

**City of Troy
Industrial Development Authority
And
Capital Resource Corporation**

December 9, 2013
10:00 AM
Meeting Minutes

Present: Wallace Altes, Hon. Robert Doherty, Hon. Dean Bodnar, Paul Carroll, Steve Bouchey, Lou Anthony, Bill Dunne, Tina Urzan

Absent: Mary O'Neill, and Lisa Kyer

Also in attendance: Justin Miller, Esq. Selena Skiba, Ken Crowe, Monica Kurzejeski, Tom Keaney, Ian Benjamin, Debra Lambeck and Denee Zeigler

The meeting was called to order at 10:00 a.m. by Wallace Altes, Chairman.

I. Minutes from the November 18, 2013 Meeting

**Tina Urzan made a motion to approve the minutes
from the November 18, 2013 meeting.
Paul Carroll seconded the motion, motion carried.**

II. Columbia Proctor's Realty LLC

Bill Dunne introduced Tom Keaney and Debra Lambeck from Columbia Development to the board members. Tom Keaney spoke to the board about his ongoing projects at the Chasan building and the Proctor's theatre building. He noted that the plan began with the Restore NY grant several years ago. Mr. Keaney illustrated the changes that have taken place to the façade of the Chasan building through its renovations. Mr. Keaney noted that they received an award through SHPO for the Chasan building.

Mr. Keaney spoke to the board members about the 2 acre site that contains Proctor's theatre and the attached office building. The office building is 5 stories with a full basement. A portion of the 5 story office building includes the entrance to the theatre. Mr. Keaney advised the board that the theatre has been vacant for more than 35 years. Their scope of work includes the complete renovation and redevelopment of the office building. Mr. Keaney explained that it is about 30,000 total square feet, but about 22,000 square feet that will be rentable. For the theatre environmental remediation will have to be done and then it will be mothballed. The remediation has been started and will continue through January. Mr. Keaney advised the board they are asking for all three incentives through the IDA. He is excited to keep this plan moving forward.

Hon. Bob Doherty asked if they had planned on leaving the marquee. Mr. Keaney answered yes, but not the same one that is there. It will be going back

to one of the previous versions. He also spoke about the layout of the floors and bringing the lobby back to the way it was. The lobby will be used as an easement to get to the office building. Steve Bouchey asked if the entire façade will be worked on. Mr. Keaney answered yes. It will be completed all of the way down to the Verizon building. The board had a general discussion about portions of the two buildings and interior of the theatre.

The Chairman asked about the timing of the project. Mr. Keaney advised that they will go through the inside now and work on the façade starting in May and June. Mr. Keaney spoke in depth about the process of working with the Terra Cotta façade. Tina Urzan asked about the 1st Floor storefronts. Mr. Keaney advised that they are required to restore back to original storefronts. He also noted that there will be new sprinklers, mechanics, windows, roof, plumbing and electrical. Monica Kurzejeski asked if there was an open floor plan. Mr. Keaney advised yes, it is about a 30 ft wide open space. Tina Urzan asked if there was a predetermined tenant. Mr. Keaney explained no. Hon. Dean Bodnar explained that he has been here since the first mention of the project about 5 years ago and is excited to see it moving forward. Steve Bouchey asked when they would like to see the first tenant in. Mr. Keaney answered late summer or early fall 2014. Mr. Bouchey noted that this building is one of the last dark lots on the block and may act as a catalyst. Mr. Keaney noted that may be happening already on that block. With no questions from the board members, the Chairman thanked Columbia Development for their presentations.

III. Initial Project Resolution for Columbia Proctor's Realty LLC (Resolution 12/13 - #1)

Justin Miller spoke to the board members about the upcoming process for this project. He noted that the resolution in front of them would be to accept their application for assistance and authorize that a public hearing would set up.

**Steve Bouchey made the motion to approve Columbia Proctor's application for assistance.
Paul Carroll seconded the motion, motion carried.**

IV. Review of bids for 273 River Street Park Access

Bill Dunne spoke to the board members about a project that was previously authorized up to \$500,000 half of which would be reimbursed by a 2010 CFA grant to create additional access to Riverfront Park. Architecture+ was retained to create a set of bid documents. Mr. Dunne explained that there were a total of nine bids received back; Hoosick Valley Contractors was the lowest bid. Mr. Dunne noted that the bids received back were above the amount of funding that was available. The 2011 CFA grant also has \$100,000 of funding available for additional park access. If we chose to use that funding, we would need to come up with a match to bring us up to total of \$700,000. A portion of this funding has already been committed for the installation of security cameras. Mr. Dunne advised the board that he did not seek any approvals today, but wanted to keep the board up to date and ask them to think about the next steps for January. Steve Bouchey asked why he thought the bids were so much higher than anticipated. Mr. Dunne explained that there were some additional costs associated to materials that did not require any kind of maintenance. Lou

Anthony agreed that they put a proposal together that would be maintenance free. Mr. Anthony explained to the board that the details of the bid were complicated. The demolition was very expensive and many of the items to be constructed will be done using galvanized steel and other long lasting, maintenance free materials. There were also some precautions taken due to flooding in that location.

Mr. Dunne spoke to the Mayor and asked if any of the funds from the sale of the Dauchy building could be used. The Mayor had explained that there was some significant damage done to the buildings on either side of the parking deck. Mr. Dunne advised that there will be more information at the next meeting. Steve Bouchey stated that it would be better to construct it to last. Mr. Dunne agreed that it would be better to rebuild it rather than repair what is there. It is in dire condition at this point due to many years of neglect. Mr. Anthony explained that the plan is very well thought out and creates a great passage way to connect the park to stores and the farmer's market on River Street. The Chairman asked if there were any additional comments. He asked Mr. Dunne to bring it back for next month. The Chairman also thanked Mr. Anthony for his insight.

V. Financials

Selena Skiba handed out the financials to the board members. Mr. Skiba noted that all accounts are current. One person needs to make a late payment, but that is the only item outstanding at this time. The board also had a brief discussion of the profit and loss sheet.

VI. Meeting schedule for 2014

The Chairman spoke to the board members about the upcoming meetings for 2014. An email will be send out to the board members to see if Mondays are still a good day for everyone or if it needs to be changed.

VII. Executive Session

The Chairman asked that the board enters into executive session in order to discuss real estate negotiations.

**Tina Urzan made the motion to move to executive session.
Bill Dunne seconded the motion, motion carried.**

The board returned from executive session with no action taken.

VIII. Adjournment

The meeting was adjourned at 11:15 a.m.

**Steve Bouchey made the motion to adjourn the meeting.
Hon. Dean Bodnar seconded the motion, motion carried.**

INITIAL PROJECT RESOLUTION
(Columbia Proctors Realty LLC Project)

A regular meeting of the Troy Industrial Development Authority (the “Authority”) was convened on December 9, 2013, at 10:00 a.m., local time, at 433 River Street, Troy, New York 12180.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Authority were:

<u>MEMBER</u>	<u>PRESENT</u>	<u>ABSENT</u>
Wallace Altes	X	
Hon. Dean Bodnar	X	
Hon. Robert Doherty	X	
Steve Bouchey	X	
Louis Anthony	X	
Paul Carroll	X	
Mary O’Neill		X
Lisa Kyer		X
Tina Urzan	X	

The following persons were ALSO PRESENT: Bill Dunne, Justin Miller, Esq. Selena Skiba, Ken Crowe, Monica Kurzejeski, Tom Keaney, Debra Lambeck, Ian Benjamin, and Denee Zeigler

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to a proposed project for the benefit of Columbia Proctors Realty LLC.

On motion duly made by Steve Bouchey and seconded by Paul Carroll, the following resolution was placed before the members of the Troy Industrial Development Authority:

Member	Aye	Nay	Abstain	Absent
Wallace Altes	X			
Hon. Dean Bodnar	X			
Hon. Robert Doherty	X			
Steve Bouchey	X			
Louis Anthony	X			
Paul Carroll	X			X
Mary O’Neill				X
Lisa Kyer				
Tina Urzan	X			

Resolution No. 12/13 - #1

RESOLUTION OF THE TROY INDUSTRIAL DEVELOPMENT AUTHORITY (THE "AUTHORITY") (i) ACCEPTING THE APPLICATION OF COLUMBIA PROCTORS REALTY LLC (THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT (AS MORE FULLY DEFINED BELOW); (ii) AUTHORIZING THE SCHEDULING, NOTICE AND CONDUCT OF A PUBLIC HEARING WITH RESPECT TO THE PROJECT; AND (iii) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AUTHORITY WITH RESPECT TO THE PROJECT

WHEREAS, by Title 11 of Article 8 of the Public Authorities Law of the State of New York, as amended, and Chapter 759 of the Laws of 1967 of the State of New York, as amended (hereinafter collectively called the "Act"), the **TROY INDUSTRIAL DEVELOPMENT AUTHORITY** (hereinafter called the "Authority") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping civic, industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, **COLUMBIA PROCTORS REALTY LLC** (the "Company"), has requested the Authority's assistance with a certain project (the "Project") consisting of (i) the acquisition by the Authority of a leasehold or other interest in certain parcels of real property located at 82-90 Fourth Street, Troy, New York 12180 (the "Land", being comprised of TMID No. 101.53-10-10) and the existing improvements located thereon, including a multi-story commercial facility containing approximately 22,000 sf of commercial space (plus basement) and 60,000 sf of theater space, along with related improvements located thereon (the "Existing Improvements"); (B) the renovation, reconstruction, refurbishing and equipping by the Company as agent of the Authority of the Existing Improvements to provide for upgraded commercial space stabilization of theater space, along with renovations to building structure, common areas, heating systems, plumbing, roofs, windows, and other onsite and offsite parking, curbage and infrastructure improvements (collectively, the "Improvements"); (C) the acquisition of and installation in and around the Land, Existing Improvements and Improvements of certain machinery, fixtures, equipment and other items of tangible personal property (the "Equipment" and, collectively with the Land, the Existing Improvements and the Improvements, the "Facility"); and (D) the lease of the Authority's interest in the Facility back to the Company; and

WHEREAS, pursuant to the Act, the Authority desires to adopt a resolution describing the Project and the Financial Assistance (as hereinafter defined) that the Authority is contemplating with respect to the Project; and

WHEREAS, it is contemplated that the Authority will (i) accept the Application submitted by the Company; (ii) approve the scheduling, notice and conduct of a Public Hearing

with respect to the Project; and (iii) approve the negotiation, but not the execution or delivery, of certain documents in furtherance of the Project, as more fully described below.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE TROY INDUSTRIAL DEVELOPMENT AUTHORITY AS FOLLOWS:

Section 1. The Company has presented an application in a form acceptable to the Authority. Based upon the representations made by the Company to the Authority in the Company's application and in related correspondence, the Authority hereby finds and determines that:

(A) By virtue of the Act, the Authority has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(B) The Authority has the authority to take the actions contemplated herein under the Act; and

(C) The action to be taken by the Authority will induce the Company to develop the Project, and otherwise furthering the purposes of the Authority as set forth in the Act; and

(D) The Project will not result in the removal of a civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the "State") to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Authority hereby finds that, based on the Company's application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries; and

Section 2. The proposed Financial Assistance being contemplated by the Authority includes (i) a sales and use tax exemption for materials, supplies and rentals acquired or procured in furtherance of the Project by the Company as agent of the Authority; (ii) mortgage recording tax exemption(s) in connection with secured financings undertaken by the Company in furtherance of the Project; and (iii) an abatement or exemption from real property taxes levied against the Land and Facility pursuant to a PILOT Agreement to be negotiated.

Section 3. The Chairman, Vice Chairman, and/or Executive Director/Chief Executive Officer of the Authority are hereby authorized, on behalf of the Authority, to schedule, notice and conduct a public hearing in compliance with the Act and negotiate (but not execute or deliver) the terms of (A) a Lease Agreement, pursuant to which the Company leases the Land and Existing Improvements to the Authority, (B) a related Leaseback Agreement, pursuant to which the Authority leases its interest in the Project back to the Company, (C) a PILOT Agreement, pursuant to which the Company agrees to make certain payments in-lieu-of real property taxes, and (D) related documents thereto; *provided* (i) the rental payments under the

Leaseback Agreement include payments of all costs incurred by the Authority arising out of or related to the Project and indemnification of the Authority by the Company for actions taken by the Company and/or claims arising out of or related to the Project and (ii) the terms of the PILOT Agreement are consistent with the Authority's Uniform Tax Exemption Policy or the procedures for deviation have been complied with.

Section 4. The officers, employees and agents of the Authority are hereby authorized and directed for and in the name and on behalf of the Authority to do all acts and things required and to execute and deliver all such 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 Authority with all of the terms, covenants and provisions of the documents executed for and on behalf of the Authority.

Section 5. These Resolutions shall take effect immediately.

SECRETARY'S CERTIFICATION

STATE OF NEW YORK)
COUNTY OF RENSSELAER)

I, Denee Zeigler, the undersigned, Secretary of the Troy Industrial Development Authority (the "Authority"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Authority, including the Resolution contained therein, held on December 9, 2013, with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Authority had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Authority 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 rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Authority this 9th day of December, 2013.

A handwritten signature in cursive script that reads "Denee Zeigler". The signature is written in black ink and is positioned above a horizontal line.

(SEAL)