of a Chairman and Vice Chair, Lou Anthony was voted temporary chairman of the meeting.

**Hon. Bob Doherty made a motion to elect Lou Anthony as temporary Chairman.  
Lisa Kyer seconded the motion, motion carried.**

Lou Anthony called the meeting to order at 10:50 a.m.

I. Minutes from the May 9, 2014 meeting

**Tina Urzan made a motion to approve the minutes from the May 9, 2014 meeting.  
Hon. Dean Bodnar seconded the motion, motion carried.**

II. Dauchy River Triangle building

Bill Dunne introduced Larry Novak to the board to discuss his project. Mr. Novak spoke about Dauchy River Triangle LLC's application for financial assistance for the River Triangle Building. Mr. Novak advised this project would be similar to their other projects except the 1<sup>st</sup> and 2<sup>nd</sup> floors will be offices and the 3<sup>rd</sup> and 4<sup>th</sup> floors will be residential. He advised that there will be about 29 units and they should be completed by the end of September 2014. Tina Urzan asked about the possible terms of the PILOT. Mr. Dunne advised it will be a 15 year PIOLT. The first seven years will be paying the current assessment of the building. From the eighth year on, a certain percentage will be added in until they reach the full payment amount. Hon. Bob Doherty and Mary O'Neil asked for PILOT payment schedules to be included in the packets. Mr. Dunne advised they usually are and advised that one would be sent out after the meeting.

**Hon. Dean Bodnar made a motion to accept the application for assistance for the River Triangle Building.  
Hon. Bob Doherty seconded the motion, motion carried.**

### III. Ironworks

Jeff Buell from Sequence Development introduced Elizabeth Young from his company and Tim O'Byrne of Omni Development. Mr. Buell talked about the redevelopment of the Hy Rosenblum center on the corner of Morrison and Vandenburg Avenues. Mr. Buell explained that they were awarded the project by HVCC after an RFP was sent out last winter. They are proposing to demolish the former monastery and create a 330 bed student housing facility. The facility will be specifically for students at HVCC. Mr. Buell advised that the first phase will be for college students specifically, some family housing may come into play in a later phase. He advised that he hopes the demolition can begin in the next few months and be under construction this fall to be open next August. Mr. Buell advised that once completed, the vacant property will be privately owned and be on the tax rolls for the first time. They are currently in the SEQR process and are holding public meetings. Mr. Dunne wanted to note that the building was not built in the 1700's, it was actually built in the 1950's. Hon. Dean Bodnar also commented on the style of the building. Mr. Buell advised that the building has no historical value. They did spend time seeing if be re-configured to fit the required 300 students. It was determined that demolishing and rebuilding was a better fit. He advised that some changes will be made to the intersection to make it more pedestrian friendly. Tina Urzan asked about the future design of the building. Mr. Buell explained that it will be new construction that will have some of the same elements of HVCC's new science center.

Hon. Bob Doherty asked about the overall direction of Omni Development. Tim O'Byrne advised that they do a lot of different types of development work and partner with many other agencies. Mr. O'Byrne advised that in this case HVCC doesn't have a managing entity. Mr. Buell added that community colleges are not able to own student housing. This would be a private development with Omni Development as the managing entity. The two companies will work together to ensure the design of the building works for student housing. Mr. Urzan asked if it will be strictly students. Mr. Buell advised yes. About 25% of the students will be from Rensselaer County. Many will be from Albany County and some will be from out of the area. Mr. Doherty asked if the project will be specifically tailored for students. He questioned if would it be changed into a different form of housing if there was a change in demographics. Mr. Buell advised that it will be designed specifically for students and not able to be transformed into multifamily housing. Mrs. Urzan asked what they anticipate for rents each month. Mr. Buell explained they will be approximately \$665 per student for a four bedroom and \$765 for a one bedroom. Mary O'Neill asked if they would be able to stay there for the entire year. Mr. Buell advised the students will be signing a 12 month lease. Mrs. Urzan asked about parking. Mr. Buell explained that the parking ratio will be one parking spot for every two beds. He mentioned that there is about an eight minute walk to campus and bus rides are free.

Mrs. Urzan asked if there were any other plans to develop the remainder of the parcel explaining that it continues down Morrison and Vandenburg. Mr. Buell explained that there may be some further development at some point. He added that there is another developable portion of the lot, however it is the former site of the burden family home and contains significant archeological findings. Mr. Buell advised that there would be significant cost to developing that site. He

added that if that site was developed it would leave the monastery vacant and not usable. Mr. Bodnar questioned the freestanding building on the site. Mr. Buell explained that is part of the campus that had received a grant and cannot be changed for ten years from the date of the grant. Lisa Kyer asked about the details of the PILOT. Mr. Dunne advised that this is just the initial review of the application. There will be further discussions with the applicant regarding the terms of the PILOT agreement. The board thanked the applicants and expressed interest working with them.

#### IV. Ingalls Avenue Development Project

Bill Dunne gave a brief update to the board members about the on the Ingalls Avenue Development project and the condemnation process for the Mlock parcel. Mr. Dunne advised that the process has been started and a public hearing will be held in July. Mr. Bodnar asked about the most recent appraisal. Mr. Dunne advised that it was last at \$340,000 but did not consider the condition of the site. Once those were applied, it was brought down to \$265,000. The board had a general discussion on the project and the surrounding sites that will be developed at the same time. Monica Kurzejeski spoke about the current status of 701 River Street. She advised that it was put up for sale about a month ago and believes it is currently under contract. Mr. Bodnar asked about the timeframe of the condemnation process. Mr. Dunne advised he has a timeline of the process and will forward to the board members. He noted it is usually around four months.

#### V. Review of bylaws

Mr. Dunne asked the board members if they had a chance to review the bylaws and if so were there any changes that needed to be made. The board had no changes at this time.

#### VI. Financials

Selena Skiba went over the current financials with the board. Mr. Dunne spoke about the waiving of PILOT late fees for one of the recipients. He advised that based on the boards decision and the language of the PILOT agreement it was determined that the late fee should be waived. Lisa Kyer asked if the language has been corrected going forward. Mr. Dunne advised yes. The PILOT in question was one of the first ones. Mrs. Skiba questioned the pending sale of IBT and how we should proceed in collecting the balance. Mr. Anthony advised that the sale has been finalized. Mr. Dunne advised invoices will be sent and he will ask the legal representative to follow up with them. Mr. Bodnar asked if the previous owner was aware that the loan would need to be paid back. Mrs. Kurzejeski noted that she has had conversations with IBT.

#### VII. 273 River Street Park Access

Mr. Dunne gave the board an update about the Riverfront Park Access project. Work has been stopped due to an unknown substance that was found while digging. It has been sent to NYS DEC for testing. Mr. Anthony noted that there is a possibility that it is not contaminated. Mr. Dunne explained that once they get the results, they will have a better timeframe for the project.

VIII. Adjournment

**Hon. Dean Bodnar made a motion to adjourn the meeting.  
Tina Urzan seconded the motion, motion carried.**

The meeting was adjourned at 11:25 a.m.

DRAFT

# Project Description and Employment Summary Sheet

Company Name: 33 Second Street Building LLC  
 Address: 18 Division Street, Suite 401 Saratoga NY  
 Project Address: 33 Second Street, Troy NY 12180  
 Description: Partial rehabilitation of 33 Second Street to create a mixed use building.  
The basement and floors 1 and 2 will be commercial/retail/restaurant space  
and floors 3 and 4 will become ten residential apartments

<b>Project use and size (as appropriate)</b>				
Use of space	Mixed Use			
Property owned or leased	Sonny Bonacio, owner			
Square footage	basement and 4 floors			
<b>Project Costs</b>				
Land	\$560,000			
Buildings	\$1,400,000			
Machinery and equipment cost	N/A			
Utilities, roads and appurtenant costs	N/A			
Architects and engineering fees	\$50,000			
Costs of bonds issue (legal, financial and printing)	N/A			
Construction loan fees and interest (if applicable)	\$60,000			
Other (please specify)	\$125,000			
<b>TOTAL PROJECT COSTS</b>	<b>\$2,195,000</b>			
<b>Employment and Anticipated workforce levels</b>	Present		Projected (1-2 years)	
	Full Time	Part Time	Full Time	Part Time
Professional or Managerial:	2		25	7
Unskilled or Skilled:	1	5		15
Semi-Skilled:				
<b>TOTALS</b>	<b>3</b>	<b>5</b>	<b>25</b>	<b>22</b>

Type of Assistance Expected from the Authority

**Financing**

Is the applicant requesting that the Authority issue bonds to assist in financing the Project? \_\_\_\_ Yes  X  No If yes, indicate:

- a. Amount of loan requested: \$ \_\_\_\_\_; and
- b. Maturity requested: \_\_\_\_\_ years.

**Tax Benefits**

Is the applicant requesting any real property tax exemption  X  Yes \_\_\_\_ No

Is the applicant expecting that the financing of the Project will be secured by one or more mortgages?  X  Yes \_\_\_\_ No

Total Amount of financing to be secured by mortgages \$  15,564,000

Agent of Authority?  X  Yes \_\_\_\_ No

Approximate amount of purchases that applicant expects to be exempt:  
\$ \_\_\_\_\_

Estimated value of each type of tax exemption:

- |   |                     |
|---|---------------------|
| a. NYS Sales and Compensating Use Taxes | \$ <u> 656,000 </u> |
| b. Mortgage Recording Taxes             | \$ <u> 165,000 </u> |
| c. Real Property Tax Exemptions:        | \$ _____            |
| d. Other (please specify)               | \$ _____            |

**PILOT**

X  Yes \_\_\_\_ No

**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		
Hon. Robert Doherty		
Steve Bouchey		
Louis Anthony		
Paul Carroll		
Mary O’Neill		
Lisa Kyer		
Tina Urzan		

The following persons were ALSO PRESENT:

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 \_\_\_\_\_ and seconded by \_\_\_\_\_, the following resolution was placed before the members of the Troy Industrial Development Authority:

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

Resolution No. \_\_\_\_\_

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.