



Wallace Altes, Chairman
Andrew Ross, Vice Chairman

Bill Dunne
Ken Zalewski
Deputy Mayor Pete Ryan

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

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

**January 17, 2014
8:30 a.m.**

AGENDA

- I. Approval of the Minutes from the January 10, 2014.
- II. Trojan Lofts LLC Authorizing Resolution (Bill)
- III. 50/50 Façade Improvement Grant – Kenneth Stumaker, 62 Vandenberg Ave (Joe)
- IV. Adjournment



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

**January 10, 2014
8:30 a.m.**

BOARD MEMBERS PRESENT: Wallace Altes, Bill Dunne, Hon. Ken Zalewski and Andy Ross

ABSENT: Dep. Mayor Pete Ryan

ALSO IN ATTENDANCE: Justin Miller Esq., Monica Kurzejeski, Andrew Kreshik, Laban Coblentz, Francine Vero, Joe Mazzariello, Andrew Piotrowski and Denee Zeigler

Minutes

Wallace Altes, Chairman, called the meeting to order at 8:45 a.m.

I. Approval of Minutes from December 13, 2013 board meeting

**Andy Ross made the motion to approve the minutes.
Bill Dunne seconded the motion, motion carried.**

II. Legal Matters

Justin Miller introduced Francine Vero to the board members and explained they have been working on clearing up some outstanding loans and tenant issues. Francine discussed the resolved legal matters with Materials Recovery and Peter Marx, a tenant at the Marvin Neitzel building. Mrs. Vero explained that Mr. Marx was served with an immediate eviction but has 72 hours from the date that he is served to vacate. Mr. Dunne asked to be notified when he is served. Mrs. Vero explained the process of collecting the money owed and advised he has 30 days to appeal. Mr. Dunne noted he would prefer that the LDC is repaid before he opens up a new shop and begins paying a new landlord. Mrs. Vero advised they can put a hold on his accounts if needed. Andy Ross questioned the process of City Marshall serving a warrant. Mr. Dunne noted to the board members that there is still one tenant in the building, Collar Works Inc. They will be staying on and working with the new owners of the building. The Chairman asked if there were any other items. Justin advised that there were other matters that would need to be discussed in executive session later in the meeting.

III. Strategic Plan

Bill Dunne gave the board members an update on the status of the strategic plan discussed at the October special meeting. Contact has been made with all stakeholders except a few that he hopes to meet with next week. Mr. Dunne explained that the City is also in the process of deciding on a firm to do a citywide comprehensive plan. There was a thought to include this in the citywide plan, but he realized it would be better if done on its own. There is a firm working on another project within the City which has a strong background with industrial waterfront site planning. Mr. Dunne advised we can see if they would be interested in working on the plan or we could put out an RFP. The Chairman asked if there were any ideas on the cost. Mr. Dunne advised that he estimated the price to be between the high five figures to the low six figures. The Chairman questioned if it could be part of the comprehensive plan. Mr. Dunne advised it could become part of the comprehensive plan, but this project is moving quicker than the timeline for the comprehensive plan. Andy Ross noted that based on the dollar amount he would be in favor of a full RFP. Ken Zalewski agreed. Mr. Dunne noted he would send out an RFQ instead of an RFP. Mr. Zalewski stressed that we have some choices. Mr. Dunne will set up a draft of the RFQ that will be circulated to the board. The Chairman noted that this is a positive step for the board. Mr. Dunne agreed that it will be nice to have a plan going into developing the site which has many different tenants, leases and other factors. Mr. Dunne spoke about how he came across this firm through discussions with another strategic work group. Mr. Dunne noted that he is not requesting any formal action at this time.

IV. Financials

Joe Mazzariello and Andy Piotrowski handed out the financials to the board members. Mr. Mazzariello advised that the auditors will be here to review the files around the second week of February. He asked that any remaining invoices be handed in for payment in order to close accounts for the year.

Mr. Mazzariello went through the different portions of the financial report. He also asked the board if the security deposit for Albany Audio could be transferred to the receivables.

Mr. Mazzariello continued to discuss the profit loss sheet, real properties, penalty charges and late payments and proceeds from sale of buildings. He asked that a policy be set up under the collectable section that is based on trend. He asked the board if an allowance be set up for two loan items; Essence Hair Salon and Old World Provisions. He would like to set it up for the full amount of Essence's debt and 20% of what is outstanding for Old World Provisions. Mr. Miller noted that would assist in monitoring the payments.

Mr. Mazzariello also asked about the grants totaling approximately \$79,000. He would like a spreadsheet to explain the status of the grants to date as well as a spreadsheet on the Marina receipts. Monica Kurzejeski asked for a task list so that no items were left out. Mr. Miller explained that the Marina has a grant agreement that would need to be followed when submitting for reimbursement. Mr. Mazzariello noted that interest is due for Bomber's bridge loan. He also noted that no payments have been received by Essence

Hair Salon. Mrs. Vero advised they have been in contact with the salon and are moving forward to collect funds. Mr. Mazzariello noted that Old World Provisions is caught up on their payments. Mrs. Kurzejeski questioned if payment was received from To-Do Development, LLC. Justin Miller explained that their payment is not due on the 1st of the month. Elot is currently caught up.

Mr. Mazzariello wanted to stress that there is a timeframe to close the accounts, complete the audit and submit to the State. The chairman asked if board approval is needed for any of the items discussed. Mr. Mazzariello asked for approval to move \$100 from securities held to rental income.

**Andy Ross made the motion to move Albany Audio's \$100 security deposit from securities held to rental income.
Ken Zalewski seconded the motion, motion carried.**

Mr. Mazzariello asked if the board would approve an allowance policy based on trends for Essence and Old World Provisions. The Chairman asked for any comments from the board. Ken Zalewski clarified at 100% for Essence Hair Salon and 20% for Old World Provisions.

**Ken Zalewski made a motion to approve an allowance policy for Essence Hair Salon for 100% and Old World Provisions for 20%.
Andy Ross seconded the motion, motion carried.**

Ken Zalewski questioned the profits and loss sheet and noted that we not have a full year's view of the figures. The board had a general discussion on how the allowance will change the figures on future financial reports. Mr. Mazzariello also noted that we will also have some last minute legal fees and grant items.

V. Center of Gravity

The Chairman introduced Laban Coblentz who was at the meeting to give an update on the Center of Gravity. Mr. Coblentz advised that they are starting to pick up after the holidays. The project at the Quackenbush is moving forward. They are in the process of presenting a format to Empire State Development in order to move forward. Support has been coming in from all involved in order to make this a success and move forward. Mr. Coblentz spoke about some upcoming work with inventors and businesses that are closer to becoming established businesses. Mr. Coblentz noted that there is an attempt across the region to understand creative workers and how to assist them to form partnerships. The Center of Gravity has been asked to be on the steering committee for this. Mr. Coblentz pointed out to the board members the tasks that have been completed so far and those that are being worked on.

Ken Zalewski asked about a specific project at the Center. Mr. Coblentz advised that he can send a summary of the project to Mr. Zalewski to take a look at.

Andy Ross noted that a new welding station was created. Mr. Coblenz advised that they are currently working on fitting it in to the current space and creating ventilation. Mr. Ross noted new DOS regulations. The Chairman asked if the Center of Gravity will take ownership of the Quackenbush. Mr. Coblenz advised not at this time. The grant was awarded to a not for profit. The owner has agreed to set up a sliding scale to gradually transfer ownership. The owner of the building, Mr. Bryce, is willing to be part of this process. Monica Kurzejeski pointed out that this process has worked with some other of Mr. Bryce's tenants in the past.

VI. Monitoring of the King Fuels site

Andrew Kreshik of the planning department gave a report on the status of work being done at the King Fuels site. Mr. Kreshik noted that demolition commenced yesterday on the small garage bay located in the south end of the site. It should be completed today. He noted some delays getting permits for the larger structure. They have been resolved and work will continue on Saturday depending on the weather. If they are unable to work on Saturday, they will continue next week.

Work is progressing on the remediation of the other four buildings that had minor asbestos exposure. We have a contract in from Atlantic that needs to be executed. There are a number of buildings and areas that public works currently uses to store rock salt and other items. An additional \$3,700.00 was spent in order to clear brush from the perimeter of one of the buildings. It was determined that this was more cost effective and feasible given the timeframe. The work was completed in about a day and a half. Mr. Kreshik noted that there is a lot of activity currently at the site between National Grid, the natural product recycling tenant and the asbestos contractors. He noted that the elimination of the single garage bay alone, the site has become clear and you can see an industrial site being reborn. Once the asbestos remediation occurs, the remaining site can go out for a clean demolition bid. There are two structures along with a gas line that would require an engineer's report prior to demolition. The board was excited to see the progress. Mr. Zalewski asked if there would be a way to document the changes and we could add them to the LDC Facebook page.

VII. Trojan Lofts LLC

Bill Dunne spoke to the board about Kevin Blodgett's loan. There was a miscommunication and the documents are not ready for the meeting today. The applicant was reluctant to release his personal financial information. Counsel advised that they can review the information. Mr. Dunne asked if they could hold a special meeting in a week to finalize. Mr. Zalewski advised he would not be able to make it. With all of the other board members able to attend, there will be a quorum.

VIII. Board Evaluations

The Chairman asked if anyone had board member evaluations filled out. If they haven't filled them out, please do so and return to Denee. The results are due to the ABO by March 1st.

IX. Legal Matters

The Chairman asked if there was a motion to move to executive session in order to discuss pending legal matters regarding tenants and loans.

**Bill Dunne made a motion to move to executive session in order to discuss pending legal matters.
Ken Zalewski seconded the motion, motion carried.**

The board returned from executive session with no action taken.

X. Adjournment

**Andy Ross made a motion to adjourn the meeting.
Ken Zalewski seconded the motion, motion carried.**

The meeting was adjourned at 10:10 a.m.

DRAFT

AUTHORIZING RESOLUTION
(Trojan Lofts LLC – Loan Agreement)

A special meeting of the Troy Local Development Corporation was convened on January 17, 2014, at 8:30 a.m.

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

Resolution No. _____

RESOLUTION OF THE TROY LOCAL DEVELOPMENT CORPORATION
AUTHORIZING (i) THE ISSUANCE OF A \$50,000 WORKING CAPITAL
LOAN TO TROJAN LOFTS LLC WITH RESPECT TO A CERTAIN
PROJECT (AS DEFINED HEREIN) AND (ii) THE EXECUTION AND
DELIVERY OF A LOAN AGREEMENT AND RELATED DOCUMENTS.

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, **TROJAN LOFTS LLC** (the “Company”), has requested assistance from the Corporation with a certain project (the “Project”) consisting of the rehabilitation and development of various building structures located 137 Fourth Street, Troy, New York (the “Existing Improvements”) located on a certain parcel of real property identified as TMID No. 101.61-6-4 (the “Land”) to provide for a mixed-use commercial facility comprised of commercial, retail and for-rent residential spaces, including the renovation, repair and equipping of components of the Existing Improvements, including façade, roof, windows, interior spaces, HVAC and related equipment and improvements (the “Improvements”, and collectively with the Land and Existing Improvements, the “Facility”); and

WHEREAS, in furtherance of the Project, the Company has requested financing from the Corporation in the form of a \$50,000.00 Working Capital Loan (the “Loan”); and

WHEREAS, the Corporation desires to authorize the issuance of the Loan, the terms of which have been presented at this meeting, and approve the execution and delivery of a Loan Agreement (“Agreement”), along with related documents, to memorialize the terms and conditions by which the Loan shall be extended by the Corporation, including the repayment thereof and security therefore.

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

Section 1. The Corporation hereby authorizes the provision of the Loan to the Company in furtherance of the Project. The Chairman, Vice Chairman and/or the Chief Executive Officer of the Corporation are hereby authorized, on behalf of the Corporation, to execute and deliver a Loan Agreement, along with related documents (collectively, the “Loan Documents”), in such form as prepared and approved by counsel to the Corporation and as approved by the Chairman, Vice Chairman and/or the Chief Executive Officer.

Section 2. The Secretary or Assistant Secretary of the Corporation are hereby authorized, where appropriate, to affix the seal of the Corporation to the Loan Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chairman, Vice Chairman and/or Chief Executive Officer of the Corporation shall approve, and the execution thereof by the Chairman, Vice Chairman and/or Chief Executive Officer of the Corporation to constitute conclusive evidence of such approval.

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> |
|-----------------------|------------|------------|---------------|----------------|
| Wallace Altes | [] | [] | [] | [] |
| William Dunne | [] | [] | [] | [] |
| Hon. Kenneth Zalewski | [] | [] | [] | [] |
| Andrew Ross | [] | [] | [] | [] |
| Peter Ryan | [] | [] | [] | [] |

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 January 17, 2014 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 ____ day of _____, 2014.

Secretary

[SEAL]