

Cohoes Industrial Development Agency
Board of Directors Meeting
April 21, 2020 @ 8:15 a.m.
Via Teleconference

Present

Rod Dion, Bud Hallock, Stanley Szozda, Katie Mayo, Ralph Pascale, Laura Tarlo, Ed Dudwoire

Also in attendance: Michael Durocher, Catherine Hedgeman, A. Joseph Scott, Debbie Jacques,

Members Absent: N/A

Meeting called to order by Rod Dion at 8:13 a.m. with a quorum present

Mr. Dion stated that the meeting was being held via Zoom due to the COVID-19 Virus

APPROVAL OF MINUTES:

Mr. Dion presented the minutes from the January and February meetings. Mr. Dion stated that he had one change to the January minutes Ms. Thibodeau was no longer on the board in January and therefore her name had to be removed from the minutes. Ms. Jacques said she would review her notes and make the changes. Mr. Dudwoire made a motion to accept the minutes as corrected. Mr. Szozda asked if Mr. Dudwoire could make the motion since he was not at the January meeting. Mr. Dion stated that the meeting was available on line for Mr. Dudwoire to view so he could make the motion. Mr. Hallock seconded the motion. Roll was called and all members approved the motion.

Mr. Szozda stated that we did have a March meeting that it was done via telephone conference because it was at the very beginning of the shutdown. Ms. Jacques stated that she has been working both remotely and in City Hall and that she would follow up on her notes from the meeting. Mr. Szozda further stated that he also took notes and he would have them available at the next meeting.

Financial:

Mr. Durocher presented the financial report as of April 17, 2020. He reported that the balance in the operating account as of April 17, 2020 is just under \$331,000. Mr. Durocher further reported that the only expenses have been for legal and accounting and that all expenses are paid to date. He further reported that the property held for investment has remained the same and it basically consists of the Ontario Street properties and a few scattered lots. Mr. Szozda stated that the legal fees are close to what was budgeted for the entire year and it is only April. Mr. Szozda stated that there should be a budget transfer made prior to the next meeting. Mr. Pascale said he would like to hold the finance committee meeting prior to the Executive Committee meeting. Mr. Szozda made a motion to approve the Financial Statements. Mr. Pascale seconded the motion. The Roll was called and all members approved the motion.

Resolution Authorizing the IDA or Order an Appraisal on Property Located at 147 Mohawk Street, Cohoes, NY

Mr. Napier, the Director of Community & Economic Development asked to speak to the board about the old church building located at 147 Mohawk Street. Mr. Napier stated that the building has been privately owned for the past 10 years. He further stated that he had been trying for months to speak to the owner about her plans for the building. She had originally purchased the building with the hope of

renovating it but she is no longer in a position to do any renovations. Mr. Napier stated that the taxes are current and that the owner would be willing to sell the building to the City or a City affiliated entity such as the IDA. Mr. Napier stated that he toured the building with the City Engineer and that it will need some extensive work but the building is sound. He further stated that the building as it stands is an eyesore and an impediment to the downtown improvement. Mr. Napier stated that he is coming to the board today to request that the board authorize the ordering of appraisal to determine fair market value for the property. Mr. Napier further stated that he has already heard from 2 developers stating that they would have some interest in that property. Mr. Szozda questioned why the IDA should purchase the property as opposed to the City. Mr. Napier stated that the IDA has the LOC and the City does not have a budget line for any purchase. Mr. Pascale wanted to know approximately how much the appraisal would cost. Mr. Napier stated that it could be up to \$5,000. Ms. Tarlo asked what the vision would be for the building. Mr. Napier said he would hope that the building could be restored into residential/mixed use. After a brief discussion Mr. Pascale made a motion to authorize ordering an appraisal for 147 Mohawk Street not to exceed \$5,000. Mr. Hallock seconded the motion. Roll was called and all members approved the motion.

Resolution Authorizing the Chairman to sign loan modification documents for Hudson Square loan modification.

Mr. Dion stated that the next item on the agenda was the Resolution Authorizing the Chairman to sign the loan modifications for Hudson Square. He asked Mr. Scott to give the board an update. Mr. Scott reported that in 2016 Prime Sherwood LLC had a Pilot agreement with the IDA for the project located on Delaware Avenue and that it was a leasehold transaction for sale tax, mortgage recording tax and a PILOT payment. He further stated that Prime was now looking to close out the construction financing and move into the permanent financing with Freddie Mac. He further reported that there is no new benefit to Prime the IDA is joining in the execution of the modification documents because we have a leasehold interest in the property. Mr. Durocher asked if there would be a fee charged to Prime and Mr. Scott asked if we have charged in the past and Mr. Durocher stated that the IDA did charge a fee of \$1,500 on the Capital District project. Mr. Scott stated that project with Capital District was a refinance and that the transaction with Prime Companies is a move from construction to permanent financing and that most IDA do not charge a fee but he will take direction from the board if they want to charge a fee. Mr. Pascale asked if Prime has a PILOT for taxes and Mr. Durocher stated that they have a 485b which is the standard 10 year 50% reduction with a 5% increase each year. Mr. Szozda questioned whether the IDA would lose its position if the loan were to go into default under Freddie Mac. Mr. Scott stated the he negotiated that clause out of the documents.

Mr. Pascale asked how much was paid in the agency fee in the beginning, Mr. Scott stated that the initial fee would have been 1% of the project cost so \$250,000. Mr. Durocher stated that there was not agency fee on this PILOT but the developer was responsible for the improvements to the Van Schaick Island pond. He stated that the developer did the clean up around the pond, they installed the dock and they planted trees and did road repair work around the pond. Mr. Pascale suggested that maybe we should be charging a nominal fee for the paperwork. Mr. Scott reported that he would talk to Mr. Durocher regarding the fee. Ms. Tarlo made a motion to approve the resolution. Mr. Hallock seconded the motion. Roll was called and all members approved the motion.

Resolution issuing Decision on Application for Financial Assistance to Harmony Mills Projects

Mr. Dion stated that the next item on the revised agenda was for the Harmony Mills Project and he asked Mr. Scott to update the Board. Mr. Scott reported that over the weekend his office sent out the Resolution directly to the board members and that Section 2 on Page 2 states the boards understanding. Mr. Scott reported that the IDA has been working with the developer on 3 Pilot

application modifications since August of 2018 and that the Board and the developer have been going back and forth on terms and conditions and that at this point we are unable to reach an agreement and the Board is not in a position to approve the PILOT modifications. Mr. Scott stated that the resolution presented today the Board is stating that the Board has determined not to move forward with the PILOT modifications. Mr. Scott reported that the developer can re-apply in the future. Mr. Szozda made a motion to approve the resolution. Mr. Hallock seconded the motion. Roll was called and all members approved the motion.

Discussion of COVID-19 Small Business Community Grant Fund Program

Mr. Dion stated that he would like to update the board on the Small Business Community Grant Fund. Mr. Dion stated that he has been attending virtual meetings with capital district business associations, to discuss the possibility of the IDA joining forces with other communities to pool resources together to establish a community loan or grant fund to distribute to the local businesses. Mr. Dion stated that they are still in the planning phases. Mr. Scott reported that there are still a lot of regulatory review before the IDA could commit to a program. There was discussion between the board members who had concerns that if our IDA were to contribute a certain amount of money, that money would go into a pool of funds to be distributed to other areas and that our small businesses would be shut out. Mr. Dion stated that as soon as he has more information he will present to the board and there could be further discussions to see if the IDA would like to participate.

Updates:

Ms. Hedgeman reported that she is still waiting on numbers from Community Builders regarding the estimated costs for the demo of the buildings. Mr. Pascale asked if we had a timeline for the project. Ms. Hedgeman stated that it could be a 9 to 12 month timeframe once Community Builders receive the tax credits. Mr. Pascale stated that the developer still has to obtaining Planning Board approve and then we would have to start the PILOT process. Mr. Pascale further stated that he has driven past the property on several occasions and he believes it would be in our best interest to post “keep out” signs and maybe fence off the property around the 2 houses and garage. Mr. Dion stated that we will look into further securing the property.

Being no further business Mr. Pascale made a motion to adjourn the meeting. Mr. Hallock seconded the motion. Motion passed unanimously.

Meeting was adjourned at 9:35a.m.