



Kevin O'Bryan, Chairman
Ken Zalewski
Deputy Mayor Pete Ryan

Andrew Ross, Vice Chairman
Bill Dunne

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

**December 11, 2015
8:30 a.m.
AGENDA**

- I. Approval of Minutes from November 20, 2015 board meeting.
- II. BDAP Loans (Bill)
 - Troy Kitchen, Authorizing Resolution (Revised terms)
- III. Financials
- IV. Old Business
- V. New Business
- VI. Adjournment



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

**November 20, 2015
8:30 a.m.**

BOARD MEMBERS PRESENT: Kevin O'Bryan, Bill Dunne, Dep. Mayor Pete Ryan, Hon. Ken Zalewski and Andy Ross

ABSENT:

ALSO IN ATTENDANCE: Justin Miller, Sharon Martin, Mark Robarge, James Lozano (via phone conference) 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 October 9, 2015 board meetings.

**Dep. Mayor Pete Ryan made a motion to approve the October 9, 2015 board meeting minutes.
Ken Zalewski not present for vote.
Andy Ross seconded the motion, motion carried.**

II. 50/50 Façade Grant Requests

The Chairman advised that the façade grants have all been reviewed ahead of time. He asked if the board members had any of questions for the applicants before they vote and asked that they vote on all of the façade grants as one. Bill Dunne spoke about the projects in front of the board and added that there has been a lot of recent activity in the Little Italy area and hopes to see it continue. The board agreed that they will put a hold on any façade grants that are not in the designated target areas.

Dep. Mayor Pete Ryan made a motion to approve the Façade grants listed below:

- 1928 Fifth Ave, Beverly Traa
- 231-233 Fourth Street, George Regan

Andy Ross seconded the motion, motion carried.

III. Troy Kitchen

Mr. Dunne spoke about Troy Kitchen and advised that the project will bring something new to that block. The board reviewed the term sheet that was distributed to the board and recalled the presentation at the last meeting.

**Hon. Ken Zalewski made a motion to approve the 77 Congress Street, LLC's BDAP loan request in the amount of \$50,000.
Dep. Mayor Pete Ryan seconded the motion, motion carried.**

IV. Bomber's

Mr. Dunne spoke to the board about the current status of Bomber's Burrito Bar and advised that the ownership may be changing in the near future. He advised that they may be coming to them at some point to discuss the project. Mr. Dunne advised that the area around the restaurant is owned by Boyajian and will be used to create a small parking garage and condominiums.

V. Account Signatory

Mr. Dunne advised that CFO for Hire is now our handling the finances for the boards and we need to update the signatory's for the accounts. Mr. Dunne advised that the Chairman, Joe Mazzierlo and he are currently listed as signatory. He proposed that we add James Lozano in place of Joe Mazzierlo. Mr. Miller advised that we require two signatures on each check. The board had a general discussion about the process of issuing checks and signing them. Mr. Dunne advised that the current process is to issue checks every two weeks; approximately 12-15 checks.

**Hon. Ken Zalewski made a motion to remove Joe Mazzariello as signatory's for the TLDC accounts and add a CFO for Hire staff member.
Andy Ross seconded the motion, motion carried.**

VI. 2265 Fifth Avenue

Mr. Dunne advised that the next item deals with a potential real estate item and asked if we should go into executive session.

**Hon. Ken Zalewski made a motion to go into executive session to discuss the proposed acquisition, sale or lease of real property.
Dep. Mayor Pete Ryan seconded the motion, motion carried.**

**Andy Ross made a motion to adjourn executive session and reconvene the regular board meeting.
Hon. Ken Zalewski seconded the motion, motion carried.**

VII. Financials

Mr. Dunne advised that James Lozano from CFO for Hire was not able to join them today due to a scheduling conflict, but will be able to call in to present the financials.

Jim Lozano spoke to the board about the financial report that was prepared and distributed to the board. Mr. Lozano advised that the balance sheet shows that the assets stand at a little more than \$4.5 Million; a drop from last month of about \$58,500. He noted there is approximately \$1.8 Million in liability which leaves us with an equity position of about \$2.7 Million.

Mr. Lozano noted the biggest change on the asset side of things was the payoff of the Old World Provisions loan. It increased the cash for the month and reduced the amounts of loan receivables. This loan also had a loan loss taken out on it.

The Chairman asked about timed deposits. Mr. Dunne advised that it is a money market account that is accessible on a daily basis. Mr. Lozano advised the cash account is used as a zero balance account. That is something that we can change if the board would like.

Mr. Zalewski asked about the loan loss. The chairman advised that loan loss is the amount we reserve for potentially bad loans. In October, we received payment in full for a loan that was listed in the reserve account.

Mr. Lozano discussed the P&L to date and advised there is a surplus of approximately \$33,000. Mr. Lozano advised that we should consider reviewing an income statement that gives an overview of what happened year to date as well as monthly. Mr. Lozano explained the line item that shows the recovery of funds from the loan payoff. Mr. Lozano advised that there were about \$31,000 in expenses for attorney and architectural fees and a little over \$17,000 in surplus.

The Chairman asked if he could discuss our financial standing. He advised that overall, the balance sheet is healthy. Mr. Lozano suggested that we assess the strength of the loan portfolio from time to time; it is currently good to strong. He noted the balance sheet is strong, but the scale is a little off due to the \$2.4 Million dollar asset whose future we cannot predict. Mr. Zalewski asked how we arrive at the \$2.4 Million valuation. Mr. Dunne advised that the amount is most likely tied directly to the note payable. Mr. Miller advised that the original purchase price has been depreciated over time but at the same time we have made some capital improvements to the site that causes it to rest at about \$2.4 Million.

Mr. Ryan asked about the value listed for the 2265 Fifth Avenue. Mr. Miller advised that the value represents the land and assessed value of the property.

Mr. Zalewski asked if we have realized the full \$650,000 for 444 River Street. Mr. Miller advised that we currently hold a note and mortgage for \$300,000. The Chairman advised that we have to show the full amount on the operating statement. Mr. Lozano agreed and advised that we are just waiting to collect that balance. Mr. Zalewski questioned how it is listed as profit if we have only received \$350,000. Mr. Dunne advised that it is showing as income, but the expenses for the building show in a different area of the financials; this is not a net amount. Mr. Zalewski asked where

it shows how the profit from the building was used in the façade program. Mr. Lozano advised that we can run a report for those amounts. Mr. Ross asked about the gifts and donation line. Mr. Dunne reviewed the different groups that have received grants from us. The board had a general discussion on the success of the events they have recently supported.

Hon. Ken Zalewski made a motion to accept the financials as presented.

Dep. Mayor Pete Ryan seconded the motion, motion carried.

VIII. Budget

Mr. Dunne spoke about the five year budget for 2016 that the ABO requires us to post. Copies were given to the board members for review. Mr. Dunne advised that once CFO for Hire comes on board, we can work closely to make the budget more accurate. The chairman asked the amount that the IDA gives to the City. Mr. Dunne advised \$100,000. Mr. Ross asked if this is something that has to be approved. Mr. Dunne advised it has to be adopted by the board and sent in to the ABO. Mr. Dunne advised it is a working budget.

Andy Ross made a motion to approve the five year budget for 2016 as presented to the board.

Dep. Mayor Pete Ryan seconded the motion, motion carried.

IX. Adjournment

The Chairman asked if there was any other business to discuss.
The meeting was adjourned at 9:15 a.m.

Dep. Mayor Pete Ryan made a motion to adjourn the meeting.

Hon. Ken Zalewski seconded the motion, motion carried.

AUTHORIZING RESOLUTION
(77 Congress Street LLC – Loan)

A regular meeting of the Troy Local Development Corporation was convened on December 11, 2015, 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 77 CONGRESS STREET 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, 77 Congress Street LLC has applied to the Corporation for a \$50,000.00 Loan (the “Loan”) in connection with a certain project (the “Project”) consisting of the acquisition and installation of certain materials and equipment necessary to create a multi-restaurant gathering space called Troy Kitchen at 77-81 Congress Street, Troy, New York and certain soft costs authorized by TLDC; 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 and modification agreements (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>
Kevin O'Bryan	[]	[]	[]	[]
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 December 11, 2015 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 _____, 2015.

Secretary

[SEAL]



Kevin O'Bryan, Chairman
Bill Dunne
Ken Zalewski

Andrew Ross, Vice Chairman
Deputy Mayor Pete Ryan

November 16, 2015

77 Congress Street, LLC d/b/a Troy Kitchen
Cory Nelson
77-81 Congress Street
Troy, New York 12180

Dear Mr. Nelson,

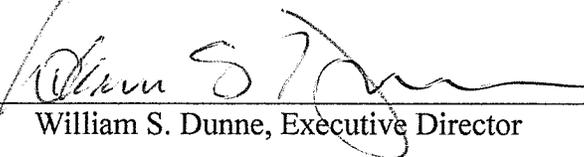
The Troy Local Development Corporation ("TLDC") proposes to grant the request by 77 Congress Street, LLC d/b/a Troy Kitchen (the "Company") for financial assistance under the following terms and conditions ("Term Sheet" or "Agreement"):

- Purpose: Purchase of equipment and creation of a multi-restaurant gathering space called Troy Kitchen at 77-81 Congress Street.
- Amount: Fifty thousand dollars (\$50,000).
- Estimated Monthly Payment: \$2,176.81
- Interest Rate: prime rate plus 1.0% - as of 10/21/2015 rate would be 4.25%.
- Maturity: 24 months
- Repayment: Monthly payments of principal and interest based on a two (2) 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, Security Agreement, and Personal Guarantee from all equity owners of the Company.
- Loan Closing and Disbursement of Proceeds: Purchase of equipment and creation of a multi-restaurant gathering space called Troy Kitchen at 77-81 Congress 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 2013 and 2014 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 with Troy Local Development Corporation listed as an additionally insured.

- Submission of details on all outstanding Company loans, subordination agreement(s) with other secured lenders.
- Sign and return this Term Sheet to TLDC by, November 20, 2015.
- 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: 11/30/15
Cory Nelson, Owner

by:  date: 12.2.15
William S. Dunne, Executive Director