



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**

October 14, 2016

8:30 a.m.

AGENDA

- I. Approval of Minutes from September 23, 2016 board meeting.
- II. BDAP Loan term sheets
 - 309 3rd Ave, Mark Stevens
 - 1 14th Street, Vic Christopher and Heather LaVine
- III. BDAP Loan Application
 - 15 Second Street, Heidi Knoblauch
- IV. Executive Director consulting agreement
- V. Budget Presentation
- VI. Financials
- VII. Old Business
- VIII. New Business
- IX. Adjournment



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

**September 23, 2016
8:30 a.m.**

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

ABSENT:

ALSO IN ATTENDANCE: Justin Miller, Mary Ellen Flores, Cheryl Kennedy, HollyAnne Lupi, Mike Robarge, Vic Christopher, Heather LaVine, Brad Stevens, Scott Conroy, Chris Eastman, Kevin McCoy, Keith Kansu, Michele Kansu, Kerry Fagan, Geri deSeve 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 August 19, 2016 board meeting.

Andy Ross made a motion to approve the September 23, 2016 board meeting minutes.

Steve Strichman seconded the motion, motion carried.

II. Façade Grants

The Chairman thanked the façade applicants for coming to the meeting and explained that they have reviewed them ahead of time. There were no questions by the board members. The Chairman also wanted to thank the applicants for the work they are doing for their properties and neighborhoods. He added that the façade program will be put on hold until we have completed our budgeting process for 2017.

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

- **1 Washington Place, Keith & Michele Kamsu**
- **403 River Street, Chris Ryan**
- **405 River Street, Chris Ryan**
- **328-330 Third Ave, Frank Grant**
- **183 2nd Street, Heather Hamlin & Jim Martin**

- 111 Washington Street, Heather Hamlin & Jim Martin
- 27 Second Street, Kerry Fagan
- 2 Irving Place, Cynde London McCoy
- 1833 Fifth Ave, Geri deSeve
- 5 Irving Place, Christopher Eastman

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

III. Troy Innovation Garage

The board spoke about the previously approved Troy Innovation Garage loan and an update that was made to the term sheet. Steve Strichman explained that an update was made to the position we were taking on one of the collateral properties; another mortgage was ahead of us. He advised that it will be interest only for 9 months with a balloon at the end. There is an option to extend another six months with additional interest. The Chairman explained that this will be a short term bridge loan.

Hon. John Donohue made a motion to approve the updated loan term sheet and Authorizing Resolution for Troy Innovation Garage. Andy Ross seconded the motion, motion carried.

IV. BDAP Loan – 1 14th Street

Vic Christopher and Heather LaVine spoke to the board about their upcoming project, Donna's. They explained that they have spent a lot of time at Minissale's restaurant when they first came to the area and have always talked with the owners about one day running the restaurant when they retire. Mr. Christopher advised that time has come and they are very excited about the venture. Heather LaVine explained that it will be an old school Italian style restaurant that will stay, for the most part, the same as it is now. Mr. Christopher explained that it will be a great addition to the community. He added that Congress Street is seeing a lot of improvements and is only about a 20 minute walk from downtown. The board asked if he will be able to carry an additional restaurant. Mr. Christopher explained that this venture will not stretch them thin. He has had several construction projects going on at the same time as his other projects. That is not the case this time around. This is a turnkey restaurant which will provide them with a cushion. Mr. Christopher explained that they have a great culinary team at Peck's Arcade. He noted that the way they have been able to retain talent is through this growth plan. A new restaurant creates new opportunities and encourages new talent. Mr. Strichman noted that the total project will be \$419,000 and the loan request is for \$59,500. Mr. Miller added that we will work to create a loan term sheet for the next meeting. Mr. Christopher added that about a month ago they were looking to expand their business to other areas around Troy, but they decided to stay local and within walking distance to downtown Troy.

Dep. Mayor Monica Kurzejeski made a motion to approve Vic Christopher and Heather LaVine's BDAP loan application for \$59,500. Andy Ross seconded the motion, motion carried.

V. BDAP Loan – 309 3rd Ave

Brad Steven's spoke to the board on behalf of Mark Stevens about the project happening at 309 3rd Ave, the former Germania Hall. He explained that they are in the midst of rehabbing the banquet hall and open it back up as an events space. Scott Conroy spoke about the project and explained that they are looking for funding to help move the project forward while making upgrades to the property. He added that they have a very strong customer base between their restaurants. They feel confident that they can bring business in. At the same time, they would like to move some of that business into North Troy and utilize a facility that has been in the community for a long time, but is now empty. Ms. Kurzejeski asked about their current catering business and where that food is prepared. Mr. Stevens advised that all of their catering business will be moved to this location. Ms. Kurzejeski asked if staff will increase. Mr. Stevens advised that we are estimating that there will be about 10 new jobs in the beginning. The board asked when Germania Hall closed. Mr. Stevens advised that they stopped holding banquets there about two years ago. The board agreed that this will be a great project for the area it is located in. Mr. Donohue asked about the plan for downstairs. Mr. Stevens advised that it will be kept as a smaller space available to rent or used during weddings. Mr. Donohue asked what the price range will be to hold events there. Mr. Stevens advised that it will be mid-range in price. Ms. Kurzejeski asked about the house that is located on the same parcel. Mr. Stevens advised that nothing will change; that will remain a rental property.

Hon. John Donohue made a motion to approve Mark Steven's BDAP loan application for \$150,000.

Andy Ross seconded the motion, motion carried.

VI. Parking Study

Mr. Strichman advised that the Downtown Parking Study conducted by Fisher Associates has a remaining balance of \$2,686.01. He advised that we had initially approved \$60,000; \$25,000 paid by Kirchoff and \$35,000 was paid by the LDC. This change order is to pay the remaining balance of the study.

Andy Ross made a motion to approve the remaining balance of the Downtown Parking Study, \$2,686.01, to Fisher Associates.

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

VII. Financials

Mary Ellen presented the balance sheet to the board members and advised that we have \$4,109,000 in assets and \$689,000 in cash. The board noted the amounts showing on the liability side of the financials. The board had a general discussion on the recently approved items and ongoing HUD payments. The board agreed that for now the façade program and the loan program will be put on hold. Discussions will be had in the future to replenish the funds. Ms. Kurzejeski wanted to commend the LDC for investing approximately \$800,000 into the community; both downtown Troy and the surrounding areas. It has really made a difference with residents and businesses.

Ms. Flores advised that the balance sheet has not changed significantly. The chairman noted that there are grants that we have approved today and some that have come off the books. He added that Troy Innovation Garage will show up on

next month's statement. Ms. Flores noted that about \$33,000 in façade grants were written off due to age.

Hon. John Donohue made a motion to approve the financials as presented.

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

VIII. Old Business

Ms. Kurzejeski asked for an update on Vecino's project at 444 River Street. Mr. Miller advised that we should be expecting the remaining balance of the sale of the Neitzel building in the amount of \$300,000 by October 1st. He advised after that date, they will be accruing interest bearing in the amount of 4.5%. We have had discussions with Vecino and they are looking for a January closing.

IX. Delinquent Loan Report

Mr. Strichman advised that he has met with 77 Congress Street, LLC and he has requested some additional information from Cory Nelson. He advised that he will report back next month to discuss with the board.

Rare Form is now current except for a small late fee of about \$34.00.

Mr. Strichman advised that the Infinity Café loan is currently being handled by legal. Mr. Miller advised that we have been contacted by them to create a restructuring plan. It may involve setting up a judgement and then working to have the loan paid back that way.

X. Small Business Summit

Mr. Strichman introduced Cheryl Kennedy, Economic Development Coordinator to the board. Ms. Kennedy spoke to the board about a small business summit that they are planning to hold at the end of October of this year. She advised that Troy attracted 50 new businesses and would like to sustain or surpass that number this year. In order to that we need to do some bigger events and collaborative events. The board asked for details on the event. Ms. Kennedy advised they will have a keynote speaker, breakout sessions for workforce development, talent acquisition and marketing small businesses. She added that the event will be at the Tech Valley Center of Gravity and there will be an after event afterwards at Troy Innovation Garage. The board asked about the speaker. Ms. Kennedy advised that she is the author of "Recast City" which is about urban initiatives and business pros. Ms. Kurzejeski advised that she is a public speaker that looks at commercial manufacturing and small business and figures out how to expand them out of the downtown and into other parts of the city. She advised that it works well with what we are doing as a city. Ms. Kurzejeski noted that she is an out of the box thinker that will get people excited with new ideas and views. Mr. Miller asked about how the funding will work. Ms. Kurzejeski advised that the city is funding the majority of event costs and suggested creating an agreement between the speaker and the LDC where the LDC could be listed as a sponsor. Mr. Strichman noted that he supports this event. He agrees that we need to offer more to help small businesses along as they grow. Ms. Kurzejeski noted that millennials will make up 70% of the workforce by 2025 and this event is a great way to stay connected. Ms. Kennedy noted that the BID will partner with us also. She added that we want to put the same amount of

investment in small business training that we do in other types of event. Ms. Kennedy noted that they will record the event. Mr. Ross asked about who it will be marketed. Ms. Kennedy advised that she would like it to be a regional or national event. Ms. Kurzejeski added that this could be an inaugural event that could grow each year. Ms. Kennedy advised that this will help us moving forward and allow us to

**Steven Strichman made a motion to approve a \$5,000 grant to fund a keynote speaker for the Small Business Summit.
Andy Ross seconded the motion, motion carried.**

XI. Adjournment

John Donohue asked about the status of Daigle Cleaning. Mr. Miller advised that they were doing an environmental review of the parcel before purchasing and had some concerns so they decided not to purchase. Ms. Kurzejeski advised that Cheryl has shown them a few other properties in the city.

With no other items to discuss, the meeting was adjourned at 9:30 a.m.

**Dep. Mayor Monica Kurzejeski made a motion to adjourn the meeting.
Andy Ross seconded the motion, motion carried.**



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

Andrew Ross, Vice Chairman
Dep. Mayor Monica Kurzejeski

October 11, 2016

BSM Banquets, Inc.
Mark Stevens
6 107th Street
Troy, New York 12180

Dear Mr. Stevens,

The Troy Local Development Corporation (“TLDC”) proposes to grant the request by BSM Banquets, Inc. (the “Company”) for financial assistance under the following terms and conditions (“Term Sheet” or “Agreement”):

- Purpose: Funding will be used for startup costs and renovation of interior and exterior of 309 3rd Avenue, Troy, New York (the “Property”) to be used as banquet and event space and serve as the headquarters for the catering business.
- Amount: One Hundred Fifty Thousand Dollars (\$150,000).
- Estimated Monthly Payment: \$2,796.45
- Interest Rate: Prime rate plus 1.0% - as of 10/4/16 rate would be 4.50%
- Maturity: 60 Months
- Repayment: Monthly payments of principal and interest based on a five (5) year amortization schedule.
- Penalties: Five (5) percent of the monthly payment amount due if payment is more than fifteen (15) days late.
- Security Required: Promissory Note, Loan Agreement, 2nd Mortgage on the Property, and Personal Guarantee from all equity owners of the Company.
- Loan Closing and Disbursement of Proceeds: Purchase of equipment and repairs of interior and exterior of 309 3rd Avenue to be used as banquet and event space and serve as the headquarters for the catering business.. Loan Closing will be scheduled within 30 days from the date the TLDC receives all documentation and preconditions listed below but not to exceed four months from the date of this Term Sheet.
- TLDC Closing Costs: Company to pay all reasonable TLDC attorneys’ fees and all recording and filing costs.
- Preconditions:
 - Submission of 2014 and 2015 tax returns for the Company and any other guarantors.
 - Submission of Company Organizational Documents, including Articles of Organization, Operating Agreement, Good Standing Certificate from NYSDOS and Authorizing Resolutions.

- Submission of Documentary evidence of fire and liability insurance on locations of businesses.
 - Submission of details on all outstanding Company loans, subordination agreement(s) with other secured lenders.
 - Title Reports for Property.
 - Submission of Project plans and specifications, along with construction contracts.
 - Submission of all project approvals and permits.
 - Sign and return this Term Sheet to TLDC by, October 14, 2016.
- Reporting:
 - Provide annual tax returns and financial statements within forty-five (45) days of December 31st.
 - Submission of an annual employment plan to the TLDC by February 15 of each year.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first written.

by: _____ date: _____
Mark Stevens, Owner

by: _____ date: _____
Steven Strichman, Executive Director



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

Andrew Ross, Vice Chairman
Dep. Mayor Monica Kurzejeski

Clark House, LLC
Vic Christopher and Heather LaVine
12 Second Street
Troy, New York 12180

Dear Mr. Christopher and Ms. LaVine,

The Troy Local Development Corporation (“TLDC”) proposes to grant the request by Clark House, LLC (the “Company”) for financial assistance under the following terms and conditions (“Term Sheet” or “Agreement”):

- Purpose: Purchase of supplies and equipment to run a family style Italian restaurant located at 1 14th Street.
- Amount: Fifty nine thousand five hundred dollars (\$59,500).
- Estimated Monthly Payment: \$1,356.81
- Interest Rate: Prime rate plus 1.0% - as of 10/4/16 rate would be 4.50%
- Maturity: 48 Months
- Repayment: Monthly payments of principal and interest based on a four (4) year amortization schedule.
- Penalties: Five (5) percent of the monthly payment amount due if payment is more than fifteen (15) days late.
- Security Required: Promissory Note, Loan Agreement, 2nd Mortgage on the property, Security Agreement, and Personal Guarantee from all equity owners of the Company.
- Loan Closing and Disbursement of Proceeds: Purchase of supplies and equipment to run a family style Italian restaurant located at 1 14th Street. Loan Closing will be scheduled within 30 days from the date the TLDC receives all documentation and preconditions listed below but not to exceed four months from the date of this Term Sheet.
- TLDC Closing Costs: Company to pay all reasonable TLDC attorneys’ fees and all recording and filing costs.
- Preconditions:
 - Submission of 2014 and 2015 tax returns for the Company and any other guarantors.
 - Submission of Company Organizational Documents, including Articles of Organization, Operating Agreement, Good Standing Certificate from NYSDOS and Authorizing Resolutions.
 - Submission of Documentary evidence of fire and liability insurance on locations of businesses.

- Submission of details on all outstanding Company loans, subordination agreement(s) with other secured lenders.
- Title Reports for Property.
- Sign and return this Term Sheet to TLDC by, October 14, 2016.

- Reporting:
 - Provide annual tax returns and financial statements within forty-five (45) days of December 31st.
 - Submission of an annual employment plan to the TLDC by February 15 of each year.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first written.

by: _____ date: _____
Vic Christopher, Owner

by: _____ date: _____
Heather LaVine, Owner

by: _____ date: _____
Steven Strichman, Executive Director

**TROY LOCAL DEVELOPMENT CORPORATION
BUSINESS DEVELOPMENT ASSISTANCE PROGRAM
Application for Funding Assistance**

Applicant:

Owner: Heidi Knoblauch

Owner Address: 100 Third Street, Troy NY 12180

Email: heidi.knoblauch@gmail.com Telephone: (518) 928-2025

Business/Project Address: 15 Second Street, Troy, NY 12180

Total Project Cost: \$230,000

Loan Request: \$50,000 Grant Request: _____

Business Type: Corp. Partnership Sole Prop

Year Established: 2016 FEIN: _____

Years at current address: Business 1 month Home 1 month

Gross Annual Sales: \$ projected \$800,000

Other Sources of Income: \$ ---

Income from alimony, child support, or separate maintenance payments need not be revealed. Examples of other income include social security, disability, or rental income.

Ownership of Applicant Company:

List all principals with 20% or more ownership:

Name	Title	% Owned	Annual Compensation
Heidi Knoblauch	Owner	100	--

Affiliates:

List all businesses in which applicant or any owner has an interest.

Name	Title	% Owned	Annual Compensation

List all Bank account information:

Bank Name	Checking	Savings	Other	Balance
Bank of America	\$27,793.94	\$4,807.85		\$32601.79
Charles Schwab	\$10,173.33			\$10,173.33

List all sources of project funding, and dollar amount and use (s) of funds requested.

Source of Funds	Use of Funds	Dollar Amount
Personal Loan	Restaurant Equipment	\$135,000
		Total Project Cost \$230,000
		Total Funds Requested \$50,000
		Total Owner Equity \$180,000

Description of Collateral Offered:

Collateral	\$ Value	Mortgage/Lien	\$ Value
100 Third Street	\$275,000	\$216,100	

Outstanding Debt (List all loans, credit cards, lines of credit, installment debt, leases, and mortgages)

Lender	Original Amt.	Balance	Monthly Payment
Homestead	\$217,600	\$216,110	\$1490
Chase	\$0	\$1,811.72	\$30
American Express	\$0	\$13,200	\$90
Bank of America	\$0	\$4,474.93	\$30

Additional Information:

Is your business party to any claim or lawsuit? Yes No

Have you or any owner, officer, director or partner ever owned a business that has declared bankruptcy? Yes No

Does your business owe taxes for other than the current year? Yes No

If yes to any question, please explain:

Project Description:

The Plumb Building in downtown Troy has been used as an eyeglasses shop and a flower shop for the past 50 years. During the 1880s and 1890s it was part of Freer's Cash Bazaar. Now, I am hoping to make it into an intimate oyster bar that serves classic cocktails and grilled cheese. To do this requires extensive renovation of the building and I am seeking funds from the Business Development Assistance Program to help with the renovations. I am a new property owner in Troy, but my mother has lived here for the past six years and owns three properties - one of which being 15 Second Street where the oyster bar will be located. As a teenager, when I was in high school at Emma Willard, I fell in love with Troy and I am building my business to contribute to the inspiring ongoing revitalization of downtown Troy. I believe that this business will be an asset to the community and will generate profit. The Confectionary has an oyster night every Tuesday and they consistently sell out of 400 oysters early in the night. In addition to oysters we will offer grilled cheese with paired slaws, which we will serve in the evening and during the day. I have experience running food establishments and have also taken on large projects - for example a PhD in History. I am committed to ensuring that the Plumb Oyster Bar be a positive addition to the fabric of the city.

Attorney:

Name Mickki Harrington
Address 22 1st Street, Troy, NY
Contact _____

Zip Code 12180
Telephone () 266-1028

Accountant:

Name Scott, Stackrow, & Co.
Address 314 Hoosick Street, Troy, NY
Contact _____

Zip Code 12180
Telephone (---) 274-9081

Trade References:

1. Name Kevin Blodgett
Address 137 4th Street Zip Code 12180
Contact _____ Telephone (518) 337-7806

2. Name Vic Christopher
Address 217 Broadway, Troy, NY Zip Code 12180
Contact _____ Telephone (518) 326-3450

3. Name Chelly Rock-Hagen
Address 855 Central Avenue, Albany, NY Zip Code 12206
Contact _____ Telephone (518) 434-5678

Insurance Agent/Bonding Company:

Name R.J. Carignan & Company
Address 1396 Crescent-Vischer Ferry Road Zip Code 12065
Contact Andrea Stopczynki Telephone (518) 235-4303

By signing below, my business and I both agree to be liable for the indebtedness incurred on this loan. I certify to the truth of my statements above and authorize the City of Troy to obtain personal credit reports in connections with this application. If it does so, upon request, I will be informed of that fact and each credit bureau's name and address. I also authorize the City of Troy to verify with others information contained in this application and to report its transactions with me, in the event of non-payment of any loan established hereunder.

Signature  Date 8-12-2016

The Troy Local Development Corporation certifies that it will comply with all Federal statutes and regulations that prohibit discrimination on the basis of race, color, national origin, religion, sex, handicap, age, or any other nondiscrimination statute(s), which may apply to the applicant.