



July 17, 2020

10:00 AM

IDA Board Meeting

This meeting was held via Zoom Meeting

Present: Justin Nadeau, Rich Nolan (joined at 11:05 a.m.), Susan Farrell, Tina Urzan, Hon. Anasha Cummings, Stephanie Fitch and Elbert Watson.

Absent: Hon. Jim Gulli

Also in attendance: Steven Strichman, Justin Miller Esq., Mary Ellen Flores, Deanna Dal Pos, Tom Rossi, Donald LaRosa, Glen Lunde, Charlotte O'Connor, Jesse Batus, Dylan Turek, L Lewis, Bernie Doyle and Cheryl Kennedy.

The meeting was called to order at 10:00 a.m. Mr. Strichman noted that this meeting is being held via conference call and online due to the Governor's Executive Order No. 202.1.

I. Minutes

The board reviewed the June 19, 2020 meeting.

Tina Urzan made a motion to approve the minutes of the June 19, 2020 regular board meeting.

Justin Nadeau abstained.

Hon. Anasha Cummings seconded the motion.

Motion carried. 5 Aye 0 Nay 1 Abstained 2 Absent

II. 701 River Street, LLC – Public Hearing (10:02 a.m.)

Susan Farrell made a motion to close the public hearing for 701 River Street, LLC.

Justin Nadeau abstained.

Stephanie Fitch seconded the motion.

Motion carried. 5 Aye 0 Nay 1 Abstained 2 Absent

(See attached Public Hearing Agenda)

III. 701 River Street, LLC – Supplemental Project Authorization

No discussion from the board members or public.

Tina Urzan made a motion to approve the Supplemental Project Authorization for 701 River Street, LLC.

Justin Nadeau abstained.

Susan Farrell seconded the motion.

**Motion carried. 5 Aye 0 Nay 1 Abstained 2 Absent
(See attached Resolution 07/20 #1)**

IV. Troy Riverwalk, LLC – Public Hearing (10:12 a.m.)

Tina Urzan made a motion to close the public hearing for Troy Riverwalk, LLC at 10:16.

Justin Nadeau abstained.

Hon. Anasha Cummings seconded the motion.

**Motion carried. 5 Aye 0 Nay 1 Abstained 2 Absent
(See Attached Public Hearing Agenda)**

V. Troy Riverwalk, LLC – Supplemental Project Authorization

The board had a discussion about the modification about the status of the commercial space. Mr. Strichman explained there is some uncertainty about who will be going into the space. Mr. Watson asked if the financing was contingent on the commercial space and if there was a liquidity issue with the project. Mr. Lunde from CPC explained that they do have liquidity, but with the original PILOT increased did not align with their projected rent increases. He advised that the best solution was to extend the PILOT. Mr. Watson asked about the developer's financial background. Mr. Lunde advised nothing derogatory; credit in good shape. Ms. Fitch thanked Mr. Watson for bringing up those points; it helped to get a clearer picture. Mr. Watson wanted to make sure it benefited the community. Mr. Strichman explained this will help to get a property back on the tax roll, new commercial space and new residents. He added that the way the building is now, it is a blight on that portion of the downtown. Mr. Strichman discussed some background on how the PILOT terms are worked out.

Tina Urzan made a motion to approve the supplemental Project Authorization for Troy Riverwalk, LLC.

Justin Nadeau abstained.

Susan Farrell seconded the motion, motion carried.

**Motion carried. 5 Aye 0 Nay 1 Abstained 2 Absent
(See attached Resolution 07/20 #2)**

VI. Poestenkill Place, LLC – Initial Project Resolution

Mr. Strichman spoke to board about the project located in South Troy in the former Irish Mist property. He noted that this aligns with the comprehensive plan to bring housing to that area of Troy. Mr. Batus presented to the board a full project outline and a discussion about the type of projects Community Builders likes to take on. He noted that they have worked on housing at Monument Square and Tapestry on the Hudson. Mr. Batus explained that this current project will be 81 units of rental housing and hopes it encourages new residential growth in that area. Mr. Watson asked if these are Section 8 apartments. Mr. Batus advised they are not considered Section 8 they are regulated through the low income tax credit program which sets a max rent can be. Mr. Cummings clarified that Section 8 can apply to live there, but it is not the criteria to live there. Mr. Batus explained they recently chose a developer and will be closing on the site in October. He advised they are moving into the design construction of the plan and spoke about the challenges of being located in a flood plain. Mr. Batus noted that the ground floor will be parking to allow for water to come in out in the event of flooding. He advised the site is very contaminated and have been working with the NYS DEC to do site cleanup. They will also receive tax credits because of this. He explained that an applications for financing have been sent out and they are waiting to hear back. They hope to be ready for a closing

at the end of 2020. Mr. Batus advised they are asking for a PILOT and sales tax and mortgage recording tax exemption. He also discussed the community benefits. Mr. Watson asked how much they were financing. Mr. Batus explained that they are using an As of Right Tax Credit program through HCR along with the DEC credit, the rest will be financing through different agencies. Mr. Watson asked about the apartment sizes and specifically the low number of 3 bedrooms. Mr. Batus explained that they number of bedrooms are based on the layout and how it scores with NYS. Mr. Cummings commented about the amount of funding going into a large scale, concentrated housing project in an area that could benefit from \$34 Million dollars of funding. Mr. Batus a lot of the cost comes from cleaning up of the contamination and dealing with the flood issues. He also commented on the concentration of housing guidelines from HUD; they are not against building larger but they do not want low income only people concentrated in a large scale apartment project. Mr. Batus stressed that they are working to make this property green, eco-friendly and reduce the carbon footprint. Ms. Fitch talked about how a building of that size would change the walkable feeling of the property. Mr. Batus advised that they had discussions about this during the planning stage of the project and have included outdoor seating and other streetscaping. Mr. Watson asked how many floors the building would be. Mr. Batus advised four floors. Mr. Urzan asked about what is included in the rent. Mr. Batus advised nothing additional is included, it is all factored into the rents. Mr. Cummings asked about the people that are currently employed at the factory located on the site; Siewert Equipment. Mr. Strichman noted that there are about 15 employees. They tried to find a new location for them and were unsuccessful. Mr. Cummings noted that we will lose 15 jobs from the existing business and only get 4 from this project. He was concerned that the project did not match the plan of creating a strong neighborhood community with businesses close by for employment. Mr. Strichman noted that it is on the bus line and there is a lot of interest of developing the waterfront to create jobs. Mr. Batus noted that many times bringing in state funding acts as a catalyst for development for private investors. He added that they work closely with community groups such as the Boys and Girls Club and Unity House. Mr. Strichman noted that this is just the initial resolution and they have a lot of negotiating to do. Mr. Batus is open to discussions and would like this project to work for the city. Ms. Urzan asked about the number of employees. Mr. Batus advised four onsite. Ms. Fitch was concerned the project was going onto a contaminated site that is also a flood zone. Mr. Cummings asked about how the per unit revenue. Mr. Miller explained that making sure that the PILOT structure works for the city is part of the negotiations. Mr. Batus advised \$600 per unit per year. Mr. Cummings advised that is a big comparison to the surrounding landlords and is concerned with the value of the project to the neighborhood and city. Mr. Nadeau stressed this is just the beginning of the discussion. Mr. Watson asked about the 3% management fee. Mr. Batus explained that they are not for profit, but have a small amount coming in that goes right back into the overhead costs and future investments. Ms. Urzan also noted that it would be nice to see lower rents. Mr. Strichman explained that would also increase the PILOT. Mr. Batus explained that the rent structure is not building in stone, but they do like to see a mix of incomes living together. Mr. Strichman agreed that they are looking for a greater mix of market rate apartments at the site.

Mr. Batus asked about the steps moving forward in the event this resolution is denied. Mr. Miller spoke about the application process. He noted that generally that application is approved and then the details are worked out in future conversations. Mr. Miller explained that we can table the project and gather additional details in the coming months. Mr. Cummings asked what the difference between tabling and continuing the vote. Mr. Miller noted that tabling it would keep discussion open with the developer. Ms. Farrell agreed that tabling is a better idea and it would give Mr. Nolan a better chance to review the project. Mr. Watson asked what additional information will be presented if

tabled. Mr. Miller explained that we may be able to work towards getting more details together for the next meeting. Mr. Batus advised that he understood that this part of the process was to only to approve the application and get the discussion started. Mr. Strichman agreed that there is not much else that can be added if this is tabled, it may be better to vote and move forward.

Elbert Watson made a motion to approve the Initial Project Resolution for Poestenkill Place, LLC.

Stephanie Fitch seconded the motion.

Hon. Anasha Cummings, Tina Urzan and Susan Farrell opposed.

Rich Nolan and Justin Nadeau abstained from the vote.

Motion denied. 2 Aye 3 Nay 2 Abstained 1 Absent

VII. Executive Directors Report

Expenditures - Mr. Strichman advised there are three expenditures that have come up in which he would like to cover. He advised that \$625 is requested to register Denee Zeigler for economic development training, Mary Ellen Flores requires reimbursement for her purchase of a newer version of QuickBooks to replace ours that crashed and he would like to approve up to \$2,000 for laptops in case we need to go remote in the future.

City Station North – Mr. Strichman noted they are still delayed at this point, but plan on moving forward. They have experienced several delays due to COVID.

VIII. Financials

Ms. Flores presented the statement of net position to the board. She advised that as of June 30, 2020, the total assets stand at \$735,000 with \$502,000 in cash. The liabilities stand at \$61,000 leaving a fund balance of \$674,000. No real changes. Ms. Fitch asked about the column labeled budget. Ms. Flores advised it is the annual budget and is on the statement of activity.

Ms. Flores presented the statement of activity and explained that for the month of June there is a \$1,000 deficit. Revenue came from interest income. Ms. Flores advised expenses for the month were \$1,200; no out of the ordinary expenses. Mr. Watson asked if there is an aging report available for the payables and receivables on the balance sheet. She advised that typically she does not include that in the financials, but advised that the majority of the receivables are PILOTs that have not yet been paid. She added that they are paid back to the city. Mr. Nadeau asked if those receivables are past due. Ms. Flores advised yes, they were due 2/1. She added that the city is aware. Ms. Farrell asked if there was any state moratorium on taxes. Mr. Miller advised no, the city does not maintain the contracts. He asked if they are over 60 days a letter should be sent out to them. Ms. Flores will send him the projects that fall into that category.

Susan Farrell made a motion to approve the financials as presented and send out notices to projects 60 days overdue.

Elbert Watson seconded the motion.

Motion carried. 6 Aye 0 Nay 1 Abstained 1 Absent

IX. Adjournment

With no additional business to discuss, the regular board meeting was adjourned at 11:30 a.m.

Hon. Anasha Cummings made a motion to adjourn the IDA meeting at 11:30 a.m.

Stephanie Fitch seconded the motion.

Motion carried. 6 Aye 0 Nay 1 Abstained 1 Absent