



**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.