

## Town of Colonie Industrial Development Agency

### Board Minutes March 20, 2017 Meeting

Meeting called to order by John Kearney, Chairman, at 6:10 pm, who noted that Mr. LaCivita was unable to attend this evening due to a prior commitment. The Agency meeting was conducted simultaneously with the Town of Colonie Local Development Corporation meeting due to the common actions necessary this evening.

#### Members in attendance:

John Kearney, Chairman	
Carmen Basile	David DeLuca
Peter Gannon	Eric Phillips
Gary Rinaldi	Benjamin Syden

#### Other Persons in attendance:

Agency Counsel: M. Cornelia Cahill, Barclay Damon, LLP  
Chief Fiscal Officer: Christopher Kelsey  
Guests: Afrim Nejzaj, Afrim Realty Company, LLC, Member  
Paul Sciocchetti, Esq., Sciocchetti & Abbott, PLLC  
David Buicko, Galesi Group, President and Chief Executive Officer  
Paul Fallati, Galesi Group, Vice President – Commercial and Real Estate

### Approval of the Minutes

Mr. Kearney indicated the draft of the January 23, 2017 minutes were in the Board packets for review.

**MOTION: To accept the January 23, 2017 minutes as provided. Motion offered by Carmen Basile and seconded by David DeLuca. Mr. Gannon and Mr. Syden abstained as they were not in attendance for the January 2017 meeting. Motion was unanimously approved by the remaining members.**

### Election of Officers

Ms. Cahill indicated the election of officers and appointment of committees for 2017 had been tabled at the January meeting as all members of the Board were not present and Mr. Tengeler's vacancy had not yet been filled. Discussion ensued as to the existing slate of officers and committee assignments. It was determined that Mr. Gannon should replace Mr. Tengeler on the Governance Committee and that Mr. Kearney would be placed on all three Committees.

**RESOLUTION 2017-002: Regarding organizational matters. Resolution offered by Benjamin Syden and seconded by Eric Phillips. Resolution was unanimously approved.**

## **Committee Reports**

**Governance** –Mr. Syden indicated the Committee met at 5:30 this evening to review, and update as necessary, the following statement and policies for 2017:

- a) Mission Statement
- b) Investment Policy
- c) Procurement Policy
- d) Property Acquisition Policy
- e) Property Disposition Policy

Additionally, the Committee reviewed the following reports for 2016:

- a) PARIS Report
- b) Measurement Report
- c) Operations and Accomplishments Report
- d) Investment Report
- e) Internal Controls Assessment Report
- f) Report of Real Property Owned

The Committee voted to recommend to the full Board adoption of the above statement and policies for 2017 and reports for 2016 as presented.

Mr. Syden stated several of the Board Self Evaluation Forms were provided to him this evening and the tabulation and report of the Evaluations would be provided at the next Agency meeting.

Additionally, the Committee recommends that when the Chief Executive Officer is not available to attend an Agency meeting that a written CEO's report be provided to the Board. The Committee also recommended quarterly meetings between the Agency Chairman and Town Supervisor to enhance communication on Agency projects, initiatives and studies.

**Finance** – Mr. DeLuca indicated the Committee met this evening, after the Audit Committee meeting, to review, and update as necessary, the following polices for 2017:

- a) Investment Policy
- b) Procurement Policy

Additionally the Committee reviewed the following reports for 2016:

- a) PARIS Report
- b) Investment Report
- c) Internal Controls Assessment Report

The Committee voted to recommend to the full Board adoption of the above policies for 2017 and reports for 2016 as presented.

## **Committee Reports - Continued**

**Audit** – Mr. DeLuca indicated the Committee met this evening at 5:30 with Brendan Kennedy, the audit Partner from BST & Co., LLP CPAs, who provided a summary of the audit reports for the year ended December 31, 2016. The Independent Auditor’s Report and the Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards opinions were both unmodified which is the best opinion that can be issued. There were no adjustments proposed to the Agency’s records and no management letter comments were issued, which is very good.

The Committee voted to recommend to the full Board acceptance of the 2016 audit reports.

Ms. Cahill stated there is a resolution before the Board this evening to approve and re-adopt the Agency’s Mission Statement and above referenced policies; approve the annual reports referenced above; and accept the annual audit reports.

**RESOLUTION 2017-003: Approving annual actions. Resolution offered by Eric Phillips and seconded by Carmen Basile. Resolution was unanimously approved.**

Ms. Cahill indicated JP Morgan Chase Bank had requested the Agency update its collateral agreement. Her office reviewed and proposed changes that were accepted by the JP Morgan Chase Bank. The Agency has a resolution before it this evening to authorize the Chairman to execute said agreement.

**RESOLUTION 2017-004: Authorizing the Chairman to execute a pledge, assignment and custodial agreement with JP Morgan Chase Bank, N.A. Resolution offered by David DeLuca and seconded by Benjamin Syden. Resolution was unanimously approved.**

## **Old Business**

- 1) Afrim Realty Company, LLC

Mr. Kearney welcomed Mr. Nejzaj and Mr. Sciocchetti back to the Agency. Mr. Sciocchetti summarized the project and economic benefits that were provided during the January 23, 2017 meeting, for those members not present at that meeting.

## **Old Business - Continued**

### 1) Afrim Realty Company, LLC, continued

At the request of Mr. LaCivita a revised application was distributed which reflected the benefits the project was requesting. They include approximately \$90,000 and \$280,000 of mortgage recording tax and sales tax exemptions, respectively, and a now formalized 20 year payment in lieu of taxes (PILOT) proposal. The proposed PILOT payments range from \$25,000 in year one to 100% of normal taxes in year twenty-one.

It was noted that the taxable assessed value, as estimated by the Town Assessor, would be approximately \$3.2 million, which would generate approximately \$116,000 in estimated County, Town and School District property taxes. The requested PILOT requests exemptions of 78% in year one and approximately 57% in year 20.

While the Board appreciates the need for this project and supports the project it feels more information is necessary for it to assess the extent of Agency assistance that is necessary. It requested the project representatives provide estimated cash flows, and questioned Mr. Nejzaj on how he will make his facility a success when so many similar facilities have failed. Additionally, the Board requested the South Colonie Central School District provide its comments on the proposed PILOT.

The project representatives are looking to close in May or June 2017 with construction complete by December 2017. Ms. Cahill suggested we may need to schedule an April 2017 special meeting. She will coordinate providing Mr. Sciocchetti with a list of items the Board Members had requested.

Mr. Kearney thanked Mr. Nejzaj and Mr. Sciocchetti for their time.

### 2) Demolition of 272 Maxwell Road

Mr. Kelsey indicated 10 quotes were received by Doug Sippel, Purchasing Officer, and were opened on February 3, 2017. The quotes ranged from \$21,100 to \$123,160. As the low quote was within the contracting authority of \$25,000, granted to Mr. LaCivita and Mr. Kelsey at the October 17, 2016 meeting, it was awarded to Constantine Construction. Mr. Sippel is working with Ms. Cahill to coordinate the contract and schedule the work.

## **New Business**

### Galesi Group

Mr. Kearney welcomed Mr. Buicko and Mr. Fallati both of the Galesi Group. The Galesi Group has a potential development opportunity for the former Starlite Music Theatre, formerly known as the Colonie Coliseum, property. Galesi Group owns the property and would retain ownership once developed. The back portion of the site is zoned residential and the front 34 acres is zoned commercial. This would be about a \$65 million project consisting of the construction of an office complex in the commercially zoned area, for occupancy in mid-2019.

## **New Business - Continued**

### Galesi Group, continued

The potential tenant would have a 20 year lease and consolidate several existing locations into the new space. It would relocated existing jobs within the Town but also bring existing jobs from outside the Town of Colonie. A small amount of job creation is also anticipated in the future. The project representatives have read the Agency's Uniform Tax Exemption Policy and believe the project would qualify for the "Enhanced Grow Colonie Program". They then asked as to the Board's openness to providing a payment in lieu of taxes under this program.

The Board indicated they would be open to such an agreement should it qualify once an application is submitted. The Board directed Ms. Cahill to draft a letter to that effect on the Chairman's behalf.

Mr. Buicko and Fallati thanked the Board for their time this evening and hoped to see them again in the near future.

Meeting adjourned at 7:45 pm.

Next meeting will be May 15, 2017 at 6:00 pm at 347 Old Niskayuna Road, Latham, NY 12110.

**RESOLUTION 2017-002 - REGARDING ORGANIZATIONAL MATTERS**

WHEREAS, the Town of Colonie Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of Laws of 1969 of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 594 of the Laws of 1980 of New York, as amended, constituting Section 911-d of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, renovating, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreation facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, the Agency is conducting its organizational meeting for the 2017 fiscal year and wishes to appoint its officers and committee members;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE TOWN OF COLONIE INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency hereby appoints the following officers of the Agency:

Chairman	John Kearney
Vice Chairman	Benjamin Syden
Treasurer	David DeLuca
Secretary	Eric Phillips

Section 2. The Agency hereby appoints the following members to the following committees:

Audit Committee	David DeLuca, Chair Carmen Basile John Kearney Gary Rinaldi
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Finance Committee	David DeLuca, Chair Carmen Basile John Kearney Gary Rinaldi
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Governance Committee	Benjamin Syden, Chair Peter Gannon John Kearney Eric Phillips
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Section 3. This Resolution shall take effect immediately.

**RESOLUTION 2017-003 - APPROVING ANNUAL ACTIONS**

WHEREAS, the Town of Colonie Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of Laws of 1969 of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 594 of the Laws of 1980 of New York, as amended, constituting Section 911-d of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, renovating, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreation facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, the Act and Article 9 of the Public Authorities Law (the “Public Authorities Law”) require that the Agency annually review and approve its mission statement (the “Mission Statement”), Investment Policy, Procurement Policy, Property Acquisition Policy and Property Disposition Policy (collectively, the “Policies”); and

WHEREAS, the Act and the Public Authorities Law require that the Agency prepare various annual reports (the “Annual Reports”); and

WHEREAS, the Agency’s auditor has submitted draft audited financial statements for the year ended December 31, 2016 (the “Audited Financial Statements”) to the Agency; and

WHEREAS, the Finance Committee has reviewed the Policies and the Annual Reports and recommended their approval by the Agency; and

WHEREAS, the Governance Committee has reviewed the Mission Statement, the Policies and the Annual Reports, and has recommended their approval by the Agency; and

WHEREAS, the Audit/Finance Committee has reviewed the Audited Financial Statements and recommended their acceptance by the Agency; and

WHEREAS, the members of the Agency desire to review and approve the Mission Statement, the Policies and the Annual Reports and accept the Audited Financial Statements, in the forms presented at this meeting;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE TOWN OF COLONIE INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency hereby: (a) approves and re-adopts the Mission Statement and the Policies; (b) approves the Annual Reports and (c) accepts the Audited Financial Statements, each in the form presented at this meeting.

Section 2. The Executive Director of the Agency is hereby directed to: (a) post copies of the Mission Statement, the Policies, the Annual Reports and the Audited Financial Statements on the Agency's website; and (b) file the Annual Reports and the Audited Financial Statements with the New York State Authorities Budget Office, as required by the Public Authorities Law.

Section 3. The Agency hereby designates Joseph LaCivita as contracting officer for the disposal of Agency property.

Section 4. This Resolution shall take effect immediately.

**RESOLUTION 2017-004 - AUTHORIZING THE CHAIRMAN TO EXECUTE A  
PLEDGE, ASSIGNMENT AND CUSTODIAL AGREEMENT WITH JPMORGAN  
CHASE BANK, N.A.**

WHEREAS, the Town of Colonie Industrial Development Agency (the “Agency”) maintains a deposit account at JPMorgan Chase Bank, N.A. (“JPMorgan”) in accordance with its Investment Policy (the “Policy”); and

WHEREAS, JPMorgan has notified the Agency that the Agency is required to enter into an updated Pledge, Assignment and Custodial Agreement (the “Agreement”) to secure the Agency’s account in accordance with applicable statutory requirements;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE TOWN OF COLONIE INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. (A) The Chairman (or Vice Chairman) of the Agency is hereby authorized, on behalf of the Agency and upon the advice of the Agency’s counsel, to execute and deliver the Agreement and such documents related to the Agreement as JPMorgan may require (collectively, the “Agency Documents”), and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same.

(B) The Chairman (or Vice Chairman) of the Agency is hereby further authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency.

Section 2. This Resolution shall take effect immediately.