



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

**October 9, 2015
8:30 a.m.**

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

ABSENT: Hon. Ken Zalewski

ALSO IN ATTENDANCE: Bob Ryan, Andy Piotrowski, Ken Crowe, Jim Conroy, Cory Nelson, Vic Christopher, Kyle Engstrom, Sharon Martin, Deanna Dal Pos 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 September 11, 2015 board meetings.

Andy Ross made a motion to approve the September 11, 2015 board meeting minutes.

Dep. Mayor Pete Ryan 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.

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

- 71 4th Street, Marvin Fine
- 126 Colleges Ave, Louis J Caruso Jr.
- 2 Lee Ave, DP2Lee, LLC
- 451 Hoosick Street, Devito Properties
- 508 Grand Street, Michael Nofal
- 514 Grand Street, Greg Cholakis
- 22 Second Street, Vic Christopher and Heather LaVine
- 626 1st Avenue, Dan Marchese

Andy Ross seconded the motion, motion carried.

The chairman thanked the applicants for applying and doing the projects. Bill Dunne advised they will be sent approval letters and a check list of items that will be needed throughout the process.

III. 41-43 Third Street

Jim Conroy, a licensed real estate broker with Berkshire, Hathaway and Blake Realtors, introduced himself to the board members and advised that he represents the property of 41-43 Third Street. He advised that he supports the growth of the City and appreciates that we are trying to do the best for the City. He added that our course of action of foreclosing and evicting the tenants does not get us where we want to be. He added that the loan was given for a reason; to improve the building and to help establish a new business and advance the goals of this organization. Mr. Conroy advised that for whatever the reason, there was an issue of paying back of the loan and understands that there were other liens put on the property because of contractors that were not paid. Mr. Conroy suggests that the best way for the TLDC to get its money back, the lienholders to get paid and everyone to walk away with better project quickly is to allow the continued market and sale of the building. He advised that he has received an offer from an individual that will provide enough revenue to pay off all of the liens, pay the LDC and pay for his commission. He stressed that this would be the quickest way to get everyone paid. If you are successful in continuing with the foreclosure and eviction of the O'Brien's, it will be a long process to complete. Mr. Conroy advised there are also arguments that may have not been heard fully. I encourage you to allow the marketing and sale of this property. It will help fulfill the original intent of the loan, get a better development and the O'Brien's will accomplish theirs. Foreclosure and eviction will cause the process to start from the beginning. Mr. Conroy advised that he has shown the building 6-10 times and has gotten interest each time. He advised that it will take a lot to rehab the building and advised that the private market would be the best way to get that done. Mr. Conroy advised the board to contact him for any other information. The board thanked him.

IV. BDAP Loan request

Infinity Cafe –

Bill Dunne advised the board that Infinity Café applied for a loan to expand their business into an adjacent space. The application was previously approved. The applicant had some delays, but is not ready to move forward on the loan. There have been some updates to their term sheet and an authorizing resolution has been drawn up. A copy was been given to the board for review. Dep. Mayor Pete Ryan spoke in favor of the projects expansion. Mr. Ross asked about the location of the project. Mr. Ryan advised that it is located at 172 River Street; one of the apartment buildings that Tom Rossi had renovated. (See Attached Resolution 10/15 #1)

Dep. Mayor Pete Ryan made a motion to approve the authorizing resolution for Infinity Café's BDAP loan in the amount of \$23,500. Andy Ross seconded the motion, motion carried.

Troy Kitchen –

Mr. Dunne introduced Cory Nelson to the board. Mr. Nelson spoke to the board about the project. He advised Troy Kitchen will be a gourmet food court where there will be five vendors total; four food vendors and one coffee. We had an opportunity to move to the former Pioneer Market and close on it next week. The chairman asked if Pioneer Bank still owned the property. Mr. Nelson advised yes. They were very helpful with the process.

Mr. Nelson spoke about the floor plan of the space. He explained that the layout of the building works for the type of businesses that will be going in. We want to utilize as much of the equipment that is already there. The vendors will be able share the commercial kitchen. He wants to bring life and excitement to that block and thinks that this project will help with that. Mr. Nelson said the best way to describe this project is as a food business incubator. It will assist food entrepreneurs start up their own locations without a lot of overhead costs and less risk. Mr. Nelson advised that they want to capture the growing workforce that is coming to the downtown. The set up will give people a variety at a reasonable price at a quicker pace than a sit down restaurant.

The board had a general discussion on the purchase of the property and the layout of the vendors sharing the space. Mr. Nelson advised that there is currently a large hood in the space. There will be three vendors sharing the hood; the other vendors do not require the hood. Mr. Nelson advised that there will be room for each vendor to do set up and prep work at their own booth. There will be some empty space for lines and future seating. The board discussed the possibility that the LDC would be taking first position on the loan. Mr. Nelson will discuss with the lender. The board agreed that the project will be great for that area and felt it should move forward.

**Bill Dunne made a motion to approve the BDAP loan request for Troy Kitchen in the amount of \$50,000.
Dep. Mayor Pete Ryan seconded the motion, motion carried.**

V. Financial Services Consultant

The board had a general discussion about the background of the CFO search. He advised that CFO for Hire will allow for more accountability to us. Mr. Dunne advised that SaxBST will still be used for the yearly audits. A staff member from CFO for Hire will have space in one of our empty offices and will be working with Andrew Piotrowski and Joe Mazzariello to make it a smooth transition.

**Andy Ross made a motion to enter into an agreement with James Lozano of CFO for Hire for fiscal oversight of the Troy LDC.
Dep. Mayor Pete Ryan seconded the motion, motion carried.**

VI. Former E-Lot building

Mr. Dunne spoke about the cleanup process that will be starting soon by National Grid at the former King Fuels site. He advised that phase II of the project involves digging down about 35 feet and mixing in a cementitious material with the soil to lock the pollutants in the ground. Mr. Dunne advised that the digging will be very close to the foundation of the building on site and there is a concern that it may compromise the building to the point that it will have to come down. He advised that it is not definite, but the asbestos survey being done will give them an idea of what type of exposure the building contains. He advised the \$500 being requested is an additional amount that will go towards completing the asbestos survey. Mr. Ryan asked when this would be happening. Mr. Dunne advised that it will be completed in the next few weeks.

**Dep. Mayor Pete Ryan made a motion to approve the additional \$500 to be used towards the asbestos survey at the E-lot building
Andy Ross seconded the motion, motion carried.**

VII. Demolition of 2265 5th Ave

Mr. Dunne spoke about 2265 5th Avenue; a foreclosed property that was donated to the TLDC by Wells Fargo. He advised that the property is derelict and currently vacant. Mr. Dunne advised the property is adjacent to the current First Columbia parking lot and may be a parcel they are interested in as part of a future transit center and parking facility. Mr. Dunne advised that they also received a \$10,000 donation along with the building to underwrite costs.

Mr. Dunne explained that he would like to keep the building in place; however, the condition of the building is such that heavy snow might necessitate the building coming down. He advised that the conditions in the building will not allow us to go inside to do an asbestos survey so the building would have to be taken down with asbestos in place. He advised there have been some quotes received and it should not exceed \$50,000. The board noted this was a prospective request and asked if First Columbia had any interest in the building. Mr. Dunne advised not at this time. Mr. Ross asked why we cannot do an asbestos survey now. Mr. Dunne advised that we hired Chazen Engineering to do an engineering report. The result of the report stated the building was unsafe to enter to do any inspections. Our City Engineer agreed with the report and also generated a report.

**Andy Ross made a motion to approve up to \$50,000.00 in emergency demolition funding for 2265 5th Avenue if needed.
Dep. Mayor Pete Ryan seconded the motion, motion carried.**

VIII. Financials

Andrew Piotrowski went over the assets with the board members. He noted that footnotes have been added next to the items that required more information. The first note pointed out the \$25,000 is the balance of monies held for the parking study paid to the TLDC by Monument Square. The second note stated that one account is outstanding as of September 30th. The third note reflects that the September invoices were paid in the beginning of October. Mr. Piotrowski explained that as of today the balance is zero. The last note references the grants approved by the TLDC board

that are pending paperwork for disbursement. The Chairman thanked Mr. Piotrowski for making the updates to the financials and added it is very helpful.

Mr. Piotrowski went over the foot notes on the Operating Statement. He advised that there is a negative balance listed under penalty charges on late payments due to the Freelot write off. The second note shows the value of the 2265 Fifth Avenue donation. Note number three shows the remainder of BEDI funds used for Section 108 loan payments in 2015. The note number four indicates the expenditure from the Freelot lease termination agreement. Note five shows the grants approved as of the September 2015 board meeting. The last note indicates the interest accrued as of September 30, 2015 on the Section 108 loan.

**Andy Ross made a motion to accept the financials as presented.
Dep. Mayor Pete Ryan seconded the motion, motion carried.**

IX. 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.**

X. Adjournment

Jim Conroy asked the board when he would get a response to his question. Mr. Dunne advised that we may not be able to discuss at this time due to pending litigation. The Chairman advised that there is a strong consensus with this board to move forward with the legal strategy that we have in place. He advised we will continue with this course of action. Mr. Conroy advised that he disagrees, but understands. The Chairman asked if there was any other business. The meeting was adjourned at 9:01 a.m.

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

AUTHORIZING RESOLUTION
(Infinity Café, LLC – Loan)

A regular meeting of the Troy Local Development Corporation was convened on October 9, 2015, at 8:30 a.m.

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

Resolution No. 10/15 #1

RESOLUTION OF THE TROY LOCAL DEVELOPMENT CORPORATION
AUTHORIZING (i) THE ISSUANCE OF A \$23,500 WORKING CAPITAL
LOAN TO INFINITY CAFÉ, 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, Infinity Café, LLC has applied to the Corporation for a \$23,500.00 Loan (the “Loan”) in connection with a certain project (the “Project”) consisting of the acquisition and installation of certain materials and equipment necessary to expand the current Infinity Café restaurant into vacant adjacent space located at 172 Broadway, Suite B, 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	[X]	[]	[]	[]
William Dunne	[X]	[]	[]	[]
Hon. Kenneth Zalewski	[]	[]	[X]	[]
Andrew Ross	[X]	[]	[]	[]
Peter Ryan	[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 October 9, 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 9th day of October, 2015.


Secretary

[SEAL]