

## Town of Colonie Industrial Development Agency

### Board Minutes December 14, 2015 Meeting

Meeting called to order by Chairman Kearney at 6:30 pm.

Members in attendance:

John Kearney, Chairman

David DeLuca

Gary Rinaldi

Eric Phillips

Robert Tengeler

Members absent:

Benjamin Syden

Agency Counsel: M. Cornelia Cahill, Barclay Damon, LLP

Chief Executive Officer: Joseph LaCivita

Chief Fiscal Officer: Craig Blair

Guests: Edward Neary, Colonie Senior Service Centers, Inc., Executive Director  
Richard Rowlands, Rowlands & LeBrou, PLLC  
Christopher Kelsey, Town Accounting Supervisor

### **Approval of the Minutes**

Mr. Kearney indicated the draft of the September 28, 2015 minutes were in the Board packets for review.

**MOTION: To accept the September 28, 2015 minutes as provided. Motion offered by Robert Tengeler, seconded by David DeLuca, approved by all members in attendance, other than Gary Rinaldi who was not at the September meeting and recused himself from the vote.**

### **Committee Reports**

**Governance** – Nothing to report this evening but Mr. Syden has scheduled a committee meeting on January 25, 2016 at six o'clock.

**Audit** – Mr. DeLuca indicated the committee had been in discussions with the independent auditor regarding services for the year end 2015 and beyond. The Town elected to contract with the current auditors for another four year period with two optional extensions. At that time the auditor offered a fee quote for the audits of the IDA and Colonie Local Development Corporation (LDC). The total fee quote for the two combined entities would not exceed \$13,800 (\$10,800 for the IDA and \$3,000 for the

LDC). This fee structure would be held with no increase for the four year term and two optional extensions. Additionally this combined fee is the same as the last two years of the contract that just expired.

The committee is recommending a renewal for one year, services for the year ending December 31, 2015, to allow for further discussion on the longer term contract.

**MOTION: To accept the proposed contract with SaxBST, LLP for audit services to the Town of Colonie Industrial Development Agency for the year ending December 31, 2015 for a fee not to exceed \$10,800. Motion offered by David DeLuca, seconded by Robert Tengeler, and approved by all members in attendance.**

**Finance** – Mr. DeLuca indicated there was nothing to report this evening.

### **Executive Director Report**

Mr. LaCivita recognized the representatives from the Colonie Senior Service Centers, Inc. and asked them to begin their presentation.

Colonie Senior Service Centers, Inc. – Mr. Neary noted that Colonie Senior Service Centers, Inc. (CSSC) is a not-for-profit entity that has been serving the senior population of Colonie for over 30 years. It contracts with the Town for funding which it then supplements with funding from other sources. It owns and operates the Beltrone Living Center and Sheehy Manor which provide senior apartments at market-rate and low-income levels, respectively. This evening they are here to present the application for financial assistance for a new facility to be constructed at 11 Elks Lane. The assistance requested from the IDA is in the form of a payment in lieu of taxes (PILOT). This will be a 96 unit moderate-rate senior apartment facility with a 5,000 square foot senior center and is anticipated to open in 2017.

Rents are anticipated to range between \$850 for a single bedroom to \$1,300 for a two bedroom, with two bathrooms and a balcony/patio. CSSC has already agreed to the Town's stipulation that rent increases cannot exceed 2% annual without receiving prior consent.

As requested at the September 28, 2015 IDA meeting, CSSC provided a pro forma cash flow for the project reflecting the lack of IDA assistance. This projection resulted in a deficit cash flow after debt service every year and would impact resident rent payments by about \$300 per year, or \$25 per month.

Mr. Kearney inquired as to the concerns expressed by neighbors to the project. Mr. Neary noted they have made significant changes to address the concerns and it appears the only concerns that remain relate to traffic. He indicated all Department of Transportation reports are contrary to the neighbors' concerns so there is little that can be done to address them.

Mr. Phillips noted the requested PILOT was not revised to include an escalation clause even though Mr. Rowlands had indicated at the last meeting he thought this was something CSSC would be willing to negotiate into the agreement. The IDA members all agreed that this needs to be negotiated into the proposed PILOT before it is approved.

Ms. Cahill reminded everyone that the debt being issued related to this project is conduit debt issued by the Town of Colonie Local Development Corporation, which has no responsibility to pay the debt if a default were to occur. Berkshire Bank has given a letter of commitment to the project at this point.

Ms. Cahill indicated if the project is approved, the proposed PILOT will deviate from the Agency's Uniform Tax Exemption Policy and therefore we will need to document why the deviation is acceptable and also send communications to the affected taxing jurisdictions informing them of the deviation. Ms. Cahill stated a public hearing will also be necessary once the project has completed the Town of Colonie planning process.

The meeting was temporarily adjourned between 6:50 and 7:00 to allow the Town of Colonie Local Development Corporation to meet with the representatives of Colonie Senior Service Centers, Inc.

Mr. Kearney thanked Mr. Neary and Mr. Rowlands for attending the meeting this evening and they excused themselves.

### **Executive Director Report, continued**

Mr. LaCivita indicated there was still a significant amount to be completed in the Town's planning process, so it would be some time before the public hearing would be scheduled for the CSSC project.

### **New Business**

2016 Calendar – Mr. LaCivita presented the proposed meeting schedule for 2016, which was included in the Board packages this evening. Meetings in 2016 would be held at 6:30 on January 25<sup>th</sup>, March 21<sup>st</sup>, June 20<sup>th</sup>, September 19<sup>th</sup>, October 17<sup>th</sup>, and December 19<sup>th</sup>.

**MOTION: To accept the proposed 2016 meeting schedule for the Town of Colonie Industrial Development Agency. Motion offered by Robert Tengeler, seconded by Eric Phillips, and approved by all members in attendance.**

Barclay Damon, LLP - Mr. LaCivita indicated we had received an invoice from Barclay Damon, LLP for legal services rendered from December 2014 through December 2015. The invoice is in excess of what the Executive Director is able to approve so the Board needs to approve payment. The invoice is included in the Board packages this evening.

**MOTION: To approve payment of Barclay Damon, LLP's invoice number 4480746 for legal services rendered. Motion offered by Robert Tengeler, seconded by Gary Rinaldi, and approved by all members in attendance.**

NYS Economic Development Council – Mr. LaCivita presented an invoice from the NYS Economic Development Council for an advertisement the Agency placed at Mr. Syden's request in the Council's annual meeting pamphlet back in May 2015. Ms. Cahill discussed the ABO's unfavorable rulings on payment for sponsorships, but this was more in the nature of an advertisement. Mr. Blair and Mr. LaCivita requested the Board approve a motion to pay the invoice.

**MOTION: To approve payment of New York State Economic Development Council invoice number 6824 for an advertisement. Motion offered by Robert Tengeler, seconded by Gary Rinaldi, and approved by all members in attendance.**

Shop Rite - Ms. Cahill indicated there was a meeting between representatives of the Agency and the Shop Rite Project to discuss the concerns the Agency expressed at the June 15, 2015 meeting regarding Shop Rite's actual job creation as opposed to the job creation projections included in the project financial assistance application. Ms. Cahill discussed what Mr. Syden's proposed solution, but Mr. Phillips and Mr. Tengeler had other alternatives they would like to see the Governance Committee discuss before a proposal was made to the full Agency Board.

## **Old Business**

Chamber Loan Fund – Several members began discussing the future of the Small Business Entrepreneurial Loan Program managed by the Albany Colonie Chamber and the fact the ABO does not look favorably on IDAs making loans. It was determined the best course of action is to collect the outstanding loans as they mature, or sell them to the LDC, and not to issue new loans.

**MOTION: For Mr. LaCivita to notify the Albany Colonie Chamber to cease issuing new loans from the Agency's Small Business Entrepreneurial Loan Program. Motion offered by Robert Tengeler, seconded by Eric Phillips, and approved by all members in attendance.**

Meeting adjourned at 7:30 pm.

Next meeting will be January 25, 2016 at 6:30 pm at 347 Old Niskayuna Road, Latham, NY 12110.