

**Saratoga County Capital Resource Corp.**  
**Meeting Minutes July 28, 2015**  
**Stewart's Office Plaza, Route 9, Malta, NY 12020**

The meeting was called to order at 4:00 p.m. by Chairman Daly.

**Members Present:** Chairman Anita Daly, Matthew Veitch, Arthur Johnson, Valerie Muratori, Eugene Zeltmann, John Wyatt.

**Staff Present:** Raymond O'Connor, CEO; Jeff Reale, CFO; Jim Carminucci, Bond Counsel, Lori Eddy, administrative secretary.

**Absent:** None.

Chairman Daly called the meeting to order at 4:00. Chairman Daly asked Mr. O'Connor to discuss the ABO Board member training. Mr. O'Connor stated that the two newest board members, Mr. Veitch and Mr. Wyatt have completed the ABO Board member training.

**Approval of the April 14, 2015 minutes:**

A motion to approve the minutes was made by Mr. Johnson and seconded by Ms. Muratori. There was no further discussion. All board members voted in favor.

**Invoices for Approval or Ratification:**

The first invoice is for secretarial services in the amount of \$120.00. Chairman Daly asked Mr. O'Connor to discuss the second invoice for Philadelphia Insurance Company in the amount of \$732.00 for the tenant liability policy. Mr. O'Connor stated that insurance coverage is required for our office tenancy. This insurance policy is to provide the insurance coverage required with the agreement we have with the Saratoga County Prosperity Partnership.

A motion was made by Mr. Wyatt and it was seconded by Mr. Veitch to approve the invoices as presented. There was no further discussion. All board members voted in favor.

**Financial & Budget Report, June 30, 2015:**

Mr. Reale stated as of June 30, 2015 there was a balance of \$310,083.87 in the bank. The only revenue is interest in the amount of \$79.00. The expenditures equal \$16,932.55. Mr. Reale stated it has been a quiet quarter and within budget regarding expenses. Chairman Daly asked for a motion to approve the financial and budget reports as of June 30, 2015.

A motion was made by Mr. Johnson to approve the financial and budget reports as of June 30, 2015, seconded by Ms. Muratori. There was no further discussion. All members voted in favor.

Mr. Zeltmann asked about recent news articles regarding authorities and reporting of budgets and financial statements. Mr. O'Connor discussed that the ABO is always looking to make sure that what we are doing is consistent with their policies and the law, as does he and Mr. Reale as CFO. The expenditures that we have are relatively modest. The biggest component is his compensation which is under contract and that contractual arrangement is reported to the ABO. The ABO did contact him about our finances and had a couple of questions, so it is reviewed by them. Mr. Zeltmann asked about the

issue of the promised jobs and the results of what we are doing. Mr. O'Connor discussed the borrowers and the commitments that have been made. Mr. O'Connor stated that in regard to Saratoga Hospital, our last financing was for capital improvements to their facility. He has been there twice to look over the work they have done and it is being done in accordance with the plans they presented. When he put together the annual report earlier this year, he contacted Saratoga Hospital and they gave him an update which he reported to the ABO on the number of construction jobs that were involved in the project, which was consistent with what they had projected. When the project is done he will also get a report on the number of permanent jobs that have been added in the new suite of operating rooms and the other facilities added. They will have to certify the information to us and we, in turn, to the ABO.

Mr. Wyatt asked if there are ramifications if they don't meet the projected numbers. Is that our liability? Mr. Carminucci discussed that the ABO has authority over both IDA's and the CRC. Our mission and the IDA's is not necessarily similar. You are primarily set up to assist not-for-profits. In many instances, what you are doing may not be necessarily tied to job creation. It is not the only issue when considering an application. Mr. O'Connor discussed the Skidmore refinancing application as an example. There was no expectation of increased employment, it was bringing down the cost of debt service for them to fulfill their mission. Ms. Muratori asked if there was a place on the application or the report for that. Mr. O'Connor said it is part of the application process. Mr. Zeltmann stated that in Skidmore's case we had this discussion, at least in part, in terms of whether or not they would maintain the number of jobs. They attested they would do that. He further discussed that it is important to be sure when we are talking to the public or the ABO, that we make these issues clear. Chairman Daly stated we are also a local group tied to the community that is receiving the benefit, therefore by us providing the service, we further our relationship with the college and provide a service to them. Whatever monies we do end up with, we can reinvest back into the community.

Chairman Daly asked Mr. O'Connor to discuss project updates. Mr. O'Connor stated he met with Brian Nealon and Shelly Amato, the CEO and CFO respectively, at The Wesley Community. They have a number of capital projects on their campus in Saratoga Springs. The process of approvals, design, etc. at Exit 12 are going slower than anticipated. The likelihood of our being able to help them with anything this year is remote. Their on campus projects are moving along. There is some possibility that in the fourth quarter they may need some financial help that would involve our organization, but that may go over into 2016.

Mr. O'Connor stated he also had a conversation with the Chairman of the Board of Trustees of Skidmore College. They are still in the quiet phase of raising money for the new Sciences Center which is supposed to be a \$100,000,000 project. They are hopeful of getting commitments for the entire \$100,000,000 from donors. That will certainly be a project with a lot of construction jobs initially. Mr. Johnson asked about projects for assisted living services, or health care facilities such as nursing homes, and whether we could get involved with those types of projects. Mr. Carminucci stated if they are not-for-profit organizations, they could come to us. If they are for-profit, some qualify for tax exempt financing. If they are for-profit, you don't have the ability to assist in the manner that an IDA would for real property and sales tax abatements, etc. Mr. Johnson asked about the Nigro project. They are for-profit. Mr. Carminucci said in order to qualify for tax exempt financing for for-profits, you need to set aside a certain percentage of units as low income, usually 60% to 80%. Ms. Muratori asked about the Universal Preservation Hall and their large capital campaign. Mr. O'Connor stated he had talked to Executive Director Teddy Foster about the project and will follow up with her. Chairman Daly asked about the medical marijuana dispensaries. Mr. Carminucci stated that he assumes they are going to be for-profit organizations and probably will end up going through the IDA.

Chairman Daly wanted to introduce the new President of the Saratoga County Prosperity Partnership, but he was out of the office. She stated the Partnership is planning an event sometime in the fall and she would like to invite all of the board members to attend the event and meet Marty Vanags. There will be other invited guests. They have not set the date yet.

Chairman Daly discussed the Capital Region Economic Development Council. She and Mr. Johnson have been involved for several years. A consultant working with the Council to develop a plan to compete for a substantial amount of funding through a revitalization initiative or URI fund. The best plan wins and the winner receives \$500,000,000 over the next 5 years. The contract is with The Mackinzie Group. The Council would like to see participation by each county in the amount of \$100,000 to help offset the \$2,000,000 consulting fee. Saratoga County IDA is deliberating over their commitment for funding. The Prosperity Partnership voted last week to contribute \$50,000. The ABO is not going to grant permission to use the money for this, but what they are saying is if you can show this plan will benefit your region from an economic development perspective, they will not criticize you for using your funds toward this plan. The question is if we want to consider some small amount to participate with the rest of the contributors from Saratoga County. She assumes the IDA will be doing something. Chairman Daly stated maybe \$5,000 from the CRC would be appropriate. It is something for everyone to think about as the process goes forward.

Mr. Johnson stated there are some materials we could send to the members. Even if we are not one of the successful regions, there is a deliverable plan that can be useful. Ms. Muratori asked if this would be regional for the Capital District. Mr. Johnson stated there are eight counties in the Capital District region. The councils are all in competition for funding. Mr. Carminucci stated they all have to submit a plan. Mr. Zeltmann asked about the timeline on this. He is aware that applications are due by the third week in August. If that is the case, we are very late in the game, and too late to have input. Mr. Johnson stated the plan is going forward, they are looking for support and our name would be associated with it whether we do it today or later. Chairman Daly stated that she supports the idea of bringing in a consultant to write the plan. Chairman Daly asked the Board to give this some more thought. Mr. O'Connor will distribute additional information to the board members by email.

Mr. O'Connor stated our next regularly scheduled meeting is October 27, 2015. Mr. O'Connor stated that a Governance Committee and a Finance Committee meeting will precede the regular board meeting. Mr. O'Connor asked the members of those respective Committees if they would like to meet at 3:30 and 3:50 p.m. prior to the regular Board meeting. All were in agreement to this timeframe for the Committee meetings.

Chairman Daly asked if there was any further business for discussion. Chairman Daly then asked for a motion to adjourn the meeting.

There being no further business to discuss, a motion to adjourn was made by Mr. Johnson, seconded by Mr. Zeltmann. All were in favor and the meeting was adjourned at 4:42 p.m.

Respectfully submitted,

Lori A. Eddy, Administrative Secretary

Approved \_\_\_\_\_ Date \_\_\_\_\_