



Kevin O'Bryan, Chairman
Steven Strichman, Executive Director
John Donohue

Andrew Ross, Vice Chairman
Dep. Mayor Monica Kurzejeski

**TROY LOCAL DEVELOPMENT CORPORATION
Board of Directors Meeting
Planning Department Conference Room
City Hall
433 River Street, Suite 5001
Troy, New York 12180**

January 20, 2017

8:30 a.m.

AGENDA

- I. Approval of Minutes from December 16, 2016 board meeting.
- II. Grant software
- III. Brownfields Grant
- IV. Loan Modification – 77 Congress Street, LLC d/b/a Troy Kitchen
- V. Upcoming PARIS report
- VI. Executive Director Report
- VII. Financials
- VIII. Old Business
- IX. New Business
- X. Adjournment



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

**December 16, 2016
8:30 a.m.**

BOARD MEMBERS PRESENT: Kevin O’Bryan, Andy Ross, Steve Strichman, Monica Kurzejeski and Hon. John Donohue

ABSENT:

ALSO IN ATTENDANCE: Robert Ryan, Mary Ellen Flores, Jim Lozano, Deanne DalPos, Vic Christopher, Lucas Nathan, Sharon Martin, Cheryl Kennedy 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 November 18, 2016 board meeting.

Andy Ross made a motion to approve the November 18, 2016 board meeting minutes.

Hon. John Donohue seconded the motion, motion carried.

II. Infinity Café

Mr. Ryan spoke to the board about the background and current status of the Infinity Café loan. He advised that at the end of the process, a settlement agreement was worked out to pay back the loan as well as interest, late fees and attorney fees. Mr. Ryan advised that the resolution in front of the board is to approve and ratify the agreement. Mr. Strichman advised that there is another update; they have filed bankruptcy. Mr. Ross asked how much we were collecting from them. Ms. Kurzejeski advised \$33,000. Mr. Ryan advised that we will still approve and ratify the agreement and keep an eye on it going forward. He added that if they do not pursue personal bankruptcy then we explore that if it’s feasible. (See attached Resolution 12/16 #1)

Hon. John Donohue made a motion to approve and ratify a loan default settlement agreement with Infinity Café, LLC and Ashlee Dame.

Andy Ross seconded the motion, motion carried.

III. First Light

Mr. Strichman spoke to the board about a request he received from First Light to use the LDC's property, the Alamo, to run redundant fiber to the emergency response center located at the Rensselaer county jail. He advised that it will come off of a pole, go underground, run along the base of the building and then back under ground. He advised that we will get a one-time \$2,000 payment. Mr. Ross asked if there was any liability if we sell that property. Mr. Strichman advised no. If the property is purchased in the future they may have to relocate it. Ms. Kurzejeski asked at whose expense and noted that the building is not a complete building. The board agreed that they can update the language of the agreement to include terms of removing the fiber or relocating if the building is sold.

**Hon. John Donohue made a motion to accept the request from First Light and set up an agreement to run fiber at the Alamo site for a one-time payment of \$2,000.
Dep. Mayor Monica Kurzejeski seconded the motion, motion carried.**

IV. Executive Director's Report

Mr. Strichman advised the board he has met several times with Troy Kitchen; they are moving forward to get the fire suppression system in place in order to make the space safe. He noted that was his main concern in order to keep the business open. He added that the owner of the building was able to attend the meeting and move the process along. The board had a general discussion about checking the agreement to make sure we have all securities in place. Mr. Strichman advised that the outstanding balance at this time is approximately \$42,500. He added that a payment agreement was discussed with the tenant and that rents will be going up in April 2017. Mr. Strichman advised that at the end of the discussion, it was decided that we will work to restructure his loan payments to include the unpaid principle, forgive the late fees and stretch out the length of the loan. The board agreed that they would be willing to stretch the loan up to five years, if needed.

Mr. Strichman advised that he had updates for the other two loans, but will add that information in with the delinquency report.

Mr. Strichman advised that he has met with a potential developer for the King Fuels site and noted some brownfields opportunities. He also added that he will be reviewing the plan that was done by ELAN. The board advised that there was not much activity or requests for that site. He noted that some ideas for that site were discussed at a recent meeting he attended. Mr. Ross noted that there is a huge debt at that site and this board would like to sell that site if possible.

V. Donna's – 1 14th Street

Mr. Strichman advised that Vic Christopher is here to discuss a change in his upcoming loan for Donna's. Mr. Christopher advised it should be opening next week. He advised that there were some changes that needed to occur with their financing and collateral. He is proposing that we use a recent property purchase, Bradley's Tavern at 28 4th Street as collateral for the loan. The board advised they will take a negative pledge on 295 4th Street, a residential property, and use Bradley's as collateral for the Donn's loan. Mr. Christopher added that the loan previously received from the LDC for the stabilization of the 207 Broadway, where Peck's and Little Peck's are located, was paid off in full.

VI. Financials

Ms. Flores presented the balance sheet to the board members. She advised that there is \$4.1 Million in assets versus \$1.6 Million in liability leaving \$2.5 in equity. She advised no other major changes from last month. She advised that we did pay out \$21,500 in 50/50 façade grants. There was also a pre-paid credit that we wrote off. The board asked about the current balance of grants. Ms. Flores advised that there is about \$175,000 to pay out in grants as of November 30th. The chairman advised that there is large amount of upcoming loan distributions/grants that will be paid out. He added that there may be funds coming in for 444 River Street in 2017.

Ms. Flores presented the operating statement to the board members and noted a \$8,500 loss for this month; all typical expenses. The year total loss is \$250,000. The chairman advised that as long as we can generate business, we will still be able to do projects.

**Dep. Mayor Monica Kurzejeski made a motion to approve the financials as presented.
Andy Ross seconded the motion, motion carried.**

VII. Old Business

Mr. Strichman advised that the Balance Loft is currently behind on their loan payments about three payments and Rare Form Brewing is only behind for December. He advised that an additional business will be brought into the Balance Loft space and discussions will take place in January.

The board had a general discussion about the downtown's restaurants and whether or not the numbers seem to be going down. Ms. Kennedy has not noticed any large changes in the amount of business. Ms. Kurzejeski advised that there was some discussion when B-Rad's closed, but it only closed during the week in order to focus on the catering business. She added that there is a good network of support with the downtown businesses.

VIII. New Business

Mr. Strichman advised that we have received a funding request from the Enchanted City for next year's event. He would like to support them, but it may not be at the same amount as last year. Ms. Kurzejeski noted that some city services have been cut and we may get some additional requests.

Mr. Strichman advised that he spoke to Vecino Group and they hoped for a March/April closing. The board had a general discussion on their agreement; will the payment be made as a lump sum or over time.

Mr. Strichman advised that we also have a request in for marketing funds to match National Grid funds. Ms. Kennedy advised she was going to ask for \$10,000 to be used as matching funds for a National Grid collaborative funding grant. She noted that the grant will allow us to do some marketing outside of the National Grid region we are currently in. It would allow us to expand to other areas in the Northeast. Ms. Kennedy noted that she has a full marketing plan to share, if needed. The chairman noted that we will have to review in the future based on our finances.

Mr. Strichman noted we also received a grant/loan agreement for 13 3rd Street/282 River Street. Ms. Kurzejeski noted that is the Market Block building.

IX. Adjournment

The next board meeting will be January 20th. With no additional business to discuss, the meeting was adjourned at 9:20 a.m.

Dep. Mayor Monica Kurzejeski made a motion to adjourn the meeting.

Andy Ross seconded the motion, motion carried.

APPROVAL AND RATIFICATION RESOLUTION
(Infinity Café, LLC – Loan Default Settlement)

A regular meeting of the Troy Local Development Corporation was convened on December 16, 2016, at 8:30 a.m.

The following resolution was duly offered and seconded, to wit:

Resolution No. 12/16 #1

**RESOLUTION OF THE TROY LOCAL DEVELOPMENT CORPORATION
APPROVING AND RATIFYING A LOAN DEFAULT SETTLEMENT
AGREEMENT WITH INFINITY CAFÉ LLC AND ASHLEE DAME.**

WHEREAS, the Troy Local Development Corporation (the “Corporation”) is a duly-established, not-for-profit local development corporation of the State pursuant to Section 1411(h) of the Not-for-Profit Corporation Law (“N-PCL”) and a Certificate of Reincorporation filed on April 5, 2010 (the “Certificate”) established for the charitable and public purposes of relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, instructing or training individuals to improve or develop their capabilities for such jobs, by encouraging the development of, or retention of, an industry in the community or area, and lessening the burdens of government and acting in the public interest; and

WHEREAS, Infinity Café, LLC received a loan from the Corporation in the amount of \$23,500.00 (the “Loan”) in connection with a certain project (the “Project”) consisting of the acquisition and installation of certain materials and equipment necessary to expand its restaurant into vacant adjacent space located at 172 Broadway, Suite B, Troy, New York; and

WHEREAS, to secure repayment of the debt of Infinity Café to the Corporation, Infinity Café executed and delivered to the Corporation a security agreement granting the Corporation a security interest (the “Security Agreement”) in certain kitchen and restaurant equipment (the “Collateral”); and

WHEREAS, to further secure repayment of the debt of Infinity Café to the Corporation, Ms. Dame, in her individual capacity, executed and delivered to the Corporation a Personal Guaranty (“Guaranty”) whereby she absolutely and unconditionally guaranteed the payment of all debts owned by Infinity Café to the Corporation; and

WHEREAS, Infinity Café defaulted in the payments of monthly amounts due and owing under the Loan and failed to pay the outstanding amounts of principal, interest and late penalties due within twenty business days of receiving the Corporation’s written demand; and

WHEREAS, as a result of the default, the Corporation commenced an action seeking a judgment in the Rensselaer County Supreme Court entitled Troy local Development Corporation v Infinity Café LLC and Ashlee Dame (the “Action”); and

WHEREAS, in resolution of the Action, the parties agreed to settle whereby Infinity Café and Ashlee Dame (the “Defendants”) agreed to be jointly and severally liable to the Corporation in the amount of \$33,000.00 (the “Settlement Amount”) representing the accelerated balance due on the Loan, late penalties, interest and reasonable attorney fees; and

WHEREAS, the Corporation and Defendants reached an agreement whereby the Defendants will pay the Settlement Amount in weekly installments of \$155.00 for 213 weeks.

NOW, THEREFORE, BE IT RESOLVED BY THE DIRECTORS OF THE TROY LOCAL DEVELOPMENT CORPORATION AS FOLLOWS:

Section 1. The Corporation hereby approves and ratifies a settlement agreement with Infinity Café and Ashlee Dame as set forth in the Settlement Agreement and Stipulation, and Affidavit of Confession of Judgment, as attached hereto.

Section 2. The Corporation hereby approves and ratifies the authorization of the Executive Director to execute the attached Settlement Agreement and Stipulation in the name of and on behalf of the Corporation in settlement of the Action with the Defendants.

Section 3. The officers, employees and agents of the Corporation are hereby authorized and directed for and in the name and on behalf of the Corporation to do all acts and things required and to execute and deliver all such checks, 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 Corporation with all of the terms, covenants and provisions of the documents executed for and on behalf of the Corporation.

Section 4. These Resolutions shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

	<i>Yea</i>	<i>Nea</i>	<i>Absent</i>	<i>Abstain</i>
Kevin O’Bryan	[X]	[]	[]	[]
Hon. Monica Kurzejeski	[X]	[]	[]	[]
John Donohue	[X]	[]	[]	[]
Andrew Ross	[X]	[]	[]	[]
Steven Strichman	[X]	[]	[]	[]

The Resolution was thereupon duly adopted.

STATE OF NEW YORK)
COUNTY OF RENSSELAER) ss.:

I, the undersigned Secretary of the Troy Local Development Corporation, DO HEREBY CERTIFY:

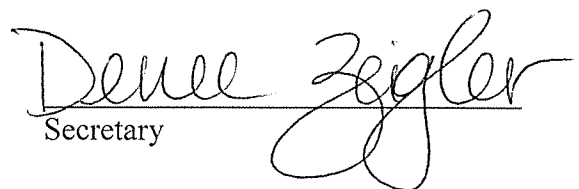
That I have compared the annexed extract of minutes of the meeting of the Troy Local Development Corporation (the " Corporation "), including the resolution contained therein, held on December 16, 2016 with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Corporation and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY, that all members of said Corporation had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with such Article 7.

I FURTHER CERTIFY, that there was a quorum of the members of the Corporation 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 modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Corporation this 16TH day of December, 2016.


Secretary

[SEAL]