



Wallace Altes, Chairman
Andrew Ross, Vice Chairman

Bill Dunne
Ken Zalewski
Andrew Torres, Ph.D.

**TROY LOCAL DEVELOPMENT CORPORATION
Board of Directors Meeting
Planning Department Conference Room**

**City Hall
433 River Street, Suite 5001
Troy, New York 12180**

**February 08, 2013
8:30 a.m.**

AGENDA

- I. Approval of the Minutes from the January 11, 2013 meeting.
- II. New Business
 1. IRS 501c 3 status
 2. Budget and Finance Report
 3. Economic Development Program
 4. New Projects - Rare Form Brewery, Indigo Salon, MediMobile, Marketing Money
- III. Old Business
 1. Project Updates
 2. King Fuels Site tenants



**TROY LOCAL DEVELOPMENT CORPORATION
Board of Directors Meeting Minutes
January 11, 2013
8:30 a.m.**

BOARD MEMBERS PRESENT: Wallace Altes, Chair, Bill Dunne, Andrew Ross, Andrew Torres Ph.D., and Ken Zalewski

ABSENT:

ALSO IN ATTENDANCE: Justin Miller, Esq., Monica Kurzejeski, Joe Mazzariello, Selena Skiba, Denee Zeigler, Tanya Dugal and Ashley Parslow

Minutes

Wallace Altes called the meeting to order at 8:45 a.m. and advised that they would be meeting as a committee of the whole.

- I. Review of minutes from the December 10, 2012 and December 21, 2012 meeting. The board reviewed the minutes and made a motion to approve the minutes.

**Ken Zalewski made the motion to approve the minutes.
Andrew Torres seconded the motion, motion carried.**

- II. New Business

The Chairman called the meeting to order at 8:45 and explained that they would be meeting as a committee of the whole.

Wally took a minute to introduce Tanya Dugal and Ashley Parslow to the Board. He explained that they are with The Authorities Budget Office and are going to be working on a compliance review of the TLDC records from 2011.

Wally advised the board that Joe Mazzariello and Selena Skiba had a presentation on the financials and suggested that they move to the audit and finance committee portion of the meeting.

**Ken Zalewski made the motion to move into the Committee portion of the meeting.
Andrew Ross seconded the motion, motion carried.**

Audit and Finance Committee

Joe presented to the board the results of the RFP sent out for an auditor for the boards. Three quotes were received; Marvin & Company, The Bonadio Group and Bollam, Sheedy & Tironi & Co. Joe explained all three were good quotes, but BST's was his choice out of the three based on their price and the fact that they have historical knowledge of the Boards.

Ken Zalewski questioned the hourly rate they have listed. Joe advised that the rates are for additional services that are not listed in the contract and he does not anticipate using more than a few additional hours.

Bill Dunne asked if the price quoted for the CRC can be negotiated seeing as that board did not have any activities. Justin Miller advised the IDA board to take a look at it during Monday's meeting. Joe Mazzariello will discuss with BST.

Wally asked if there were any additional questions from the Board. With no other questions the Board voted.

Andrew Ross made a motion to accept Joe Mazzariello's recommendation of Bollam, Sheedy & Tironi & Co. for auditing services.

Ken Zalewski seconded the motion, motion carried.

Joe Mazzariello went over the Boards financials and advised that no historical data has been entered into the system yet. They are still in the preliminary stages of entering in all of the information but hope to have the books closed by mid February. Wally asked for the final report to be presented to the board in February.

Joe questioned where the board stood with Bomber's Bridge Loan and Old World Provisions. The chairman advised that the board will discuss the Bomber's loan later in the meeting. Monica Kurzejeski stated that Old World may be in next week to submit material to us. Andrew Torres questioned modifications to their contract. Justin advised that any changes would be subject to board approval.

Joe asked the status of the LDC's lease with Materials Recovery in South Troy. Selena Skiba mentioned that a rent slip was mailed recently. Bill Dunne mentioned that talks have been going on between the City and National Grid, but stated that they should be going on between the TLDC and National Grid. A request has been sent to National Grid to see where they are at with remediation.

Selena Skiba stated that they are waiting to hear from us regarding the lease. Justin Miller advised to send them a notice out for February, which will give them 30 days.

Joe Mazzariello recommended an agreement be put in place between the LDC & the City regarding staff services and office space.

Selena Skiba questioned Peter Marx's maintenance agreement for 444 River Street and if he gets a reduced rent and reimbursements. Monica advised that she will meet with Selena to clarify the agreement.

Wally suggested that they close the audit and finance committee meeting and move to the regular board meeting.

Ken Zalewski made the motion to move to the regular board portion of the meeting.

Bill Dunne seconded the motion, motion carried.

Board Meeting

1. Monica discussed the LDC owned property at 9 First Street. She is currently talking with Sam Judge Properties about the possibility of setting up retail and residential units. She advised that it is a beautiful building that needs some work. It is currently listed on LoopNet. Justin will look into a grant that is attached to the property (\$50,000). He also discussed if they would want to put out an RFP, using the same process followed when they purchased the Marvin Neitzel building and entered into a LDA. The board agreed that the process was successful.
2. Bill Roehr discussed the "We live NY" grant application. He explained that the grant uses NEXUS, a database, as a way for young entrepreneurs to network and encourage their ideas. He was looking for a match of \$3,000 from the LDC. Bill Dunne explained that Mr. Coblentz wanted to create an environment where people could share their ideas and connect with others. Monica added that the mentoring program would meet many of the needs of a young entrepreneur.

Andrew Torres asked if there would be additional steps that would need to be taken if they were awarded the grant. Bill Roehr advised that they were only asking for the matching funds but we may also be able to assist them in a physical site. Ken Zalewski talked about the players involved in the program and was very excited about it. He suggested a co-working site. Monica suggested the old McDonald's / OTB site by the parking garage on Fourth and Fulton.

Ken Zalewski made the motion to provide a \$3,000 in funds for a match.

Andrew Torres seconded the motion, motion carried.

III. Old Business

1. Bomber's Bridge Loan

The chairman suggested that they move to executive session to discuss financial history and real estate issues regarding Bomber's.

Andrew Ross made the motion to move to executive session.

Bill Dunne seconded the motion, motion carried.

The Board returned from executive session and agreed to have staff reach out to the parties involved and to extend the agreement.

Andrew Ross made to motion to extend the loan until December 31, 2013.

Andrew Torres seconded the motion, motion carried.

Andrew Torres questioned the mission statement of the TLDC and whether or not they are intending to provide long term or short term loans. Wally explained that the board should offer a short term issues that come up, not have long term debt. Justin Miller suggested that at the next meeting the board discusses their loan policy and guidelines as well as revisions that may be needed to the bylaws. Wally suggested that the Board and Governance Committee meet in February, no need to have the Audit and Finance Committee meet unless something comes up.

IV. Adjournment

Monica updated the board that she has been in contact with the brewery/taproom regarding coming to the area. Bill Dunne also updated the board the The Cookie Factory is working to change locations to the old Levonian Building.

The next meeting will be on Friday February 8, 2013 at 8:30 a.m. in the planning department conference room.

**Ken Zalewski made the motion to adjourn the meeting.
Bill Dunne seconded the motion, motion carried.**

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: JAN 19 2013

TROY LOCAL DEVELOPMENT CORPORATION
C/O MARYBETH E FRANTZ
HARRIS BEACH PLLC
89 GARNSEY ROAD
PITTSFORD, NY 14534

Employer Identification Number:

14-1736403

DLN:

101326000

Contact Person:

SHERRI L ROYCE

ID# 31653

Contact Telephone Number:

(877) 829-5500

60 Month Period Ends:

December 31, 2016

Addendum Applies:

Yes

Dear Applicant:

We have received your notification of intent to terminate your private foundation status under section 507(b)(1)(B) of the Internal Revenue Code during a 60 month period beginning January 1, 2012.

The information submitted indicates that you intend to operate as an organization described in section 509(a)(3) of the Code during the 60 month period.

Based on your proposed activities and support, it is held that you can reasonably be expected to terminate your private foundation status under section 507(b)(1)(B) of the Code. Accordingly, you will be treated as a public charity described in section 509(a)(3) of the Code for an advance ruling period of 60 months beginning January 1, 2012.

Within 90 days after the end of your 60 month period, you must establish to the satisfaction of the Internal Revenue Service that you have qualified as an organization which meets the requirements of paragraph (1), (2), or (3) of section 509(a) of the Code for the 60 month period. If you do establish that fact, you will be so classified for all purposes beginning with the first day of the first taxable year of the 60 month period and, thereafter, so long as you continue to meet the requirements of section 509(a)(1), (2), or (3). If, however, you do not meet these requirements for the 60 month period, you will be classified as a private foundation as of the first day of the first taxable year of the 60 month period.

If you satisfy the requirements of section 507(b)(1)(B) of the Code at the end of your 60 month period, you will not be subject to the provisions of section 507(a), (c), or (g) of the Code.

Grantors and donors may rely on the determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you submit the required information within the 90 days, grantors and contributors may continue to rely on the advance determination until the Service makes a final determination of your foundation status.

Letter 2245 (DO/CG)

TROY LOCAL DEVELOPMENT CORPORATION

You are required to file Form 990-PF, Return of Private Foundation or Section 4947(a)(1) Trust Treated as a Private Foundation, until you complete your 60 month termination and are classified as a section 509(a)(3) organization. Form 990-PF must be filed by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000 or 5 percent of your gross receipts (whichever is less), for failure to file a return on time unless there is reasonable cause for the delay. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

If you do not pay the tax imposed by section 4940 of the Code for any taxable year or years during the 60 month period, and it is subsequently determined that such tax is due for such year or years, you will be liable for interest in accordance with section 6601 of the Code. Since any failure to pay such taxes during the 60 month period is due to reasonable cause, the penalty under section 6651 with respect to the tax imposed by section 4940 shall not apply.

If the heading of this letter indicate that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

We have sent a copy of this letter to your representative as indicated in your power of attorney.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



Holly O. Paz
Director, Exempt Organizations
Rulings and Agreements

Enclosure(s):
Form 872

TROY LOCAL DEVELOPMENT CORPORATION

We have determined you are a Type I supporting organization under 509(a)(3). A Type I supporting organization is operated, supervised, or controlled by one or more publicly supported charities.