

 TROY COMMUNITY LAND BANK

**Finance Committee Meeting minutes**

**Monday February 25, 2019**

**8:30 AM**

**200 Broadway, Suite 701**

**Troy, NY 12180**

The Troy Community Land Bank Corporation will hold a Finance Committee meeting on Monday,

 February 25, 2019 at 8:30 am at the Land Bank’s office, 200 Broadway, Suite 701, Troy, NY 12180

1. **Call to Order**The Chair called the meeting to order at 8:33 AM.
2. **Roll Call**Present: Sharon Nichols, Chair; John Carmello, committee member; John Cubit, committee member; Tony Tozzi, staff.

The Chair announced a quorum existed.
3. **Approval of Prior Meeting’s Minutes**The Chair asked Mr. Tozzi what the status of the minutes of the November 19, 2018 meeting was. Mr. Tozzi replied that Chris Brown would have drafted those minutes. He also stated that he had notes from that meeting and had hoped to draft minutes from those, but discovered the notes were for his use, not to prepare minutes from, and therefore were not sufficient. Mr. Tozzi stated that he planned to contact Mr. Brown to inquire as to whether he had notes of the November 19th meeting and, if so, he would prepare minutes from those. Mr. Cubit. Mr. Carmello stated that he seemed to recall that Chris Brown circulated meeting minutes. Mr. Tozzi said he would look to try to find them

Ms. Nichols stated that there was another Finance Committee meeting since November 19th and the present meeting, but noted that there was no quorum so the meeting was simply a conversation.
4. **Discuss Status of Funding/Round 3 Extended Budget**Ms. Nichols asked Mr. Tozzi what the status of the Round 3 budget was, noting that she recalled Tania/ECP wanted him to submit a proforma for the proposed 791 River Street renovation. Mr. Tozzi replied that he has a standing phone meeting with Tania the first Thursday of each month, and that she has requested that an updated proforma and construction schedule be submitted. Mr. Tozzi added that Tania’s request was certainly appropriate and that providing her with the information she is requesting is not a heavy lift. He further added that Tania obviously wants to track progress so she knows the status of projected completion by May 2, 2019.

Mr. Cubit stated that he was at the building earlier today and saw activity going on. Mr. Tozzi stated that environmental remediation was being conducted and that the GC plans to begin construction work immediately following the completion of remediation.

Ms. Nichols asked Mr. Tozzi if the project was on track to be completed on time. Mr. Tozzi replied that the project got off to a slower than expected start because the posting of remediation activities requires display for 10 days before that work could start, so there is a loss of about a week.

Ms. Nichols inquired where that puts the overall timetable, and Mr. Tozzi replied that the GC has 120 days per contract terms to complete the project, which would theoretically push past the May 2nd deadline. He added that the real factor is not necessarily full completion by May 2nd to satisfy ECP, but that there be substantial progress. If substantial progress meets ECP satisfaction, they would disburse remaining Round 3 funds, which is ECP’s real objective because they need to disburse all CRI III funds by May 2nd or return leftover funds to the bank that the OAG settled with.

Ms. Nichols asked how 288 Tenth Street factored into ECP’s requirements. Mr. Tozzi replied that it would be good if the property were sold by May 2nd, but that there is probably some wiggle room. Soon after 791 River Street is completed Mr. Tozzi will need to submit a final Round 3 report to ECP and, at that point, whatever the status is of 288 Tenth Street will be part of that final record. Mr. Tozzi also stated that because ECP is not providing any funding for 288, their concern is not nearly as great as it is for 791.
5. **Discuss 791 River Street Proforma**This discussion was conducted simultaneously with the discussion of Round 3 funding, immediately above.
6. **Discuss Status of Audit**Ms. Nichols noted that, although this Committee is not the Audit Committee, given that a reconstituted Audit Committee has not yet been established, she would like to know what the status of the 2018 Audit is. Mr. Tozzi noted that he has completed very little to date and that he was in the audit ‘portal’ where information is uploaded, he noticed he was last active in the portal 22 days ago. Mr. Tozzi stated that he went through the information the Auditor, Bonadio & Company, was requested and he asked several questions to clarify exactly what information was needed. He further stated that he believes he needs to meet with Mike Fallon/Bowers & Company, who is the TCLBC’s accountant, so they can both go down the laundry list of information needed and sort out who will provide what. Mr. Tozzi said that he feels that he needs to hone down and upload as much information as possible.

Ms. Nichols encouraged that and stated that it would be good to get as much information to Bonadio as quickly as possible, because that has a strong tendency to please auditors.
Ms. Nichols noted that it is important for the audit to be completed on time, and that it will not be helpful to have a late audit which could impact the annual meeting. Mr. Tozzi noted that the annual meeting is just around the corner and that the presentation is not that difficult, as it is simply a PowerPoint presentation. He further stated that, due to limited time and work load, he plans to complete a more simplistic presentation.

Mr. Tozzi stated that last year’s presentation was largely prepared by Chris Brown rather than him, primarily because Mr. Tozzi came on board towards the end of 2017 and therefore Mr. Brown could produce the presentation faster and more accurately.
7. **Discuss Other Compliance/Funding Matters including Paris reports**Ms. Nichols stated that Chris Brown had been the only person who knew how to complete the PARIS reporting, and that now she and Mr. Tozzi will need to learn the process to get the reporting completed. Ms. Nichols further stated that she pulled last year’s PARIS report so that she and Mr. Tozzi could go through and simply ‘update’ from last year’s information. Mr. Tozzi replied that he felt her approach was very good. Ms. Nichols stated that ‘we will be learning as we go’.

Mr. Tozzi stated that Kate Hedgeman had some staff with experience with PARIS reporting and that her office would be sending him a list of the information needed, that Mr. Tozzi would provide that information to her office for their review and, once information is deemed correct by her office, it would be uploaded to PARIS.
8. **Discuss Working Capital Loan**Ms. Nichols stated that obtaining a working capital loan has been something that has been talked about in the past, and that she felt a working line of credit will be needed given the large volume of expenses anticipated.

Mr. Carmello asked if anyone has met with the Community Loan Fund. Mr. Tozzi replied that he and Chris Brown met with them twice, and the CLF representatives seemed very eager to work with the TCLBC. Mr. Tozzi also indicated that, due to the staffing challenges, he and Mr. Brown have continually been needing to address immediate needs, which had prevented them from making application to CLF for a revolving loan. Mr. Tozzi also noted that Mr. Brown did an outstanding job researching and identifying grant and other financial resources that could be used for the River Street rehab initiative, but that these opportunities simply passed by due to the constant scrambling to barely keep up, or not keep up, with ongoing workload.

Mr. Tozzi stated that he felt that the CLF would be an outstanding resource that it hasn’t disappeared, and that all that really needs to happen is to sit down with CLF staff and work through the application process, which CLF reported was not too burdensome.

Mr. Cubit stated that he has worked with them in the past and that they were very helpful. He further stated that the CLF would likely be a good resource for a good-sized TCLBC project. Mr. Tozzi replied that that was exactly what was discussed when they met, and that the CLF normally creates a revolving loan between $500,000 to $1,000,000, but that because this would be the first initiative the CLF would be working on for the TCLBC they felt the loan cap should start at $250,000 and could move upward as TCLBC evolved and the mutual relationship grew.

The Committee began to discuss where the TCLBC can gain grant resources. Mr. Tozzi stated that there are a good number of grant writers available, but the key is to find someone who is good at both finding grant opportunities and submitting a well prepared application. Ms. Nichols asked if the future “Partner” could serve that purpose and Mr. Tozzi replied that they could very well do so.

Mr. Tozzi provided a description of how the lack of staffing has actually cost the TCLBC a substantial amount of money. He stated that, if he or Chris Brown could have written a grant, or if they even had the ability realize there was an imminent need to hire a grant writer, a substantial amount of grant and financial resources could have been packaged for the 791 River Street renovation. The realistic impact is that the TCLBC is likely to lose about $100,000 to $150,000 simply because staffing capacity has been so insufficient.

The Committee discussed the status of the RFP that Unity House and TRIP. Mr. Tozzi explained how the RFP was modeled and that he always expected that whatever organization responding to the RFP would come in with an initially high cost, because the RFP asked for all services needed, and because it was unknown who would respond and what services they could provide. The subsequent expectation was that there would need to be a negotiation between a selected respondent and the TCLBC to sort out what services the ‘Partner’ could best perform, what services the TCLBC could perform, and what services could or should be outsourced. That process was anticipated to ‘tailor’ services to best meet the needs of the TCLBC while simultaneously reducing the overall costs for actual services to be provided.
9. **Discuss Other Possible Funding Sources/Grants**Ms. Nichols stated that it seemed other possible funding resources would likely come from the selected Partner.

Mr. Tozzi stated that it may be worth the effort to meet with the County to see if they have an interest to begin working with the TCLBC, either on a project-by-project basis, or in a broader manner. He stated it had been something Heather King suggested some time ago. Ms. Nichols replied that it could not hurt to talk, and that you never know where a discussion could lead.

Ms. Nichols asked if anyone had other matters they wished to discuss. Mr. Cubit provided his opinion regarding the relationship between the City and the TCLBC. This opened into a general conversation about the same topic.
10. **Adjourn Meeting**There being no other business, Chair Nichols requested a motion to adjourn the meeting. Mr. Carmello made a motion to adjourn which was seconded by Mr. Cubit and the motion passed unanimously.

Chair Nichols declared the meeting adjourned at 9:39 AM.

Respectfully Submitted,

Tony Tozzi