

Town of Colonie Industrial Development Agency

Board Minutes October 15 2018 Meeting

Meeting called to order by John Kearney, Chairman, at 6:10 pm. 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
Alison Blessing
Peter Gannon

Carmino Basile
Eric Phillips

Members absent:

Gary Rinaldi

Benjamin Syden

Other Persons in attendance:

Agency Counsel: Connie Cahill and Melissa Bennett, Barclay Damon LLP
Chief Executive Officer: Joseph LaCivita
Chief Fiscal Officer: Christopher Kelsey
Project Representatives: Keith Ferraro, Partner, UFF II, LLC Project
Guests: Linda Murphy, Town of Colonie Deputy Supervisor

Approval of the Minutes

Mr. Kearney indicated the draft of the September 17, 2018 minutes were in the Board packets for review.

MOTION: To accept the September 17, 2018 minutes as provided. Motion offered by Carmino Basile and seconded by Alison Blessing. Motion was unanimously approved by the members in attendance.

Committee Reports

Governance –Mr. Gannon, on Mr. Syden’s behalf, indicated the Committee had nothing to report this evening.

Finance – Mr. Basile indicated the Committee met earlier this evening to review the tentative budget that Mr. Kelsey had submitted to the full board in early September. Mr. Kelsey provided the committee a brief overview of the budget and its contents.

The Committee then unanimously approved a motion, offered by Mr. Basile and seconded by Ms. Blessing, to recommend adoption of the proposed 2019 budget by the full board.

Mr. Gannon and Mr. Phillips inquired about the ability to amend the budget as we moved through the process of redesigning the website and other potential initiatives during 2019. Mr. Kelsey advised that the Board could vote to amend the budget at any time throughout the year.

MOTION: To adopt the proposed 2019 budget for the Town of Colonie Industrial Development Agency as provided. Motion offered by Peter Gannon and seconded by Eric Phillips. Motion was unanimously approved by the members in attendance. (See Attached)

Audit - Mr. Basile indicated the Committee had also met briefly this evening to review the status of the request for proposal RFP) for independent audit services that was authorized at the September meeting.

Mr. Kelsey had advised the Committee that he had worked with Mr. Sippel, the Agency's Purchasing Officer, to issue the RFP, and it has been issued. It was directly issued to four local accounting firms and placed on the State's Bid Net system. Responses are due back by November 13, 2018. Mr. Kelsey also expressed concern with waiting until the December 17, 2018 Agency meeting to award the audit due to the tight scheduling time table that would give the selected audit firm.

As the Committee shared this concern, the Committee is recommending allowing the Board to delegate the selection of the independent auditor to Mr. Basile, Mr. LaCivita, and Mr. Kelsey. Ms. Cahill then summarized the resolution before the Board this evening.

RESOLUTION 2018-011: Approving request for proposals for independent auditor and accounting services, authorizing distribution thereof and delegating authority to select firm to provide independent auditor and accounting services. Resolution offered by Mr. Basile and seconded by Mr. Gannon. Resolution was unanimously approved by the members in attendance.

Chief Executive Officer's Report

Mr. LaCivita indicated there is an entity new to the Colonie area that has submitted an application for a proposed indoor entertainment center. Mr. Kelsey then inquired with Ms. Cahill whether this project fell under the retail industry, and could the Agency even provide assistance to the project. She advised that based on her preliminary review of the application this would qualify as retail under the State's more stringent guidelines.

Mr. LaCivita advised the applicant was outside waiting to make a presentation this evening and excused himself to go explain the situation. When Mr. LaCivita returned he

explained that the applicant would still like to make a short presentation to the Board and receive an explanation how his project is different from the Afrim's Project. The Board agreed to allow Mr. Ferraro to make his presentation.

Chief Executive Officer's Report, continued

Mr. LaCivita introduced Mr. Ferraro. Mr. Ferraro indicated that he would welcome discussion as to how his project was different from Afrim's, but wanted to provide an overview of his project.

He indicated that his family has operated the Fun Spot in Queensbury, New York for more than 30 years and he wanted to bring something like it to the Albany market. The Project currently has a contract to purchase land at 941 Albany Shaker Road, pending Town Planning Board approval of the project, to construct an indoor entertainment venue with 9 separate components. The venue would include items like lazer tag, arcade, ninja warrior course, fast food service, among other items. It would be marketed toward an older late teen-young adult demographic, but would also be used by all age groups.

It would be basically a 365 day operation creating 4 full time management/operations jobs and around 100 part-time jobs. Mr. Ferraro estimated the venue would generate approximately \$110,000 in sales tax revenue. He also stated the Company cooperates extensively with the local schools providing free admissions for fundraisers and motivational prizes for students.

He indicated the application requests mortgage recording tax and sales tax exemptions and a 10 year payment in lieu of taxes agreement. Mr. Ferraro indicated his attorney had indicated other similar facilities have received IDA benefits so was very surprised at the information he was told this evening. Ms. Cahill stated she would communicate with his attorney related to this and other similar projects.

Chief Fiscal Officer's Report

Mr. Kelsey distributed, and reviewed, the internal financial reports for the third quarter which ended September 30, 2018. He indicated the Agency should finish the year with positive operating results.

He also reviewed the operations of the Chamber Loan Fund for the same period and summarized a brief conversation that he had last week with Pat McQuire from the Chamber. In summary the Agency needs to make a determination on the status of the Loan Fund. Are we going to allow new loans to be made or close the fund down; have the LDC buy out the loans and start a new LDC Loan Fund; or have the LDC buy out the Loan Fund and run out the three existing loans.

It was determined the LDC would buy out the existing Loan Fund, and then the LDC could decide how to move forward with the Chamber.

Ms. Cahill indicated she would have the paperwork completed for the December 17, 2018 meeting for the LDC to buy-out the Chamber Loan Fund.

Old Business

- a) Board Retreat and Strategic Plan – As Mr. Syden was not in attendance this evening Mr. Gannon spoke on this topic. He summarized the main goal was to develop a strategic plan for the IDA to give the Board direction to proactively focus on aspects of development within the Town.

Mr. Basile thought the Board really needed to be re-oriented to what the IDA has accomplished, what economic development tools are at its disposal, what benefits the Agency can provide and too what types of entities. Then a plan for moving forward can take place.

Mr. LaCivita and Mr. Kelsey also highlighted the need for the IDA to include the Town Council and Planning Board when developing its plans

Mr. Gannon also indicated he would like to see the system of document dissemination stream-lined and simplified. The current system of e-mails from the CEO, CFO, and Attorney gets very cumbersome and it is easy to miss e-mails with important updates. Discussion then turned to the various different tools used at other organizations that could be investigated.

- b) Activities of Similar IDAs – Ms. Bennett distributed to the Board a binder put together showing activities of similar IDAs for the Board to review.

New Business

- a) Afrim Realty LLC Project – Ms. Cahill indicated that the Afrim's Project has requested the Agency execute an additional exemption of mortgage recording tax on an additional mortgage note. This additional exemption is within the original application and original Agency approving resolution. Therefore there is no additional action necessary this evening.

Meeting adjourned at 6:55 pm.

Next meeting will be December 17, 2018 at 10:00 pm at 347 Old Niskayuna Road, Latham, NY 12110.

TOWN OF COLONIE INDUSTRIAL DEVELOPMENT AGENCY
ADOPTED BUDGET
2019

ACCOUNT NUMBER	ACCOUNT TITKE	ACTUAL 2017	BUDGET 2018	MODIFIED BUDGET 2018	ADOPTED BUDGET 2019
BUDGETARY SOURCES					
OPERATING INCOME					
4000-100	ADMINISTRATIVE FEES	\$ 12,962.50	\$ 95,700	\$ 104,900	\$ 94,100
4000-200	APPLICATION INCOME	1,000.00	200	200	500
4000-300	OTHER INCOME	13,694.99	-	-	-
4000-300	OTHER INCOME, GRANTS	126,481.44	100,000	73,519	-
	TOTAL OPERATING REVENUE	<u>154,138.93</u>	<u>195,900</u>	<u>195,900</u>	<u>94,600</u>
OTHER INCOME					
4200-100	INTEREST INCOME	1,416.47	500	500	1,200
4200-101	INTEREST INCOME - RESTRICTED	2,095.97	2,000	2,000	1,900
	TOTAL OTHER INCOME	<u>3,512.44</u>	<u>2,500</u>	<u>2,500</u>	<u>3,100</u>
OTHER BUDGETARY SOURCES					
	APPROPRIATED NET POSITION	<u>65,755.67</u>	-	-	-
TOTAL BUDGETARY SOURCES		<u>\$ 223,407.04</u>	<u>198,400</u>	<u>198,400</u>	<u>97,700</u>
BUDGETARY USES					
OPERATING EXPENSES					
5000-500	MANAGEMENT FEES	\$ 896.56	\$ 1,700	\$ 1,700	\$ 800
5000-501	PROFESSIONAL FEES	18,000.00	11,000	20,000	11,000
5000-502	LEGAL FEES	11,855.10	15,000	15,000	15,000
5000-503	ADMINISTRATIVE FEES	50,000.00	50,000	50,000	50,000
5000-600	OFFICE SUPPLIES	231.00	300	500	500
5000-601	LEGAL ADS	-	300	300	300
5000-602	WEBSITE MAINTENANCE	1,249.88	2,500	2,500	2,500
5000-650	ASSOCIATION DUES	7,600.00	7,600	7,600	7,600
5000-670A	PROJECT COSTS - BOA	126,481.44	100,000	73,519	-
5000-680	DUES & SUBSCRIPTION	850.00	1,000	1,000	1,000
5000-690	TRAVEL & CONFERENCES	2,875.00	4,000	4,000	4,000
5000-700	DEPRECIATION	833.00	-	-	-
5000-790	BUILDING MAINT./DEMOLITION	253.74	-	-	-
5000-800	BAD DEBT	(2,563.89)	-	-	-
5000-810	INSURANCE	4,845.21	5,000	5,000	5,000
	TOTAL OPERATING EXPENSES	<u>223,407.04</u>	<u>198,400</u>	<u>198,400</u>	<u>97,700</u>
OTHER BUDGETARY USES					
	UNRESTRICTED NET POSITION	-	-	-	-
TOTAL BUDGETARY USES		<u>\$ 223,407.04</u>	<u>\$ 198,400</u>	<u>\$ 198,400</u>	<u>\$ 97,700</u>

THE SPECIFIC PURPOSES THAT COMPRISE THE CLASSIFICATION OF NET POSITION, ON THE ACCURAL BASIS, AS OF DECEMBER 31, 2017, ARE AS FOKKOWS:

NET POSITION	
NET INVESTMENT IN CAPITAL ASSETS	\$ 28,536
RESTRICTED FOR REVOLVING LOAN FUND	191,274
UNRESTRICTED	<u>1,061,532</u>
TOTAL NET POSITION	<u>\$ 1,281,342</u>

**RESOLUTION 2018-011 - RESOLUTION APPROVING REQUEST FOR PROPOSALS
FOR INDEPENDENT AUDITOR AND ACCOUNTING SERVICES, AUTHORIZING
DISTRIBUTION THEREOF AND DELEGATING AUTHORITY TO SELECT FIRM TO
PROVIDE INDEPENDENT AUDITOR AND ACCOUNTING SERVICES.**

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 has a Procurement Policy, which sets forth the procedures by which the Agency is to procure goods and services for the Agency; and

WHEREAS, by a resolution duly adopted by the Agency on September 17, 2018, the Agency authorized a request for proposals to be issued in order to secure independent audit and accounting services (an “Auditor RFP”); and

WHEREAS, an Auditor RFP has been prepared and provided to the members of the Agency; and

WHEREAS, the Audit and Finance Committees have reviewed the Auditor RFP and have recommended approval of the Auditor RFP by the Agency; and

WHEREAS, the members of the Agency desire to review and approve the Auditor RFP, in the form presented at this meeting; and

WHEREAS, the members of the Agency desire to distribute the Auditor RFP in the manner used by the Town of Colonie for its requests for proposals, as recommended by the Agency’s Purchasing Officer (as defined in the Procurement Policy), which distribution shall include advertising the Auditor RFP in a newspaper of general circulation within the Town of Colonie and posting the Auditor RFP on BidNet, a website for advertising state and local contracts and requests for proposals (collectively, the “Proposed Distribution Methods”); and

WHEREAS, the members of the Agency desire to delegate the authority to select a firm to provide independent audit and accounting services to the Executive Director, the Chief Financial Officer and the Chairman of the Audit Committee (collectively, the “Authorized Group”), such selection to be made by the Authorized Group following review and evaluation by the Authorized Group of the responses received to the Auditor RFP;

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 the Auditor RFP; (b) authorizes the distribution of the Auditor RFP by the Purchasing Officer pursuant to the Proposed Distribution Methods; and (c) delegates to the Authorized Group the authority to review and evaluate all responses received to the Auditor RFP and to select a firm to provide independent audit and accounting services to the Agency.

Section 2. The Agency hereby directs the Authorized Group to report to the members of the Agency at the next meeting of the Agency the firm selected by the Authorized Group to provide independent audit and accounting services to the Agency.

Section 3. This Resolution 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:

	<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
Carm Basile	X		
Alison Blessing	X		
Peter Gannon	X		
John Kearney	X		
Eric Phillips	X		
Gary Rinaldi			X
Benjamin Syden			X

The Resolution was thereupon declared adopted.