

# Albany Industrial Development Agency

21 Lodge Street  
Albany, New York 12207  
Telephone: (518) 434-2532  
Fax: (518) 434-9846

Anthony J. Ferrara, *Chairman*  
Kathy Sheehan, *Treasurer*  
Susan Pedo, *Secretary*  
Martin Daley  
C. Anthony Owens  
Tracy Metzger  
Lee Eck

Michael Yevoli, *Chief Executive Officer*  
Erik J. Smith, *Chief Financial Officer*  
John Reilly, *Agency Counsel*

To: Anthony J. Ferrara      Michael Yevoli  
Kathy Sheehan            Erik Smith  
Susan Pedo                John Reilly  
Martin Daley              Joseph Scott  
C. Anthony Owens       Sarah Reginelli  
Tracy Metzger            Bradley Chevalier  
Lee Eck

Date: November 12, 2013

## AGENDA

PLEASE NOTE THAT PUBLIC HEARINGS CONCERNING THE FOLLOWING PROJECTS WILL BE HELD AT 11:30am ON  
Wednesday, November 13, 2013 at 21 Lodge Street, Albany, NY 12207

488 Broadway Arcade LLC  
132 State Street Properties LLC  
136 State Street Properties LLC  
Aeon Nexus Corporation  
140 State Street Properties LLC  
144 State Street LLC  
67 Howard Street LLC

A meeting of the Finance Committee of the City of Albany Industrial Development Agency will be held on **Wednesday, November 13<sup>th</sup> at 12:15PM** at 21 Lodge Street, Albany, NY 12207 (Conference Room)

### Roll Call

### Reading of Minutes of the Finance Committee Meeting of October 9th, 2013

### Approval of Minutes of the Finance Committee Meeting of October 9th, 2013

### Unfinished Business

- 488 Broadway Arcade LLC
- 132 State Street Properties LLC
- 136 State Street Properties LLC
- Aeon Nexus Corporation
- 140 State Street Properties LLC
- 144 State Street LLC
- 67 Howard Street LLC
- 677 Broadway LLC

### New Business

- 412 Broadway Realty, LLC
- 40 Stueben LLC
- Park South Partners LLC
- Albany Medical Center – 391 Myrtle Avenue (MOB)
- Columbia Harriman 455 LLC

### Other Business

### Adjournment

\* The next regularly scheduled meeting is Thursday, November 21, 2012 at 21 Lodge Street, Albany, NY 12207

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Erik J. Smith, *Chief Financial Officer*  
John Reilly, *Agency Council*

## IDA MINUTES OF FINANCE COMMITTEE MEETING Wednesday, October 9th

Attending: Martin Daley, Kathy Sheehan, Susan Pedo, C. Anthony Owens and Tracy Metzger

Absent:

Also Present: Michael Yevoli, Erik Smith, Joe Scott, Sarah Reginelli, Brad Chevalier, Amanda Vitullo & Amy Gardner

Chairman, Martin Daley, called the Finance Committee meeting of the IDA to order at 12:15 PM.

### Roll Call

Chairman, Martin Daley, reported that all Committee members were present.

### Reading of Minutes of the Finance Committee Meeting Minutes of September 19th, 2013

Since the minutes of the September 19<sup>th</sup>, 2013 meeting had been distributed to the Committee members in advance for review, Chairman Martin Daley made a proposal to dispense with the reading of the minutes.

### Approval of Minutes of the Finance Committee Meeting Minutes of September 19th, 2013

Chairman Martin Daley made a proposal to approve the minutes of the Finance Committee meeting of September 19<sup>th</sup>, 2013. A motion to accept the minutes, as presented, was made by Anthony Owens and seconded by Kathy Sheehan. A vote being taken, the minutes were accepted unanimously.

### Unfinished Business

#### 488 Broadway Arcade LLC

Staff advised the Committee that they had received a revised PILOT request per the comments of the Finance Committee. Staff advised the Board that they had completed the comparison of the current proposal to the 485-a. The question of an appropriate assessment of the property was also discussed. The use of Historic Tax Credits was discussed. Staff would schedule a public hearing for the project for November.

132 State Street Properties LLC, 136 State Street Properties LLC, Aeon Nexus Corporation, 140 State Street Properties LLC, 144 State Street LLC, 67 Howard Street LLC

Staff advised the Committee that they had received a revised PILOT request per the comments of the Finance Committee. Joe Nicolla and Debra Lambek of Columbia Development, representatives for the projects, were present to discuss the projects and answer questions. The Committee asked the staff if any of the properties would be eligible for the 485-a Tax Abatement; 140 State Street would be eligible. The use of 67 Howard Street for the construction of a parking garage was reviewed. The profitability of parking garages and the proposed request was discussed. Mr. Nicolla advised the Committee that the parking garage and a banquet facility are requirements of the Renaissance by Marriott hotel. The economic impact of the Hotel and potential spending multiplier effects of the project were discussed. The possibility of growth and future construction on the site was discussed. Staff would schedule public hearings for each project for November.

### **New Business**

#### 2014 Draft Budget

Erik Smith advised the Board that in accordance with the Public Authorities Accountability Act, authorities with a fiscal year ending on December 31 are required to adopt the subsequent year's operating budget by November 1. Mr. Smith reviewed the proposed 2014 budget and 2013 year-to-date performance with the Board. The budgeted amount of two expenditure items, the management contract and the sub-lease AHCC, have increased in the proposed 2014 budget when compared to the 2013 budget. Developing a pilot program incentivizing applicants to encourage employees to utilize public transit was discussed. Setting aside agency funds to develop the pilot program was reviewed, but not acted upon. With the exemption of the increase in the two expenditure items the proposed 2014 budget is consistent with the 2013 budget and assumes approximately, \$110 million in project activity for 2014. Staff advised the Committee that the budget can be amended after it is approved for revenue increases. The Committee agreed that the project should be moved to the full Board for consideration.

### **Other Business**

There being no further business, Chairman Martin Daley adjourned the meeting at 12:40PM.

Respectfully submitted,

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(Assistant) Secretary



HISTORIC ALBANY FOUNDATION

Chairman Anthony Ferrara  
c/o Commissioner Michael Yevoli  
Industrial Development Agency  
The City of Albany  
21 Lodge Street  
Albany, NY 12207

October 17, 2013

Dear Chairman Ferrara and members of the IDA Board:

On the behalf of the Historic Albany Foundation (HAF) staff and Board of Directors, I would like to express our support for the 144 State Street LLC on behalf of the Marriott Corporation that seeks to redevelop the vacant Dewitt Clinton Hotel as a “Renaissance by Marriott” hotel. We feel that this project, alongside the critical redevelopment of the adjacent Wellington Row/State Street properties, will serve as an urban catalyst for downtown revitalization, economic vitality and increased commercial activity.

Rehabilitating the former Dewitt Clinton Hotel symbolizes positive, forward movement in the long awaited downtown revitalization efforts and when completed, will attract other likeminded hospitality and heritage tourism industries and companies. A good historic preservation project coupled with excellent economic development goals makes a great partnership. As 144 State Street LLC/Marriott Corporation makes its commitment to rehabilitate this important historic icon it will also help the City of Albany to attract other corporations and small businesses. The investment and subsequent leverage in the downtown area and surrounding neighborhoods will be monumental.

The DeWitt Clinton Hotel was built in 1927 as a twelve story “modern” hotel with brick and stone trim facades facing State, Eagle and Howard Streets. It was built during a period of prosperity as Albany’s prominence as a transportation center increased and a number of grand hotels were constructed. As a contributing structure to the Downtown Albany Historic District, the building retains a high degree of architectural integrity despite having ceased its use as hotel in the mid-1970s. Unlike many other buildings of this vintage that have fallen into disrepair, the DeWitt Clinton Hotel has been somewhat maintained with commercial and housing activities over a long period of time. Thus, the hotel will be restored as a valuable structure on one of our most important main streets in Albany.

This project also offers an opportunity to establish a model for successful rehabilitation and revitalization. It is our understanding that 144 State Street LLC and the Marriott Corporation already recognize the importance of this landmark building. As such, this project is eligible for, and we understand that Columbia Development has been making inroads, to using State and Federal Rehabilitation Tax Credits. While the IDA application projects that 162 new jobs will be created, it is important to note that with respect to the projected 200 construction jobs, historic preservation creates more *local* jobs, uses more *local* materials and supports more *small businesses* than building new thus sustaining a healthier local economy.

*IDA Comments on 144 State Street LLC/Marriott Corporation*

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I therefore urge the IDA Board to support their requests in their application, to have the City be a partner in the revitalization of this downtown landmark and to encourage this historic rehabilitation project as a model for the ongoing preservation and revitalization of our precious architectural resources.

Very truly yours,

A handwritten signature in cursive script that reads "S. Herlands Holland". The signature is written in black ink and is positioned above the typed name.

Susan Herlands Holland  
Executive Director

cc. City of Albany Planning Board  
City of Albany Historic Resource Commission  
Joe Nicolla, President, Columbia Development Cos.

## **MEMO**

**TO:** City of Albany IDA Finance Committee  
**FROM:** City of Albany Industrial Development Agency Staff  
**RE:** 488 Broadway Arcade LLC  
**DATE:** November 8, 2013

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No changes have occurred as it pertains to the requested financial assistance for this project. Staff seeks further feedback and direction from the Committee.

**488 Broadway Arcade LLC: Revised PILOT Analysis**

PILOT Year	City and County Tax Year	School Tax Year	Tax Rate <sup>(6)</sup>	Status Quo		Proposed Project									
				Estimated Total Assessment <sup>(7)</sup>	Estimated Total Taxes <sup>(8)</sup>	Normal Tax		485a Tax Abatement (For Comparison Purposes)			Applicant Requested PILOT				
						Estimated Total Improved Assessment <sup>(9)</sup>	Estimated Total Taxes w/o PILOT <sup>(10)</sup>	Estimated PILOT Payments and Normal Taxes <sup>(11)</sup>	Estimated Abatement Savings <sup>(12)</sup>	% of Abatement on Improved Assessment <sup>(13)</sup>	Estimated PILOT Payments <sup>(14)</sup>	Estimated Abatement Savings <sup>(15)</sup>	% of Abatement on Improved Assessment <sup>(16)</sup>		
Interim <sup>(1)</sup>	2014	2013/2014	\$46.73	\$1,000,000	\$46,733	-	-	-	-	-	-	-	-	-	-
1 <sup>(2)</sup>	2015	2014/2015	\$48.13	\$1,000,000	\$48,135	\$6,800,000	\$327,317	\$48,135	\$279,183	100%	\$48,135	\$279,183	100%		
2	2016	2015/2016	\$49.58	\$1,000,000	\$49,579	\$6,800,000	\$337,137	\$49,579	\$287,558	100%	\$49,579	\$287,558	100%		
3	2017	2016/2017	\$51.07	\$1,000,000	\$51,066	\$6,800,000	\$347,251	\$51,066	\$296,185	100%	\$51,066	\$296,185	100%		
4	2018	2017/2018	\$52.60	\$1,000,000	\$52,598	\$6,800,000	\$357,669	\$52,598	\$305,070	100%	\$52,598	\$305,070	100%		
5	2019	2018/2019	\$54.18	\$1,000,000	\$54,176	\$6,800,000	\$368,399	\$54,176	\$314,222	100%	\$54,176	\$314,222	100%		
6	2020	2019/2020	\$55.80	\$1,000,000	\$55,802	\$6,800,000	\$379,451	\$55,802	\$323,649	100%	\$55,802	\$323,649	100%		
7	2021	2020/2021	\$57.48	\$1,000,000	\$57,476	\$6,800,000	\$390,834	\$57,476	\$333,359	100%	\$57,476	\$333,359	100%		
8	2022	2021/2022	\$59.20	\$1,000,000	\$59,200	\$6,800,000	\$402,559	\$59,200	\$343,359	100%	\$59,200	\$343,359	100%		
9	2023	2022/2023	\$60.98	\$1,000,000	\$60,976	\$6,800,000	\$414,636	\$131,708	\$282,928	80%	\$60,976	\$353,660	100%		
10	2024	2023/2024	\$62.81	\$1,000,000	\$62,805	\$6,800,000	\$427,075	\$208,513	\$218,562	60%	\$62,805	\$364,270	100%		
11	2025	2024/2025	\$64.69	\$1,000,000	\$64,689	\$6,800,000	\$439,887	\$289,808	\$150,079	40%	\$102,209	\$337,678	90%		
12 <sup>(3)</sup>	2026	2025/2026	\$66.63	\$1,000,000	\$66,630	\$6,800,000	\$453,084	\$375,793	\$77,291	20%	\$105,275	\$347,809	90%		
13	2027	2026/2027	\$68.63	\$1,000,000	\$68,629	\$6,800,000	\$466,676	\$466,676	-	-	\$108,434	\$358,243	90%		
14	2028	2027/2028	\$70.69	\$1,000,000	\$70,688	\$6,800,000	\$480,677	\$480,677	-	-	\$111,687	\$368,990	90%		
15	2029	2028/2029	\$72.81	\$1,000,000	\$72,808	\$6,800,000	\$495,097	\$495,097	-	-	\$115,037	\$380,060	90%		
16	2030	2029/2030	\$74.99	\$1,000,000	\$74,993	\$6,800,000	\$509,950	\$509,950	-	-	\$161,984	\$347,966	80%		
17	2031	2030/2031	\$77.24	\$1,000,000	\$77,242	\$6,800,000	\$525,248	\$525,248	-	-	\$166,844	\$358,405	80%		
18	2032	2031/2032	\$79.56	\$1,000,000	\$79,560	\$6,800,000	\$541,006	\$541,006	-	-	\$171,849	\$369,157	80%		
19	2033	2032/2033	\$81.95	\$1,000,000	\$81,946	\$6,800,000	\$557,236	\$557,236	-	-	\$177,004	\$380,232	80%		
20 <sup>(4)</sup>	2034	2033/2034	\$84.40	\$1,000,000	\$84,405	\$6,800,000	\$573,953	\$573,953	-	-	\$182,315	\$391,639	80%		
Permanent <sup>(5)</sup>	2035	2034/2035	\$86.94	\$1,000,000	\$86,937	\$6,800,000	\$591,172	-	-	-	-	-	-		
<b>Estimated Total<sup>(17)</sup></b>					<b>\$1,293,403</b>		<b>\$8,795,142</b>	<b>\$5,583,697</b>	<b>\$3,211,445</b>		<b>\$1,954,450</b>	<b>\$6,840,692</b>			

Notes:

(1) Property will likely be taxable until March 1st, 2014. Project would likely close with Agency in January or February of 2014.

(2) Estimated start of PILOT payments.

(3) Estimated end of 485a Tax Abatement (shown for comparison reasons)

(4) Estimated end of PILOT payments assuming Applicant Requested PILOT.

(5) Property returns to taxable status.

(6) Estimated tax rate (does not include any special ad valorem taxes that are still payable under PILOT) based on City and County 2013 tax year plus a 4% escalator and School 2013/2014 tax with estimated escalation of 3% thereafter.

(7) Based on estimated reduction in assessment challenge.

(8) Estimated taxes if proposed project did not occur (i.e. left status quo).

(9) Per Commissioner of Department of Assessment & Taxation based on estimate of \$100,000 per unit (inc. land and improvement assessment value). Assessment value is not fixed.

(10) Estimated taxes if proposed project occurred without PILOT assistance.

(11) Estimated PILOT Payments and Normal Taxes for Years 13-20 assuming 485a Tax Abatement (shown for comparison reasons)

(12) Difference of Estimated PILOT Payments from Estimated Total Taxes w/o PILOT assuming 485a Tax Abatement (shown for comparison reasons)

(13) Percent abatement on increased assessment via PILOT assuming 485a Tax Abatement (shown for comparison reasons)

(14) Estimated PILOT Payments assuming Applicant Requested PILOT

(15) Difference of Estimated PILOT Payments from Estimated Total Taxes w/o PILOT assuming Applicant Requested PILOT

(16) Percent abatement on increased assessment via PILOT assuming Applicant Requested PILOT

(17) Totals for comparison and analysis during PILOT agreement period only.

\*\*\*Analysis is ONLY an estimate\*\*\*

# MEMO

**TO:** City of Albany IDA Finance Committee

**FROM:** City of Albany Industrial Development Agency Staff

**RE:** 132 State Street Properties, LLC; 136 State Street Properties, LLC; Aeon Nexus Corporation; and 140 State Street Properties, LLC

**DATE:** November 8, 2013

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As you will recall, after receiving comments on the PILOT request from the Finance Committee at the September meeting, the Applicant presented a revised PILOT request at the Committee's October meeting. The revised PILOT request includes the reduction of the duration of the PILOT from 20 to 12 years and modifies the percentage abatement amounts.

<b>% of Abatement Comparison Chart</b>		
<b>PILOT Year</b>	<b>Original Proposed % of Abatement on Improved Assessment<sup>(12)</sup></b>	<b>Revised Proposed % of Abatement on Improved Assessment<sup>(12)</sup></b>
1	100%	100%
2	100%	100%
3	100%	100%
4	100%	100%
5	100%	100%
6	100%	100%
7	100%	100%
8	85.71%	100%
9	85.71%	80%
10	71.43%	60%
11	71.43%	40%
12	57.14%	20%
13	57.14%	Taxable Status
14	42.86%	Taxable Status
15	42.86%	Taxable Status
16	28.57%	Taxable Status
17	28.57%	Taxable Status
18	14.29%	Taxable Status
19	14.29%	Taxable Status
20	7.14%	Taxable Status



Staff presented the revised PILOT to the Finance Committee in October for discussion. The revised PILOT was received positively by the Committee.

Staff seeks further feedback and direction from the Committee. Would the Committee, contingent upon receipt of all land-use approvals in November, consider providing a recommendation to the Board that at its December 19<sup>th</sup> meeting for all necessary approval resolutions for the 132 State Street Properties, LLC; 136 State Street Properties, LLC; Aeon Nexus Corporation; and 140 State Street Properties, LLC?

**TO:** City of Albany Industrial Development Finance Committee

**FROM:** City of Albany Industrial Development Agency Staff

**RE:** 144 State Street LLC – Revised Project Summary

**DATE:** November 8, 2013

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*Staff Notes:*

*This project summary is in response to the request for financial assistance by the Applicant which was introduced at the September 19<sup>th</sup> Finance Committee meeting. A public hearing resolution was approved at the September 19<sup>th</sup> Board meeting. The project was subsequently discussed at the October 9<sup>th</sup> Finance Committee. This project summary is the result of the work staff has performed per the direction of the Finance Committee at the October 9<sup>th</sup> meeting. The Applicant has submitted a revised PILOT request for Finance Committee review. The revised PILOT request includes the reduction of the duration of the PILOT from 20 to 15 years and modifies the percentage abatement amounts. Staff seeks feedback from the Committee. Please note this project summary will continue to be updated as the project progresses through staff review and Agency consideration.*

**Applicant:** 144 State Street LLC

**Managing Members (% of Ownership):** Joseph R. Nicolla (51%) and Richard A. Rosen (49%)

**Project Location:** 142 State Street

**Project Description:** Proposed acquisition of a parcel of land along with the acquisition of and renovation of a historic, existing 180,000 SF +/- building into a 204 +/- hotel with banquet/event space. The project includes the installation of tenant finishes, personal property, fixtures, furniture and equipment.

**Estimated Project Cost:** \$46,960,257

**Type of Financing:** Straight Lease

**Amount of Bonds Requested:** None

**Estimated Total Purchases Exempt from Sales Tax:** \$17,450,000

**Estimated Total Mortgage Amount:** \$32,000,000

**Current Total Assessment:** \$1,000,000 (per Commissioner of Department of Assessment & Taxation)

**Estimated Improved Total Assessment:** \$20,400,000 (per Commissioner of Department of Assessment & Taxation)

**Requested PILOT:** Applicant proposes entering into a 15 year PILOT agreement with the IDA in which annual payments in lieu of taxes will be calculated by adding A) an amount equal to

one hundred percent (100%) of the Normal Tax due with respect to the current total assessment (i.e. the “base” assessment) and B) an amount equal to a percentage of the Normal Tax due with respect to the additional improved assessment from completion of the project. Please see attached Revised PILOT Analysis for specifics.

Below is a comparison of original proposed percent of abatement schedule versus the revised proposed percent of abatement schedule.

<b>% of Abatement Comparison Chart</b>		
<b>PILOT Year</b>	<b>Original Proposed % of Abatement on Improved Assessment<sup>(12)</sup></b>	<b>Revised Proposed % of Abatement on Improved Assessment<sup>(12)</sup></b>
1	100%	100%
2	100%	100%
3	100%	100%
4	100%	100%
5	100%	100%
6	100%	100%
7	100%	100%
8	85.71%	100%
9	85.71%	100%
10	71.43%	100%
11	71.43%	83.33%
12	57.14%	66.67%
13	57.14%	50.00%
14	42.86%	33.33%
15	42.86%	16.67%
16	28.57%	Taxable Status
17	28.57%	Taxable Status
18	14.29%	Taxable Status
19	14.29%	Taxable Status
20	7.14%	Taxable Status

**Estimated Value of Total PILOT Payments:**

- Total PILOT Payments: \$4,292,288
  - As compared to \$4,650,397 over first 15 years of previously proposed 20 year PILOT (difference of -\$358,109). If a comparison is made over 20 years, where the original proposed 20 year PILOT is compared to the proposed revised 15 year PILOT and an additional 5 years of full taxes, the total estimated PILOT payments during the original proposed 20 year PILOT would be \$11,364,151 while the total estimated PILOT payments and taxes during the proposed revised 15 PILOT year

PILOT and an additional 5 years of full taxes would be \$12,414,468 (difference of +\$1,050,317 with the project listed as taxable 5 years earlier).

**Estimated Value of Tax Exemptions:**

- NYS Sales and Compensating Use Tax: \$1,396,000
- Mortgage Recording Taxes: \$400,000
- Real Property Taxes: \$13,970,959 (*Not a Net Present Value*)
- Other: N/A

**Employment Impact:**

- Projected Permanent: (162) new jobs
- Projected Construction: (200) jobs

**Other Economic Impacts:**

- Increases local and state sales tax revenues
- Increase in hotel occupancy tax revenues
- Increases Downtown BID revenues that will be used to further the betterment of the district

**Strategic Initiatives:**

- Albany 2030
  - Increase job opportunities for all residents.
  - Encourage investment in urban land and buildings for employment and housing through development, redevelopment, rehabilitation and adaptive reuse.

**Planning Board Actions:**

- In the process of seeking necessary approvals from Board of Zoning Appeals and Planning Board.

**Estimated IDA Fee**

- Fee amount: \$469,603

**Mission**

- The purpose of the Industrial Development Agency is to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, research and recreation facilities. The Agency aims to protect and promote the health of the inhabitants of the City of Albany by the conservation, protection and improvement of the natural and cultural or historic resources and environment and to control land, sewer, water, air, noise or general environmental pollution derived from the operation of industrial development.

**144 State Street Properties LLC: Revised PILOT Analysis**

PILOT Year	City and County Tax Year	School Tax Year	Tax Rate <sup>(5)</sup>	Status Quo		Proposed Project				
				Estimated Total Assessment <sup>(6)</sup>	Estimated Total Taxes <sup>(7)</sup>	Normal Tax		Applicant Requested PILOT		
						Estimated Total Improved Assessment <sup>(8)</sup>	Estimated Total Taxes w/o PILOT <sup>(9)</sup>	Estimated PILOT Payments <sup>(10)</sup>	Estimated Abatement Savings <sup>(11)</sup>	% of Abatement on Improved Assessment <sup>(12)</sup>
Interim <sup>(1)</sup>	2014	2013/2014	\$46.73	\$1,000,000	\$46,733	-	-	-	-	-
1 <sup>(2)</sup>	2015	2014/2015	\$48.13	\$1,000,000	\$48,135	\$20,400,000	\$981,952	\$48,135	\$933,817	100%
2	2016	2015/2016	\$49.58	\$1,000,000	\$49,579	\$20,400,000	\$1,011,411	\$49,579	\$961,832	100%
3	2017	2016/2017	\$51.07	\$1,000,000	\$51,066	\$20,400,000	\$1,041,753	\$51,066	\$990,687	100%
4	2018	2017/2018	\$52.60	\$1,000,000	\$52,598	\$20,400,000	\$1,073,006	\$52,598	\$1,020,407	100%
5	2019	2018/2019	\$54.18	\$1,000,000	\$54,176	\$20,400,000	\$1,105,196	\$54,176	\$1,051,020	100%
6	2020	2019/2020	\$55.80	\$1,000,000	\$55,802	\$20,400,000	\$1,138,352	\$55,802	\$1,082,550	100%
7	2021	2020/2021	\$57.48	\$1,000,000	\$57,476	\$20,400,000	\$1,172,502	\$57,476	\$1,115,027	100%
8	2022	2021/2022	\$59.20	\$1,000,000	\$59,200	\$20,400,000	\$1,207,677	\$59,200	\$1,148,478	100%
9	2023	2022/2023	\$60.98	\$1,000,000	\$60,976	\$20,400,000	\$1,243,908	\$60,976	\$1,182,932	100%
10	2024	2023/2024	\$62.81	\$1,000,000	\$62,805	\$20,400,000	\$1,281,225	\$62,805	\$1,218,420	100%
11	2025	2024/2025	\$64.69	\$1,000,000	\$64,689	\$20,400,000	\$1,319,662	\$273,893	\$1,045,769	83.33%
12	2026	2025/2026	\$66.63	\$1,000,000	\$66,630	\$20,400,000	\$1,359,252	\$497,461	\$861,791	66.67%
13	2027	2026/2027	\$68.63	\$1,000,000	\$68,629	\$20,400,000	\$1,400,029	\$734,329	\$665,700	50.00%
14	2028	2027/2028	\$70.69	\$1,000,000	\$70,688	\$20,400,000	\$1,442,030	\$984,962	\$457,068	33.33%
15 <sup>(3)</sup>	2029	2028/2029	\$72.81	\$1,000,000	\$72,808	\$20,400,000	\$1,485,291	\$1,249,830	\$235,461	16.67%
Permanent <sup>(4)</sup>	2030	2030/2031	\$74.99	\$1,000,000	\$74,993	\$20,400,000	\$1,529,850	-	-	-
<b>Estimated Total<sup>(13)</sup></b>					<b>\$895,257</b>		<b>\$18,263,247</b>	<b>\$4,292,288</b>	<b>\$13,970,959</b>	

**Notes:**

(1) Property will likely be taxable until March 1st, 2014. Project would likely close with Agency in January or February of 2014.

(2) Estimated start of PILOT payments.

(3) Estimated end of PILOT payments assuming Applicant Requested PILOT.

(4) Property returns to taxable status.

(5) Estimated tax rate (does not include any special ad volereum taxes that are still payable under PILOT) based on City and County 2013 tax year plus a 4% escalator and School 2013/2014 tax with estimated escalation of 3% thereafter.

(6) Per Commissioner of Department of Assessment & Taxation based on 2013 tax roll.

(7) Estimated taxes if proposed project did not occur (i.e. left status quo).

(8) Per Commissioner of Department of Assessment & Taxation based on estimate of \$100 per square foot (Inc. land and improvement assessment value). Assessment value is not fixed.

(9) Estimated taxes if proposed project occurred without PILOT assistance.

(10) Estimated PILOT Payments assuming Applicant Requested PILOT

(11) Difference of Estimated PILOT Payments from Estimated Total Taxes w/o PILOT assuming Applicant Requested PILOT

(12) Percent abatement on increased assessment via PILOT assuming Applicant Requested PILOT

(13) Totals for comparison and analysis during PILOT agreement period only.

\*\*\*Analysis is ONLY an estimate\*\*\*

Real Estate Taxes							
						# of Rooms	200
						Proj Increase	3.00%
Year	Land	Improvements	Abatement Savings	Taxable Value	Rate per \$1,000	Taxes	
Year 1	\$ 1,000,000	\$ 19,000,000	100.00%	\$ 1,000,000	\$ 47.96	\$ 47,955	
Year 2	\$ 1,000,000	\$ 19,000,000	100.00%	\$ 1,000,000	\$ 49.39	\$ 49,394	
Year 3	\$ 1,000,000	\$ 19,000,000	100.00%	\$ 1,000,000	\$ 50.88	\$ 50,876	
Year 4	\$ 1,000,000	\$ 19,000,000	100.00%	\$ 1,000,000	\$ 52.40	\$ 52,402	
Year 5	\$ 1,000,000	\$ 19,000,000	100.00%	\$ 1,000,000	\$ 53.97	\$ 53,974	
Year 6	\$ 1,000,000	\$ 19,000,000	100.00%	\$ 1,000,000	\$ 55.59	\$ 55,593	
Year 7	\$ 1,000,000	\$ 19,000,000	100.00%	\$ 1,000,000	\$ 57.26	\$ 57,261	
Year 8	\$ 1,000,000	\$ 19,000,000	100.00%	\$ 1,000,000	\$ 58.98	\$ 58,979	
Year 9	\$ 1,000,000	\$ 19,000,000	100.00%	\$ 1,000,000	\$ 60.75	\$ 60,748	
Year 10	\$ 1,000,000	\$ 19,000,000	100.00%	\$ 1,000,000	\$ 62.57	\$ 62,571	
Year 11	\$ 1,000,000	\$ 19,000,000	83.33%	\$ 4,166,667	\$ 64.45	\$ 268,534	
Year 12	\$ 1,000,000	\$ 19,000,000	66.67%	\$ 7,333,333	\$ 66.38	\$ 486,798	
Year 13	\$ 1,000,000	\$ 19,000,000	50.00%	\$10,500,000	\$ 68.37	\$ 717,916	
Year 14	\$ 1,000,000	\$ 19,000,000	33.33%	\$13,666,667	\$ 70.42	\$ 962,463	
Year 15	\$ 1,000,000	\$ 19,000,000	16.67%	\$16,833,333	\$ 72.54	\$ 1,221,037	
						<u>\$ 4,206,502</u>	

Taxes without savings

Year	Land	Building	Abatement Savings	Taxable Value	Rate per \$1,000	Taxes
Year 1	\$ 1,000,000	\$ 19,000,000	0.00%	\$20,000,000	\$ 47.96	\$ 959,108
Year 2	\$ 1,000,000	\$ 19,000,000	0.00%	\$20,000,000	\$ 49.39	\$ 987,881
Year 3	\$ 1,000,000	\$ 19,000,000	0.00%	\$20,000,000	\$ 50.88	\$ 1,017,518
Year 4	\$ 1,000,000	\$ 19,000,000	0.00%	\$20,000,000	\$ 52.40	\$ 1,048,043
Year 5	\$ 1,000,000	\$ 19,000,000	0.00%	\$20,000,000	\$ 53.97	\$ 1,079,484
Year 6	\$ 1,000,000	\$ 19,000,000	0.00%	\$20,000,000	\$ 55.59	\$ 1,111,869
Year 7	\$ 1,000,000	\$ 19,000,000	0.00%	\$20,000,000	\$ 57.26	\$ 1,145,225
Year 8	\$ 1,000,000	\$ 19,000,000	0.00%	\$20,000,000	\$ 58.98	\$ 1,179,582
Year 9	\$ 1,000,000	\$ 19,000,000	0.00%	\$20,000,000	\$ 60.75	\$ 1,214,969
Year 10	\$ 1,000,000	\$ 19,000,000	0.00%	\$20,000,000	\$ 62.57	\$ 1,251,418
Year 11	\$ 1,000,000	\$ 19,000,000	0.00%	\$20,000,000	\$ 64.45	\$ 1,288,961
Year 12	\$ 1,000,000	\$ 19,000,000	0.00%	\$20,000,000	\$ 66.38	\$ 1,327,630
Year 13	\$ 1,000,000	\$ 19,000,000	0.00%	\$20,000,000	\$ 68.37	\$ 1,367,459
Year 14	\$ 1,000,000	\$ 19,000,000	0.00%	\$20,000,000	\$ 70.42	\$ 1,408,482
Year 15	\$ 1,000,000	\$ 19,000,000	0.00%	\$20,000,000	\$ 72.54	\$ 1,450,737
						<u>\$ 17,838,367</u>

Estimated Total to be Saved \$ 13,631,865

Assumptions	
-------------	--

- 1 Assessed Value Assumed \$100,000 per room
  
- 2 Assumed Tax Rate/\$1,000
 

County Tax	3.78
City Tax	14.17
School	28.61
Library	-
	<u>46.56</u>
Add 1 year inflation	<u>1.03</u>
	47.96
  
- 3 No BID or Library tax considered in the above

Real Estate Taxes						
						# of Rooms
						200
						Proj increase 3.00%
Year	Land	Improvements	Abatement Savings	Taxable Value	Rate per \$1,000	(with 15K add) Taxes
Year 1	\$ 1,000,000	\$ 19,000,000	100.00%	\$ 1,000,000	\$ 47.96	\$ 62,955
Year 2	\$ 1,000,000	\$ 19,000,000	100.00%	\$ 1,000,000	\$ 49.39	\$ 64,394
Year 3	\$ 1,000,000	\$ 19,000,000	100.00%	\$ 1,000,000	\$ 50.88	\$ 65,876
Year 4	\$ 1,000,000	\$ 19,000,000	100.00%	\$ 1,000,000	\$ 52.40	\$ 67,402
Year 5	\$ 1,000,000	\$ 19,000,000	100.00%	\$ 1,000,000	\$ 53.97	\$ 68,974
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Year 7	\$ 1,000,000	\$ 19,000,000	100.00%	\$ 1,000,000	\$ 57.26	\$ 72,261
Year 8	\$ 1,000,000	\$ 19,000,000	100.00%	\$ 1,000,000	\$ 58.98	\$ 73,979
Year 9	\$ 1,000,000	\$ 19,000,000	100.00%	\$ 1,000,000	\$ 60.75	\$ 75,748
Year 10	\$ 1,000,000	\$ 19,000,000	100.00%	\$ 1,000,000	\$ 62.57	\$ 77,571
Year 11	\$ 1,000,000	\$ 19,000,000	83.33%	\$ 4,166,667	\$ 64.45	\$ 283,534
Year 12	\$ 1,000,000	\$ 19,000,000	66.67%	\$ 7,333,333	\$ 66.38	\$ 501,798
Year 13	\$ 1,000,000	\$ 19,000,000	50.00%	\$ 10,500,000	\$ 68.37	\$ 732,916
Year 14	\$ 1,000,000	\$ 19,000,000	33.33%	\$ 13,666,667	\$ 70.42	\$ 977,463
Year 15	\$ 1,000,000	\$ 19,000,000	16.67%	\$ 16,833,333	\$ 72.54	\$ 1,236,037
						<u>\$ 4,431,502</u>

Taxes without savings

Year	Land	Building	Abatement Savings	Taxable Value	Rate per \$1,000	Taxes
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Year 2	\$ 1,000,000	\$ 19,000,000	0.00%	\$ 20,000,000	\$ 49.39	\$ 987,881
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Year 5	\$ 1,000,000	\$ 19,000,000	0.00%	\$ 20,000,000	\$ 53.97	\$ 1,079,484
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Year 7	\$ 1,000,000	\$ 19,000,000	0.00%	\$ 20,000,000	\$ 57.26	\$ 1,145,225
Year 8	\$ 1,000,000	\$ 19,000,000	0.00%	\$ 20,000,000	\$ 58.98	\$ 1,179,582
Year 9	\$ 1,000,000	\$ 19,000,000	0.00%	\$ 20,000,000	\$ 60.75	\$ 1,214,969
Year 10	\$ 1,000,000	\$ 19,000,000	0.00%	\$ 20,000,000	\$ 62.57	\$ 1,251,418
Year 11	\$ 1,000,000	\$ 19,000,000	0.00%	\$ 20,000,000	\$ 64.45	\$ 1,288,961
Year 12	\$ 1,000,000	\$ 19,000,000	0.00%	\$ 20,000,000	\$ 66.38	\$ 1,327,630
Year 13	\$ 1,000,000	\$ 19,000,000	0.00%	\$ 20,000,000	\$ 68.37	\$ 1,367,459
Year 14	\$ 1,000,000	\$ 19,000,000	0.00%	\$ 20,000,000	\$ 70.42	\$ 1,408,482
Year 15	\$ 1,000,000	\$ 19,000,000	0.00%	\$ 20,000,000	\$ 72.54	\$ 1,450,737
						<u>\$ 17,838,367</u>

Estimated Total to be Saved \$ 13,406,865

Assumptions	
-------------	--

- Assessed Value Assumed \$100,000 per room
- Assumed Tax Rate/\$1,000
 

County Tax	3.78
City Tax	14.17
School	28.61
Library	-
	<u>46.56</u>
Add 1 year inflation	1.03
	<u>47.96</u>
- No BID or Library tax considered in the above

## **MEMO**

**TO:** City of Albany IDA Finance Committee  
**FROM:** City of Albany Industrial Development Agency Staff  
**RE:** 67 Howard Street, LLC  
**DATE:** November 8, 2013

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No changes have occurred as it pertains to the requested financial assistance for this project. Staff seeks further feedback and direction from the Committee.



**67 Howard Street LLC: PILOT Analysis**

PILOT Year	City and County Tax Year	School Tax Year	Tax Rate <sup>(5)</sup>	Status Quo		Proposed Project				
				Estimated Total Assessment <sup>(6)</sup>	Estimated Total Taxes <sup>(7)</sup>	Normal Tax		Applicant Requested PILOT		
						Estimated Total Improved Assessment <sup>(8)</sup>	Estimated Total Taxes w/o PILOT <sup>(9)</sup>	Estimated PILOT Payments <sup>(10)</sup>	Estimated Abatement Savings <sup>(11)</sup>	% of Abatement on Improved Assessment <sup>(12)</sup>
Interim <sup>(1)</sup>	2014	2013/2014	\$46.73	\$250,000	\$11,683	-	-	-	-	-
1 <sup>(2)</sup>	2015	2014/2015	\$48.13	\$250,000	\$12,034	\$2,550,000	\$122,744	\$12,034	\$110,710	100%
2	2016	2015/2016	\$49.58	\$250,000	\$12,395	\$2,550,000	\$126,426	\$12,395	\$114,032	100%
3	2017	2016/2017	\$51.07	\$250,000	\$12,767	\$2,550,000	\$130,219	\$12,767	\$117,453	100%
4	2018	2017/2018	\$52.60	\$250,000	\$13,150	\$2,550,000	\$134,126	\$13,150	\$120,976	100%
5	2019	2018/2019	\$54.18	\$250,000	\$13,544	\$2,550,000	\$138,149	\$13,544	\$124,605	100%
6	2020	2019/2020	\$55.80	\$250,000	\$13,950	\$2,550,000	\$142,294	\$13,950	\$128,344	100%
7	2021	2020/2021	\$57.48	\$250,000	\$14,369	\$2,550,000	\$146,563	\$14,369	\$132,194	100%
8	2022	2021/2022	\$59.20	\$250,000	\$14,800	\$2,550,000	\$150,960	\$14,800	\$136,160	100%
9	2023	2022/2023	\$60.98	\$250,000	\$15,244	\$2,550,000	\$155,488	\$15,244	\$140,245	100%
10	2024	2023/2024	\$62.81	\$250,000	\$15,701	\$2,550,000	\$160,153	\$30,146	\$130,007	90%
11	2025	2024/2025	\$64.69	\$250,000	\$16,172	\$2,550,000	\$164,958	\$31,051	\$133,907	90%
12	2026	2025/2026	\$66.63	\$250,000	\$16,657	\$2,550,000	\$169,906	\$31,982	\$137,924	90%
13	2027	2026/2027	\$68.63	\$250,000	\$17,157	\$2,550,000	\$175,004	\$48,727	\$126,277	80%
14	2028	2027/2028	\$70.69	\$250,000	\$17,672	\$2,550,000	\$180,254	\$66,446	\$113,807	70%
15	2029	2028/2029	\$72.81	\$250,000	\$18,202	\$2,550,000	\$185,661	\$85,186	\$100,476	60%
16	2030	2029/2030	\$74.99	\$250,000	\$18,748	\$2,550,000	\$191,231	\$87,741	\$103,490	60%
17	2031	2030/2031	\$77.24	\$250,000	\$19,311	\$2,550,000	\$196,968	\$125,905	\$71,063	40%
18	2032	2031/2032	\$79.56	\$250,000	\$19,890	\$2,550,000	\$202,877	\$147,981	\$54,896	30%
19	2033	2032/2033	\$81.95	\$250,000	\$20,487	\$2,550,000	\$208,964	\$171,268	\$37,695	20%
20 <sup>(3)</sup>	2034	2033/2034	\$84.40	\$250,000	\$21,101	\$2,550,000	\$215,232	\$195,819	\$19,413	10%
Permanent <sup>(4)</sup>	2035	2034/2035	\$86.94	\$250,000	\$21,734	\$2,550,000	\$221,689	-	-	-
<b>Estimated Total<sup>(13)</sup></b>					<b>\$323,351</b>		<b>\$3,298,178</b>	<b>\$1,144,505</b>	<b>\$2,153,673</b>	

**Notes:**

- (1) Property will likely be taxable until March 1st, 2014. Project would likely close with Agency in January or February of 2014.
- (2) Estimated start of PILOT payments.
- (3) Estimated end of PILOT payments assuming Applicant Requested PILOT.
- (4) Property returns to taxable status.
- (5) Estimated tax rate (does not include any special ad valorem taxes that are still payable under PILOT) based on City and County 2013 tax year plus a 4% escalator and School 2013/2014 tax with estimated escalation of 3% thereafter.
- (6) Per Commissioner of Department of Assessment & Taxation based on a discussion on October 7th, 2013
- (7) Estimated taxes if proposed project did not occur (i.e. left status quo).
- (8) Per Commissioner of Department of Assessment & Taxation based on estimate of \$8,500 per space (Inc. land and improvement assessment value). Assessment value is not fixed.
- (9) Estimated taxes if proposed project occurred without PILOT assistance.
- (10) Estimated PILOT Payments assuming Applicant Requested PILOT
- (11) Difference of Estimated PILOT Payments from Estimated Total Taxes w/o PILOT assuming Applicant Requested PILOT
- (12) Percent abatement on increased assessment via PILOT assuming Applicant Requested PILOT
- (13) Totals for comparison and analysis during PILOT agreement period only.

\*\*\*Analysis is ONLY an estimate\*\*\*

# MEMO

**TO:** City of Albany Industrial Development Agency Finance Committee  
**FROM:** City of Albany Industrial Development Agency Staff  
**RE:** 412 Broadway Realty, LLC  
**DATE:** November 8<sup>th</sup>, 2013

---

Staff has received an initial application from 412 Broadway Realty, LLC.

The Applicant is seeking financial assistance from the Agency in the form of a sales and use tax exemption; mortgage recording tax exemption, and real property tax exemption.

Staff recognizes the importance of the project to Downtown, as well as the City as a whole. Please note staff review has been preliminary and as such expects to offer more feedback going forward. Staff puts the application listed above before the Committee for initial discussion and direction.

The Applicant would like the Committee to recommend a public hearing resolution with the understanding that the application will require further discussion and potential refinement.



# Cass Hill

Development Companies

October 30, 2013

Mike Yevoli  
Capitalize Albany Corporation  
21 Lodge Street  
Albany, NY 12207

RE: 412 Broadway Realty, LLC

Dear Mr. Yevoli:

Attached please find our application for IDA benefits in support of our project located at 412 Broadway in Albany. This site is known as the Argus Building and was formerly the home of Einhorn Yaffee Prescott Architectural and Engineering. The site has been completely vacant for over 2 and a half years. We have had no interest from any commercial office users in over three years of marketing the space. The space would be classified as Class "C" space. The existing building requires significant upgrades including a new roof, elevator, replacing the existing electric heating system, and a full redecoration of the interior finishes. In November, we intend to submit an application to the City of Albany Planning department as well as the Historic Resources commission to convert the existing building to a mixed use building containing 32 apartments on floors two thru five, with up 2 commercial spaces remaining on the first floor.


We are requesting the City of Albany IDA to approve a 20 year PILOT which will mirror the 485(a) program benefits for years 1 to 8, and then provide an abatement of real property taxes in the amount of 63.35% in years 9-20. We request that year 1 of this PILOT reflect the assessed value we proposed in our challenge to our assessment filed in 2013 reflecting the current market conditions. The challenge was denied by the Board of Assessment Review, and we have subsequently filed suit in the State Supreme Court. We are confident the suit will be adjudicated in our favor. I have attached a copy of our challenge to this application. In addition, we request a sales tax exemption and a mortgage filing tax exemption for the new mortgage amount.

We have discussed the project with multiple lenders and have received assurances that we can obtain the necessary financing subject to receipt of a favorable adjudication from the Supreme Court, and receipt of the requested IDA benefits requested herein. Absent of this support, we will be unable to finance and develop the project.

I welcome any questions you or your staff may have with our application, and look forward to working with you to successfully add 32 new apartments to the Downtown neighborhood.

I request all information contained herein relating to project costs, income, expenses, or any other financial information provided in support of this application, be held in strict confidence. This specific information should be redacted prior to release of this application.

Thank you for your consideration.

  
Marc H. Paquin  
President

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY**

**APPLICATION**

-----  
IMPORTANT NOTICE: The answers to the questions contained in this application are necessary to determine your firm's eligibility for financing and other assistance from the City of Albany Industrial Development Agency. These answers will also be used in the preparation of papers in this transaction. Accordingly, all questions should be answered accurately and completely by an officer or other employee of your firm who is thoroughly familiar with the business and affairs of your firm and who is also thoroughly familiar with the proposed project. This application is subject to acceptance by the Agency.  
-----

TO: CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY  
c/o Department of Economic Development  
21 Lodge Street  
Albany, New York 12207

This application by applicant respectfully states:

APPLICANT: 412 Broadway Realty, LLC

APPLICANT'S ADDRESS: 646 Plank Road, Suite 205

CITY: Clifton Park STATE: NY ZIP CODE: 12065

PHONE NO.: 518-371-2410 FAX NO.: 518-371-2348 E-MAIL: marc@casshilldevelopment.com

NAME OF PERSON(S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO THIS APPLICATION: Marc H. Paquin

IF APPLICANT IS REPRESENTED BY AN ATTORNEY, COMPLETE THE FOLLOWING:

NAME OF ATTORNEY: Eugene Sneeringer, Jr., Esq. of Sneeringer, Monahan, Provost, Redgrave Title Agency, Inc.

ATTORNEY'S ADDRESS: 50 Chapel Street

CITY: Albany STATE: NY ZIP CODE: 12207

PHONE NO.: (518) 434-0127 FAX NO.: (518) 434-9997 E-MAIL: esneeringer@smprtitle.com

-----  
NOTE: PLEASE READ THE INSTRUCTIONS ON PAGE 2 HEREOF BEFORE FILLING OUT THIS FORM.  
-----

## INSTRUCTIONS

1. The Agency will not approve any application unless, in the judgment of the Agency, said application and the summary contains sufficient information upon which to base a decision whether to approve or tentatively approve an action.
2. Fill in all blanks, using “none” or “not applicable” or “N/A” where the question is not appropriate to the project which is the subject of this application (the “Project”).
3. If an estimate is given as the answer to a question, put “(est)” after the figure or answer which is estimated.
4. If more space is needed to answer any specific question, attach a separate sheet.
5. When completed, return eight (8) copies of this application to the Agency at the address indicated on the first page of this application.
6. The Agency will not give final approval to this application until the Agency receives a completed environmental assessment form concerning the Project which is the subject of this application.
7. Please note that Article 6 of the Public Officers Law declares that all records in the possession of the Agency (with certain limited exceptions) are open to public inspection and copying. If the applicant feels that there are elements of the Project which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the applicant’s competitive position, the applicant may identify such elements in writing and request that such elements be kept confidential in accordance with Article 6 of the Public Officers Law.
8. The applicant will be required to pay to the Agency all actual costs incurred in connection with this application and the Project contemplated herein (to the extent such expenses are not paid out of the proceeds of the Agency’s bonds issued to finance the project). The applicant will also be expected to pay all costs incurred by general counsel and bond counsel to the Agency. The costs incurred by the Agency, including the Agency’s general counsel and bond counsel, may be considered as a part of the project and included as a part of the resultant bond issue.
9. The Agency has established an application fee of One Thousand Five Hundred Dollars (\$1,500) to cover the anticipated costs of the Agency in processing this application. A check or money order made payable to the Agency must accompany each application. **THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS ACCOMPANIED BY THE APPLICATION FEE.**

FOR AGENCY USE ONLY

1. Project Number	
2. Date application Received by Agency	, 20
3. Date application referred to attorney for review	, 20
4. Date copy of application mailed to members	, 20
5. Date notice of Agency meeting on application posted	, 20
6. Date notice of Agency meeting on application mailed	, 20
7. Date of Agency meeting on application	, 20
8. Date Agency conditionally approved application	, 20
9. Date scheduled for public hearing	, 20
10. Date Environmental Assessment Form ("EAF") received	, 20
11. Date Agency completed environmental review	, 20
12. Date of final approval of application	, 20



I. INFORMATION CONCERNING THE PROPOSED OCCUPANT OF THE PROJECT (HEREINAFTER, THE "COMPANY").

A. Identity of Company:

1. Company Name: **412 Broadway Realty, LLC**

Present Address: **646 Plank Road, Suite 205, Clifton Park, NY**

Zip Code: **12065**

Employer's ID No.: **02-0762703**

2. If the Company differs from the Applicant, give details of relationship:

N/A

3. Indicate type of business organization of Company:

a. \_\_\_\_\_ Corporation (If so, incorporated in what country?

What State? \_\_\_\_\_ Date Incorporated? \_\_\_\_\_ Type of Corporation? \_\_\_\_\_ Authorized to do business in New York? Yes \_\_\_\_\_; No \_\_\_\_\_).

b. \_\_\_ Partnership (if so, indicate type of partnership \_\_\_\_\_, Number of general partners \_\_\_\_, Number of limited partners \_\_\_\_).

c.  Limited liability company,  
Date created? 12/19/05

d. \_\_\_\_\_ Sole proprietorship

4. Is the Company a subsidiary or direct or indirect affiliate of any other organization(s)? If so, indicate name of related organization(s) and relationship:

N/A

B. Management of Company:

1. List all owners, officers, members, directors and partners (complete all columns for each person):



NAME (First, Middle, Last) HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
Marc H. Paquin	Managing Member	President - Cass Hill Development Companies

2. Is the Company or management of the Company now a plaintiff or a defendant in any civil or criminal litigation? Yes \_\_\_; No X.

3. Has any person listed above ever been convicted of a criminal offense (other than a minor traffic violation)? Yes \_\_\_; No X.

4. Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated a bankrupt? Yes \_\_\_; No X. (If yes to any of the foregoing, furnish details in a separate attachment).

5. If the answer to any of questions 2 through 4 is yes, please, furnish details in a separate attachment.

C. Principal Owners of Company:

1. Principal owners of Company: Is Company publicly held? Yes \_\_\_; No X.  
If yes, list exchanges where stock traded:

2. If no, list all stockholders having a 5% or more interest in the Company:

NAME	ADDRESS	PERCENTAGE OF HOLDING
Marc H. Paquin	4 Keystone Terrace, Clifton Park, NY 12065	50%
Gerry Gauer	31 McMaster Street, Ballston Spa, NY 12020	50 %

D. Company's Principal Bank(s) of account: **Berkshire Bank**

II. DATA REGARDING PROPOSED PROJECT

- A. Summary: (Please provide a brief narrative description of the Project.)  
**Renovate existing vacant 33,637 square feet into 32 new market rate apartments on floors 2-5. Renovate existing first floor space for commercial and retail uses.**
- B. Location of Proposed Project:
1. Street Address **412 Broadway**
  2. City of **Albany**
  3. Town of **N/A**
  4. Village of **N/A**
  5. County of **Albany**
- C. Project Site:
1. Approximate size (in acres or square feet) of Project site:  
Is a map, **survey** or sketch of the project site attached? Yes X; No \_\_\_\_.
  2. Are there existing buildings on project site? Yes X; No \_\_\_\_.
    - a. If yes, indicate number and approximate size (in square feet) of each existing building:  
**Approximately 33,637 square feet of existing building structure.**
    - b. Are existing buildings in operation? Yes \_\_\_\_; No X.  
If yes, describe present use of present buildings:  
**Vacant**
    - c. Are existing buildings abandoned? Yes X; No \_\_\_\_.  
About to be abandoned? Yes \_\_\_\_; No \_\_\_\_.  
If yes, describe:
    - d. Attach photograph of present buildings.



3. Utilities serving project site:  
 Water-Municipal: **Albany Water Board**  
 Other (describe)  
 Sewer-Municipal: **Albany Water Board**  
 Other (describe)  
 Electric-Utility: **National Grid**  
 Other (describe)  
 Heat-Utility: **National Grid**  
 Other (describe)
4. Present legal owner of project site: **412 Broadway Realty, LLC**
  - a. If the Company owns project site, indicate date of purchase: 2/6/06;  
 Purchase price: \$3,000,000.
  - b. If Company does not own the Project site, does Company have option signed with owner to purchase the Project site? Yes \_\_\_; No \_\_\_. **N/A** If yes, indicate date option signed with owner: \_\_\_\_\_, 20\_\_\_; and the date the option expires: \_\_\_\_\_, 20\_\_\_. **N/A**
  - c. If the Company does not own the project site, is there a relationship legally or by common control between the Company and the present owners of the project site? Yes \_\_\_; No \_\_\_. If yes, describe: **N/A**
5.
  - a. Zoning District in which the project site is located:  
**C-3 Central Business District**
  - b. Are there any variances or special permits affecting the site? Yes \_\_\_; No X. If yes, list below and attach copies of all such variances or special permits:

D. Buildings:

1. Does part of the project consist of a new building or buildings? Yes \_\_\_; No X.  
 If yes, indicate number and size of new buildings:
2. Does part of the project consist of additions and/or renovations to the existing buildings? Yes X; No \_\_\_. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation:  
**Gut existing interior of building, install finishes consistent with 32 apartments, and commercial first floor spaces.**
3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed or expanded:  
**32 apartments, (3) commercial/retail spaces**

E. Description of the Equipment:

1. Does a part of the Project consist of the acquisition or installation of machinery, equipment or other personal property (the "Equipment")? Yes X; No \_\_\_\_\_. If yes, describe the Equipment:  
**Security systems, access control systems, and furnishings consistent with a mixed use multifamily apartment building.**
2. With respect to the Equipment to be acquired, will any of the Equipment be Equipment which has previously been used? Yes \_\_\_\_; No X. If yes, please provided detail:
3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed:  
**Support multifamily occupancy**

F. Project Use:

1. What are the principal products to be produced at the Project?  
**N/A**
2. What are the principal activities to be conducted at the Project?  
**Multifamily activities. Commercial/Retail space TBD**
3. Does the Project include facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities? Yes X; No \_\_\_. If yes, please provide detail: **Possible retail tenants on first floor. Specific use undetermined at this time.**
4. If the answer to question 3 is yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project? 5.0% est.
5. If the answer to question 3 is yes, and the answer to question 4 is more than 33.33%, indicate whether any of the following apply to the Project: **N/A**
  - a. Will the Project be operated by a not-for-profit corporation? Yes \_\_\_\_; No \_\_\_\_\_. If yes, please explain: **N/A**
  - b. Is the Project likely to attract a significant number of visitors from outside the economic development region in which the Project will be located? Yes \_\_\_\_; No \_\_\_\_\_. If yes, please explain: **N/A**
  - c. Would the Project occupant, but for the contemplated financial assistance from the Agency, locate the related jobs outside the State of New York? Yes \_\_\_\_; No \_\_\_\_\_. If yes, please explain: **N/A**

- d. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonable accessible to the residents of the city, town or village within which the Project will be located, because of a lack of reasonably accessible retail trade facilities offering such goods or services? Yes \_\_\_; No \_\_\_. If yes, please provide detail: N/A
- e. Will the Project be located in one of the following: (i) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (ii) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most recent census data, has (x) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? Yes \_\_\_; No \_\_\_. If yes, please explain: \_\_\_\_\_ N/A

6. If the answers to any of subdivisions c. through e. of question 5 is yes, will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York? Yes \_\_\_; No \_\_\_. If yes, please explain: N/A

7. Will the completion of the Project result in the removal of a plant or facility of the Company or another proposed occupant of the Project (a "Project Occupant") from one area of the State of New York to another area of the State of New York? Yes \_\_\_; No X. If yes, please explain:

8. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Company located in the State of New York? Yes \_\_\_; No X. If yes, please provide detail:

9. If the answer to either question 7 or question 8 is yes, indicate whether any of the following apply to the Project: N/A

- a. Is the Project reasonably necessary to preserve the competitive position of the Company on such Project Occupant in its industry? Yes \_\_\_; No \_\_\_. If yes, please provide detail: N/A
- b. Is the Project reasonably necessary to discourage the Company or such Project Occupant from removing such other plant or facility to a location outside the State of New York? Yes \_\_\_; No \_\_\_. If yes, please provide detail: N/A

G. Other Involved Agencies:

1. Please indicate all other local agencies, boards, authorities, districts, commissions or governing bodies (including any city, county and other political subdivision of the State of New York and all state departments, agencies, boards, public benefit corporations, public authorities or commissions) involved in approving or funding or directly undertaking action with respect to the Project. For example, do you need a municipal building permit to undertake the Project? Do you need a zoning approval to undertake the Project? If so, you

would list the appropriate municipal building department or planning or zoning commission which would give said approvals.

**Planning Board, Historic Resources Commission, Building Department of the City of Albany.**

2. Describe the nature of the involvement of the federal, state or local agencies described above: **Approvals**

H. Construction Status:

1. Has construction work on this project begun? Yes \_\_\_; No X. If yes, please discuss in detail the approximate extent of construction and the extent of completion. Indicate in your answer whether such specific steps have been completed as site clearance and preparation; completion of foundations; installation of footings; etc.:

2. Please indicate amount of funds expended on this project by the Company in the past three (3) years and the purposes of such expenditures:

**Architecture/Engineering: \$50,000**

I. Method of Construction After Agency Approval:

1. If the Agency approves the project which is the subject of this application, there are two methods that may be used to construct the project. The applicant can construct the project privately and sell the project to the Agency upon completion. Alternatively, the applicant can request to be appointed as "agent" of the Agency, in which case certain laws applicable to public construction may apply to the project. Does the applicant wish to be designated as "agent" of the Agency for purposes of constructing the project? Yes X; No \_\_\_.

2. If the answer to question 1 is yes, does the applicant desire such "agent" status prior to the closing date of the financing? Yes X; No \_\_\_.

III. INFORMATION CONCERNING LEASES OR SUBLEASES OF THE PROJECT. (PLEASE COMPLETE THE FOLLOWING SECTION IF THE COMPANY INTENDS TO LEASE OR SUBLEASE ANY PORTION OF THE PROJECT).

A. Does the Company intend to lease or sublease more than 10% (by area or fair market value) of the Project? Yes X; No \_\_\_. If yes, please complete the following for each existing or proposed tenant or subtenant:

1. Sublessee name: **To be determined at a later date.**

Present Address:

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Employer's ID No.:  
Sublessee is: \_\_\_ Corporation: \_\_\_ Partnership: \_\_\_ Sole Proprietorship  
Relationship to Company:  
Percentage of Project to be leased or subleased:  
Use of Project intended by Sublessee:  
Date of lease or sublease to Sublessee:  
Term of lease or sublease to Sublessee:  
Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes \_\_\_; No \_\_\_. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

2. Sublessee name: N/A  
Present Address:  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Employer's ID No.:  
Sublessee is:  
\_\_\_\_\_ Corporation: \_\_\_\_\_ Partnership: \_\_\_\_\_ Sole Proprietorship  
Relationship to Company:  
Percentage of Project to be leased or subleased:  
Use of Project intended by Sublessee:  
Date of lease or sublease to Sublessee:  
Term of lease or sublease to Sublessee: \_\_\_\_\_  
Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes \_\_\_; No \_\_\_. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

3. Sublessee name: N/A  
Present Address:  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Employer's ID No.:  
Sublessee is: \_\_\_\_\_ Corporation: \_\_\_\_\_ Partnership: \_\_\_\_\_ Sole Proprietorship  
Relationship to Company:  
Percentage of Project to be leased or subleased:  
Use of Project intended by Sublessee:  
Date of lease or sublease to Sublessee:  
Term of lease or sublease to Sublessee:  
Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes \_\_\_; No \_\_\_. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

B. What percentage of the space intended to be leased or subleased is now subject to a binding written lease or sublease?  
**NONE**

IV. Employment Impact

A. Indicate below the number of people presently employed at the project site and the number that will be employed at the project site at end of the first and second years after the project has been



completed (Do not include construction workers). Also indicate below the number of workers employed at the project site representing newly created positions as opposed to positions relocated from other project sites of the applicant. Such information regarding relocated positions should also indicate whether such positions are relocated from other project sites financed by obligations previously issued by the Agency.

TYPE OF EMPLOYMENT					
	PROFESSIONAL MANAGERIAL	SKILLED	SEMI- SKILLED	UNSKILLED	TOTALS
Present Full Time	NONE	NONE	NONE	NONE	NONE
Present Part Time	NONE	NONE	NONE	NONE	NONE
Present Seasonal	NONE	NONE	NONE	NONE	NONE
First Year Full Time	NONE	NONE	1	NONE	1
First Year Part Time	NONE	NONE	NONE	NONE	NONE
First Year Seasonal	NONE	NONE	NONE	NONE	NONE
Second Year Full Time	NONE	NONE	1	NONE	1
Second Year Part Time	NONE	NONE	NONE	NONE	NONE
Second Year Seasonal	NONE	NONE	NONE	NONE	NONE

B. Please prepare a separate attachment describing in detail the types of employment at the project site. Such attachment should describe the activities or work performed for each type of employment. **Property Maintenance person employed by management company.**

V. Project Cost

A. Anticipated Project Costs. State the costs reasonably necessary for the acquisition of the project site and the construction of the proposed project including the acquisition and installation of any machinery and equipment necessary or convenient in connection therewith, and including any utilities, access roads or appurtenant facilities, using the following categories:

<u>Description of Cost</u>	<u>Amount</u>
Land	\$ <u>75,000*</u>
Buildings	\$ <u>2,655,000</u>
Machinery and equipment costs	\$ <u>0</u>
Utilities, roads and appurtenant costs	\$ <u>0</u>
Architects and engineering fees	\$ <u>50,000</u>
Costs of Bond issue (legal, financial and printing)	\$ <u>N/A</u>
Construction loan fees and interest (if applicable)	\$ <u>142,000</u>
Other (specify)	\$ <u>        </u>
<u>Furniture/ Fixture</u>	\$ <u>18,000</u>
<u>Professional Fees</u>	\$ <u>92,000</u>
 TOTAL PROJECT COST	 \$ <u>3,032,000</u>

\*We have owned the site since 1996

B. Have any of the above expenditures already been made by applicant?  
Yes X; No \_\_\_\_\_. (If yes, indicate particular.)

**Architectural/Engineering**

V. BENEFITS EXPECTED FROM THE AGENCY

A. Financing

1. Is the applicant requesting that the Agency issue bonds to assist in financing the project? Yes \_\_\_\_; No X. If yes, indicate:
  - a. Amount of loan requested: \_\_\_\_\_ Dollars;
  - b. Maturity requested: \_\_\_\_\_ Years.
  
2. Is the interest on such bonds intended to be exempt from federal income taxation? Yes \_\_\_\_; No \_\_\_\_\_. **N/A**
  
3. If the answer to question 2 is yes, will any portion of the Project be used for any of the following purposes: **N/A**
  - a. retail food and beverage services: Yes \_\_\_\_; No \_\_\_\_
  - b. automobile sales or service: Yes \_\_\_\_; No \_\_\_\_
  - c. recreation or entertainment: Yes \_\_\_\_; No \_\_\_\_
  - d. golf course: Yes \_\_\_\_; No \_\_\_\_
  - e. country club: Yes \_\_\_\_; No \_\_\_\_
  - f. massage parlor: Yes \_\_\_\_; No \_\_\_\_
  - g. tennis club: Yes \_\_\_\_; No \_\_\_\_
  - h. skating facility (including roller skating, skateboard and ice skating): Yes \_\_\_\_; No \_\_\_\_
  - i. racquet sports facility (including handball and racquetball court): Yes \_\_\_\_; No \_\_\_\_
  - j. hot tub facility: Yes \_\_\_\_; No \_\_\_\_

- l.     suntan facility: Yes \_\_\_; No \_\_\_  
 m.     racetrack: Yes \_\_\_; No \_\_\_
4.     If the answer to any of the above questions contained in question 3 is yes, please furnish details on a separate attachment. N/A
5.     Is the Project located in the City's federally designated Enterprise Zone? Yes \_\_\_; No X.
6.     Is the applicant requesting the Agency to issue federally tax-exempt Enterprise Zone bonds? Yes \_\_\_; No X.

B.     Tax Benefits

1.     Is the applicant requesting any real property tax exemption that would not be available to a project that did not involve the Agency? Yes X; No \_\_\_.
2.     Is the applicant expecting that the financing of the Project will be secured by one or more mortgages? Yes X; No \_\_\_. If yes, what is the approximate amount of financing to be secured by mortgages? \$4,700,000.
3.     Is the applicant expecting to be appointed agent of the Agency for purposes of avoiding payment of N.Y.S. Sales Tax or Compensating Use Tax? Yes X; No \_\_\_. If yes, what is the approximate amount of purchases which the applicant expects to be exempt from the N.Y.S. Sales and Compensating Use Taxes? \$1,094,000 est.
4.     What is the estimated value of each type of tax-exemption being sought in connection with the Project? Please detail the type of tax-exemption and value of the exemption.

a.	N.Y.S. Sales and Compensating Use Taxes:	\$	<u>88,000 est.</u>
b.	Mortgage Recording Taxes:	\$	<u>30,000 est.</u>
c.	Real Property Tax Exemptions:	\$	<u>2,595,036 est.*</u>
d.	Other (please specify):	\$	<u>N/A</u>
		\$	<u>                    </u>

\*The value of the requested PILOT exemptions exceed the value of the 485(a) Exemptions by \$1,267,850 est.

5.     Are any of the tax-exemptions being sought in connection with the Project inconsistent with the Agency's tax-exemption policy contained in its Rules and Regulations? Yes \_\_\_; No X. If yes, please explain.
6.     Is the Project located in the City's state designated Empire Zone? Yes X; No \_\_\_.

C.     Project Cost/Benefit Information. Complete the attached Cost/Benefit Analysis so that the Agency can perform a cost/benefit analysis of undertaking the Project. Such information should consist of a list and detailed description of the benefits of the Agency undertaking the Project (e.g., number of jobs created, types of jobs created, economic development in the area, etc.). Such

information should also consist of a list and detailed description of the costs of the Agency undertaking the Project (e.g., tax revenues lost, buildings abandoned, etc.).

VI. REPRESENTATIONS BY THE APPLICANT. The applicant understands and agrees with the Agency as follows:

A. Job Listings. Except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOC") and with the administrative entity (collectively with the DOC, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.

B. First Consideration for Employment: In accordance with Section 858-b(2) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.

C. City Human Rights Law. The Applicant agrees to endeavor to comply with the provisions of Article XI, Division 2 of the City Code, entitled "The Omnibus Human Rights Law". The Applicant understands that it is not subject to the provisions of The Omnibus Human Rights Law.

D. Annual Sales Tax Filings. In accordance with Section 874(8) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the applicant and all consultants or subcontractors retained by the applicant.

F. Annual Employment Reports: The applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site.

G. Absence of Conflicts of Interest: The applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

(Applicant)

BY:  \_\_\_\_\_

NOTE: APPLICANT MUST ALSO COMPLETE THE APPROPRIATE VERIFICATION APPEARING ON PAGES 18 THROUGH 21 HEREOF BEFORE A NOTARY PUBLIC AND MUST SIGN AND ACKNOWLEDGE THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 22

VERIFICATION

(If Applicant is a Limited Liability Company)

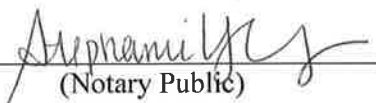
STATE OF New York )  
 ) SS.:  
COUNTY OF Albany )

Marc H. Paquin deposes and says that he is the  
(Name of chief executive of applicant)  
Managing Member of 412 Broadway Realty, LLC,  
(Title) (Company Name)

the limited liability company named in the attached application; that he has read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. Deponent further says that the reason this verification is made by the deponent and not by said company is because the said company is a limited liability company. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as an officer of and from the books and papers of said limited liability company.

  
\_\_\_\_\_  
(officer of applicant)

Sworn to before me this  
16<sup>th</sup> day of November 2013.

  
\_\_\_\_\_  
(Notary Public)

**STEPHANIE Y. CHONG**  
No. 01CH6245060  
Notary Public, State of New York  
Qualified in Albany County  
My Commission Expires 7/18/15

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NOTE: THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS THE HOLD  
HARMLESS AGREEMENT APPEARING ON PAGE 14 IS SIGNED BY THE APPLICANT.  
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HOLD HARMLESS AGREEMENT

Applicant hereby releases City of Albany Industrial Development Agency and the members, officers, servants, agents and employees thereof (hereinafter collectively referred to as the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (i) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the application or the project described therein or the issue of bonds requested therein are favorably acted upon by the Agency, and (ii) the Agency's financing of the Project described therein; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or the Applicant are unable to find buyers willing to purchase the total bond issue requested, then, and in that event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

  
\_\_\_\_\_  
Marc H. Paquin

Sworn to before me this  
10<sup>th</sup> day of November, 2013.

  
\_\_\_\_\_  
(Notary Public)

STEPHANIE Y. CHONG  
No. 01CH6245060  
Notary Public, State of New York  
Qualified in Albany County  
My Commission Expires 11/18/15

Project Applicants

FROM: City of Albany Industrial Development Agency  
RE: Economic Impact Analysis

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In order for the City of Albany Industrial Development Agency (the "Agency") to prepare a Economic Impact Analysis for a proposed project (the "Project"), the Applicant must answer the questions contained in this Project Questionnaire (the "Questionnaire") and complete the attached Schedules. This Questionnaire and the attached Schedule will provide information regarding various aspects of the Project, and the costs and benefits associated therewith.

Since we need this Questionnaire to be completed before we can finalize the Economic Impact Analysis, please complete this Questionnaire and forward it to us at your earliest convenience.

**PROJECT QUESTIONNAIRE**

- 1. Name of Project Beneficiary ("Company"): 412 Broadway Realty, LLC
  
- 2. Brief Identification of the Project: Convert existing 5-story building into a mixed use project with 32 apartments on floors 2-5, with commercial/retail space on first floor.
  
- 3. Estimated Amount of Project Benefits Sought:
  - A. Amount of Bonds Sought: \$ None
  - B. Value of Sales Tax Exemption Sought \$ 88,000 est.
  - C. Value of Real Property Tax Exemption Sought \$ 2,595,036 est.\*
  - \*The value of the requested PILOT exemptions exceed the value of the 485(a) Exemptions by \$1,267,850 est
  - D. Value of Mortgage Recording Tax Exemption Sought \$ 30,000 est.

**PROJECTED PROJECT INVESTMENT**

- A. Land-Related Costs
  - 1. Land acquisition \$ N/A
  - 2. Site preparation \$
  - 3. Landscaping \$ 35,000
  - 4. Utilities and infrastructure development \$
  - 5. Access roads and parking development \$ 40,000
  - 6. Other land-related costs (describe) \$

<b>B. Building-Related Costs</b>		
1.	Acquisition of existing structures	\$ N/A
2.	Renovation of existing structures	\$ 1,914,000
3.	New construction costs	\$ _____
4.	Electrical systems	\$ 245,000
5.	Heating, ventilation and air conditioning	\$ 284,000
6.	Plumbing	\$ 212,000
7.	Other building-related costs (describe)	\$ _____
<b>C. Machinery and Equipment Costs</b>		
1.	Production and process equipment	\$ _____
2.	Packaging equipment	\$ _____
3.	Warehousing equipment	\$ _____
4.	Installation costs for various equipment	\$ _____
5.	Other equipment-related costs (describe)	\$ _____
<b>D. Furniture and Fixture Costs</b>		
1.	Office furniture	\$ _____
2.	Office equipment	\$ _____
3.	Computers	\$ _____
4.	Other furniture-related costs (describe)	\$ 18,000
<b>E. Working Capital Costs</b>		
1.	Operation costs	\$ _____
2.	Production costs	\$ _____
3.	Raw materials	\$ _____
4.	Debt service	\$ 142,000
5.	Relocation costs	\$ _____
6.	Skills training	\$ _____
7.	Other working capital-related costs (describe)	\$ _____
<b>Insurance, Temporary Water, Utilities</b>		
<b>F. Professional Service Costs</b>		
1.	Architecture and engineering	\$ 50,000
2.	Accounting/legal	\$ 25,000
3.	Other service-related costs (describe)	\$ 67,000 closing costs
<b>G. Other Costs</b>		
1.	_____	\$ _____
2.	_____	\$ _____
<b>H. Summary of Expenditures</b>		
1.	Total Land-Related Costs	\$ 75,000
2.	Total Building-Related Costs	\$ 2,655,000
3.	Total Machinery and Equipment Costs	\$ _____
4.	Total Furniture and Fixture Costs	\$ 18,000
5.	Total Working Capital Costs	\$ 142,000
6.	Total Professional Service Costs	\$ 142,000
7.	Total Other Costs	\$ _____



**PROJECTED PROFIT**

1. Please provide projected profit as defined by earnings after income tax but before depreciation and amortization: **The profit will be the same with or without IDA Benefits in years 1-5 as we are matching the 485(a) benefits we qualify for.**

YEAR	Without IDA benefits	With IDA benefits
1	<u>\$64,511</u>	<u>\$64,511</u>
2	<u>\$66,484</u>	<u>\$66,484</u>
3	<u>\$69,111</u>	<u>\$69,111</u>
4	<u>\$71,741</u>	<u>\$71,741</u>
5	<u>\$74,374</u>	<u>\$74,374</u>

**PROJECTED CONSTRUCTION EMPLOYMENT IMPACT**

1. Please provide estimates of total construction jobs and the total annual wages and benefits of construction jobs at the Project:

Year	Number of Construction Jobs	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax
Current Year	26	\$ <u>1,350,000</u>	\$ <u>129,564</u>
Year 1	0	\$ <u>0</u>	\$ <u>0</u>
Year 2	0	\$ <u>0</u>	\$ <u>0</u>
Year 3	0	\$ <u>0</u>	\$ <u>0</u>
Year 4	0	\$ <u>0</u>	\$ <u>0</u>
Year 5	0	\$ <u>0</u>	\$ <u>0</u>

**PROJECTED PERMANENT EMPLOYMENT IMPACT**

1. Please provide estimates of total number of existing permanent jobs to be preserved or retained as a result of the Project:

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year	0	0	0	0
Year 1	0	0	0	0
Year 2	0	0	0	0
Year 3	0	0	0	0
Year 4	0	0	0	0
Year 5	0	0	0	0

II. Please provide estimates of total new permanent jobs to be created or retained at the Project:

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year	0	0	0	0
Year 1	0	0	1	0
Year 2	0	0	1	0
Year 3	0	0	1	0
Year 4	0	0	1	0
Year 5	0	0	1	0

III. Please provide estimates for the following:

A. Creation of New Job Skills relating to permanent jobs. Please complete Schedule A.  
**General property maintenance**

IV. Provide the projected percentage of employment that would be filled by City of Albany residents:  
**Unable to determine at this time**

A. Provide a brief description of how the project expects to meet this percentage:

**PROJECTED OPERATING IMPACT**

I. Please provide estimates for the impact of Project operating purchases and sales:

Additional Purchases (1 <sup>st</sup> year following project completion)	\$ <u>50,000.00 est.</u>
Additional Sales Tax Paid on Additional Purchases	\$ <u>4,000.00 est.</u>
Estimated Additional Sales (1 <sup>st</sup> full year following project completion)	\$ <u>N/A</u>
Estimated Additional Sales Tax to be collected on additional sales (1 <sup>st</sup> full year following project completion)	\$ <u>N/A</u>

II. Please provide estimates for the impact of Project on existing real property taxes and new payments in lieu of taxes ("Pilot Payments"):

Calendar Year	Project Year	(A) Existing Real*	(B)	Total	(C)	(D) Taxes**	(E) Total Proposed Abatement	% of Abatement of Project Requested	% of 485a Abatement of Project Requested
		Property Taxes	New Pilot	Municipal		(W/out Pilot)			
		(W/out IDA involvement)	Payments (With IDA)	Benefit	Taxes with 485-a	(With Project Fully Assessed)			
		(& w/out Project)	(& proposed project)	(B-A)			(D-B)	(E/G)	(D/C)
2015	1	34,870.87	34,870.87	0.00	34,870.87	156,129.73	121,258.86	77.67%	0.00%
2016	2	35,568.28	35,568.28	0.00	35,568.28	159,252.33	123,684.05	77.67%	0.00%
2017	3	36,279.65	36,279.65	0.00	36,279.65	162,437.38	126,157.73	77.67%	0.00%
2018	4	37,005.24	37,005.24	0.00	37,005.24	165,686.12	128,680.88	77.67%	0.00%
2019	5	37,745.35	37,745.35	0.00	37,745.35	168,999.85	131,254.50	77.67%	0.00%
2020	6	38,500.25	38,500.25	0.00	38,500.25	172,379.84	133,879.59	77.67%	0.00%
2021	7	39,270.26	39,270.26	0.00	39,270.26	175,827.44	136,557.18	77.67%	0.00%
2022	8	40,055.66	40,055.66	0.00	40,055.66	179,343.99	139,288.33	77.67%	0.00%
2023	9	40,856.78	67,044.69	26,187.91	69,604.20	182,930.87	115,886.18	63.35%	3.68%
2024	10	41,673.91	68,385.59	26,711.68	100,318.65	186,589.49	118,203.90	63.35%	31.83%
2025	11	42,507.39	69,753.30	27,245.91	132,235.57	190,321.28	120,567.98	63.35%	47.25%
2026	12	43,357.54	71,148.36	27,790.82	165,385.51	194,127.70	122,979.34	63.35%	56.98%
2027	13	44,224.69	72,571.33	28,346.64	198,010.26	198,010.26	125,438.93	63.35%	63.35%
2028	14	45,109.18	74,022.76	28,913.58	201,970.46	201,970.46	127,947.70	63.35%	63.35%
2029	15	46,011.37	75,503.21	29,491.84	206,009.87	206,009.87	130,506.66	63.35%	63.35%
2030	16	46,931.60	77,013.28	30,081.68	210,130.07	210,130.07	133,116.79	63.35%	63.35%
2031	17	47,870.23	78,553.54	30,683.31	214,332.67	214,332.67	135,779.13	63.35%	63.35%
2032	18	48,827.63	80,124.61	31,296.98	218,619.32	218,619.32	138,494.71	63.35%	63.35%
2033	19	49,804.18	81,727.11	31,922.93	222,991.71	222,991.71	141,264.60	63.35%	63.35%
2034	20	50,800.27	83,361.65	32,561.38	227,451.54	227,451.54	144,089.89	63.35%	63.35%
Totals 20	Totals	847,270.33	1,198,504.99	386,101.59	2,466,355.39	3,793,541.92	2,595,036.93		

\*Assumes assessment lowered to 737,040 as challenged.

\*\*Assumes fully assessed at \$3,300,000 per Assessor's Office.

III. Please provide a brief description for the impact of other economic benefits expected to be produced as a result of the Project:

## CERTIFICATION

I certify that I have prepared the responses provided in this Questionnaire and that, to the best of my knowledge, such responses are true, correct and complete.

I understand that the foregoing information and attached documentation will be relied upon, and constitute inducement for, the Agency in providing financial assistance to the Project. I certify that I am familiar with the Project and am authorized by the Company to provide the foregoing information, and such information is true and complete to the best of my knowledge. I further agree that I will advise the Agency of any changes in such information, and will answer any further questions regarding the Project prior to the closing.

Date Signed November 6 2013

Name of Person Completing Project Questionnaire on behalf of the Company.

Name: Marc H. Paquin

Title: Managing Member

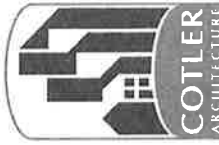
Phone Number: 518-371-2410

Address: 646 Plank Road, Suite 205,  
Clifton Park, NY 12065

Signature: 







890 QUONSETT AVENUE, SUITE 101  
 475 BROADWAY ALBANY NY  
 (518) 537-1111  
 WWW.COTLERARCHITECTURE.COM

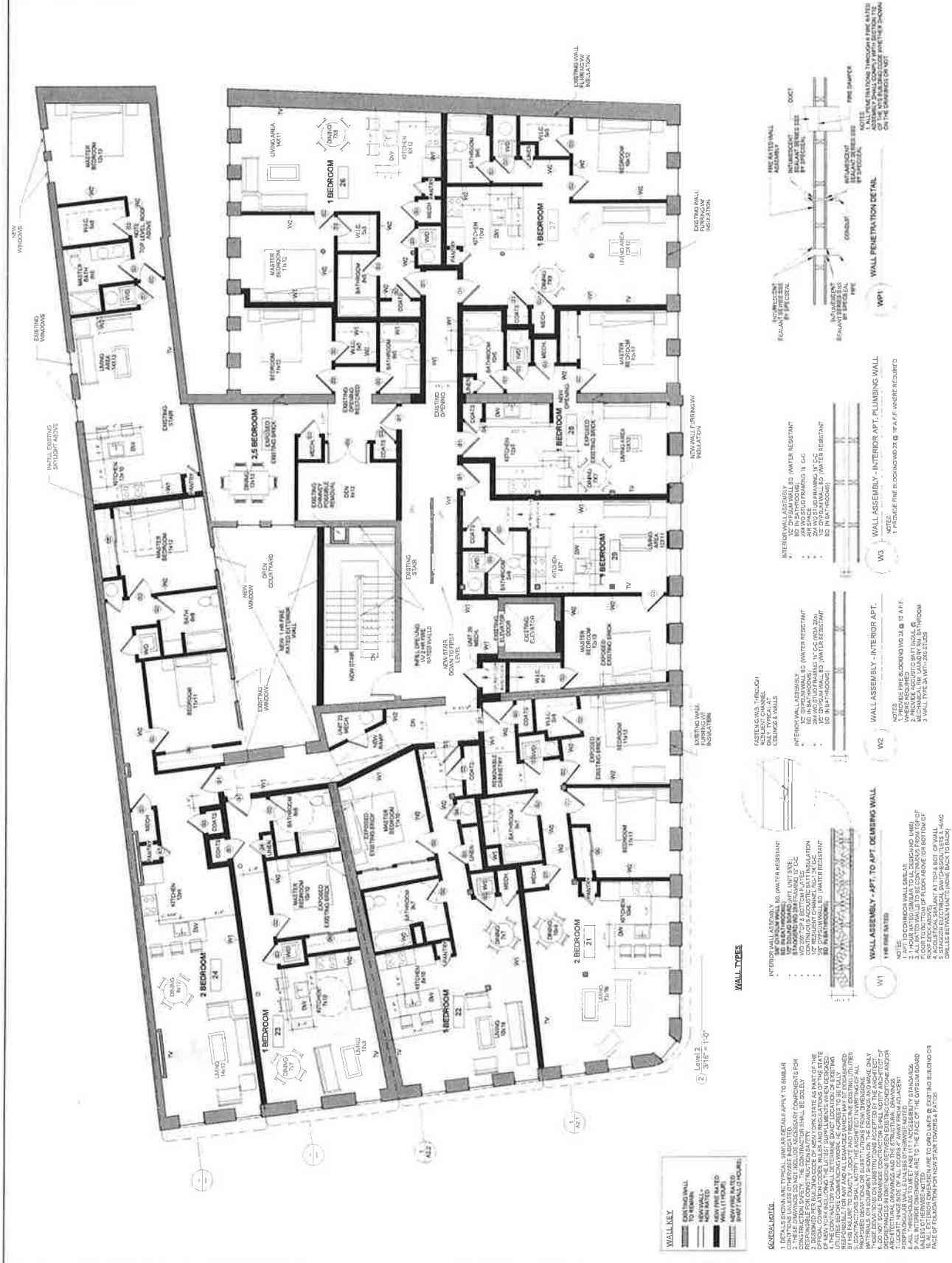
CLIENT: CASS HILL DEVELOPMENT  
 475 BROADWAY ALBANY NY

PROJECT: LEVEL 2 PROPOSED PLAN

NO.	DATE	DESCRIPTION
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99	02/10/22	REVISED PER COMMENTS
100	03/10/22	REVISED PER COMMENTS

PROJECT NO. 1317  
 DRAWING NO. A1.2

PLANNING & ARCHITECTURE CONSULTANTS, INC. 1000 WEST 10TH AVENUE SUITE 100 DENVER, CO 80202  
 303.733.1111 WWW.PACCONSULTANTS.COM



**WALL KEY**

(Symbol)	NEW WALL
(Symbol)	EXISTING WALL
(Symbol)	NEW WALL TO EXISTING WALL
(Symbol)	NEW WALL TO EXISTING WALL WITH INSULATION
(Symbol)	NEW WALL TO EXISTING WALL WITH INSULATION AND FINISH
(Symbol)	NEW WALL TO EXISTING WALL WITH INSULATION AND FINISH AND PARTITION

**GENERAL NOTE:**

1. DETAILS SHOWN ARE TYPICAL. SIMILAR DETAILS APPLY TO SIMILAR WALL TYPES.
2. THESE DRAWINGS DO NOT INCLUDE NECESSARY COMPONENTS FOR RESPONSIBILITY FOR CONSTRUCTION SAFETY. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND REGULATIONS FROM THE CITY OF DENVER, COLORADO, STATE AND FEDERAL AGENCIES.
3. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND REGULATIONS FROM THE CITY OF DENVER, COLORADO, STATE AND FEDERAL AGENCIES.
4. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND REGULATIONS FROM THE CITY OF DENVER, COLORADO, STATE AND FEDERAL AGENCIES.
5. CONTRACTOR SHALL VERIFY THE LOCATION AND DEPTH OF ALL UTILITIES ON EQUIPMENT, BEFORE THE EXCAVATION AND MAKE ONLY NECESSARY ADJUSTMENTS TO THE EXCAVATION.
6. DO NOT SCALE DIMENSIONS. CONTRACTOR SHALL NOTIFY ARCHITECT OF ANY DISCREPANCIES IMMEDIATELY.
7. ARCHITECTURAL DRAWINGS AND THE GENERAL CONTRACTOR SHALL BE RESPONSIBLE FOR ALL ASPECTS OF CONSTRUCTION.
8. ALL INTERIOR FINISHES SHALL BE IN ACCORDANCE WITH THE GENERAL CONTRACTOR'S SCHEDULE OF FINISHES.
9. ALL INTERIOR FINISHES SHALL BE IN ACCORDANCE WITH THE GENERAL CONTRACTOR'S SCHEDULE OF FINISHES.
10. ALL INTERIOR FINISHES SHALL BE IN ACCORDANCE WITH THE GENERAL CONTRACTOR'S SCHEDULE OF FINISHES.
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14. ALL INTERIOR FINISHES SHALL BE IN ACCORDANCE WITH THE GENERAL CONTRACTOR'S SCHEDULE OF FINISHES.
15. ALL INTERIOR FINISHES SHALL BE IN ACCORDANCE WITH THE GENERAL CONTRACTOR'S SCHEDULE OF FINISHES.

**WALL TYPES**

**INTERIOR WALL ASSEMBLY - INTERIOR APT. TO INTERIOR APT.**

1. FINISH GYP. BOARD  
 2. 1/2" GYP. BOARD  
 3. 1/2" GYP. BOARD  
 4. 1/2" GYP. BOARD  
 5. 1/2" GYP. BOARD

**INTERIOR WALL ASSEMBLY - INTERIOR APT. TO EXTERIOR WALL**

1. FINISH GYP. BOARD  
 2. 1/2" GYP. BOARD  
 3. 1/2" GYP. BOARD  
 4. 1/2" GYP. BOARD  
 5. 1/2" GYP. BOARD

**WALL ASSEMBLY - APT. TO APT. OVERHANG WALL**

1. FINISH GYP. BOARD  
 2. 1/2" GYP. BOARD  
 3. 1/2" GYP. BOARD  
 4. 1/2" GYP. BOARD  
 5. 1/2" GYP. BOARD

**WALL ASSEMBLY - INTERIOR APT. TO EXTERIOR WALL**

1. FINISH GYP. BOARD  
 2. 1/2" GYP. BOARD  
 3. 1/2" GYP. BOARD  
 4. 1/2" GYP. BOARD  
 5. 1/2" GYP. BOARD

**WALL PENETRATION DETAIL**

**W1**

1. FINISH GYP. BOARD  
 2. 1/2" GYP. BOARD  
 3. 1/2" GYP. BOARD  
 4. 1/2" GYP. BOARD  
 5. 1/2" GYP. BOARD

**W2**

1. FINISH GYP. BOARD  
 2. 1/2" GYP. BOARD  
 3. 1/2" GYP. BOARD  
 4. 1/2" GYP. BOARD  
 5. 1/2" GYP. BOARD

**W3**

1. FINISH GYP. BOARD  
 2. 1/2" GYP. BOARD  
 3. 1/2" GYP. BOARD  
 4. 1/2" GYP. BOARD  
 5. 1/2" GYP. BOARD

**WALL PENETRATION DETAIL**

**W1**

1. FINISH GYP. BOARD  
 2. 1/2" GYP. BOARD  
 3. 1/2" GYP. BOARD  
 4. 1/2" GYP. BOARD  
 5. 1/2" GYP. BOARD

**W2**

1. FINISH GYP. BOARD  
 2. 1/2" GYP. BOARD  
 3. 1/2" GYP. BOARD  
 4. 1/2" GYP. BOARD  
 5. 1/2" GYP. BOARD

**W3**

1. FINISH GYP. BOARD  
 2. 1/2" GYP. BOARD  
 3. 1/2" GYP. BOARD  
 4. 1/2" GYP. BOARD  
 5. 1/2" GYP. BOARD

**WALL PENETRATION DETAIL**

**W1**

1. FINISH GYP. BOARD  
 2. 1/2" GYP. BOARD  
 3. 1/2" GYP. BOARD  
 4. 1/2" GYP. BOARD  
 5. 1/2" GYP. BOARD

**W2**

1. FINISH GYP. BOARD  
 2. 1/2" GYP. BOARD  
 3. 1/2" GYP. BOARD  
 4. 1/2" GYP. BOARD  
 5. 1/2" GYP. BOARD

**W3**

1. FINISH GYP. BOARD  
 2. 1/2" GYP. BOARD  
 3. 1/2" GYP. BOARD  
 4. 1/2" GYP. BOARD  
 5. 1/2" GYP. BOARD



980 SCHOENBERG AVENUE, SUITE 100  
 1 SUITE 100, F. SPRINGFIELD, IL 62779  
 WWW.COTLERARCHITECTURE.COM

PROJECT NO. 10159213  
 PROJECT NAME: CASE HILL DEVELOPMENT  
 PROJECT ADDRESS: 413 BROADWAY  
 PROJECT CITY: SPRINGFIELD, IL 62779

OWNER: CHRYSLER FINANCIAL GROUP  
 ARCHITECT: COTLER ARCHITECTURE  
 DATE: 10/15/14

PROJECT NO. 10159213  
 PROJECT NAME: CASE HILL DEVELOPMENT  
 PROJECT ADDRESS: 413 BROADWAY  
 PROJECT CITY: SPRINGFIELD, IL 62779

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 PROJECT ADDRESS: 413 BROADWAY  
 PROJECT CITY: SPRINGFIELD, IL 62779

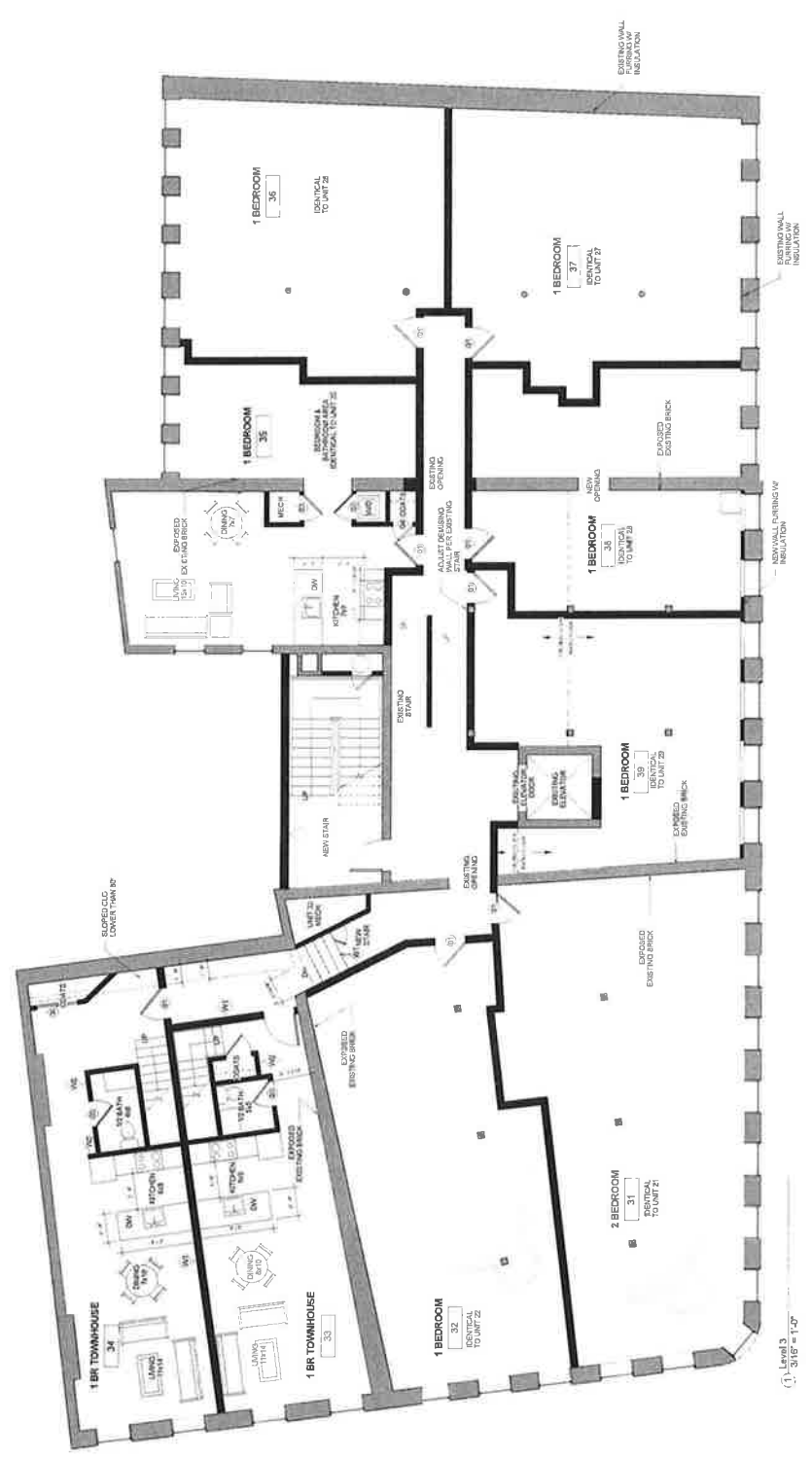
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 PROJECT ADDRESS: 413 BROADWAY  
 PROJECT CITY: SPRINGFIELD, IL 62779

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PROJECT NO. 10159213  
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 PROJECT ADDRESS: 413 BROADWAY  
 PROJECT CITY: SPRINGFIELD, IL 62779

PLOTTED ON: 10/15/14 11:30 AM  
 413 BROADWAY CURRENT DRAWING: 10159213-413BROADWAY-LEVEL 3



1. Level 3  
 3/16" = 1'-0"

PROJECT NO. 10159213  
 PROJECT NAME: CASE HILL DEVELOPMENT  
 PROJECT ADDRESS: 413 BROADWAY  
 PROJECT CITY: SPRINGFIELD, IL 62779

A1.3



PLOTTED ON: 10/19/2018 14:08 PM  
 21112 - 413 BROOKHAVEN COMMONS CONDORITE - 413 BROOKWAY 4TH - 13.10.18M



565 ROUTE 9B, SUITE 100, NEW YORK, NY 10110  
 212.693.0000  
 WWW.COTLERARCHITECTURE.COM

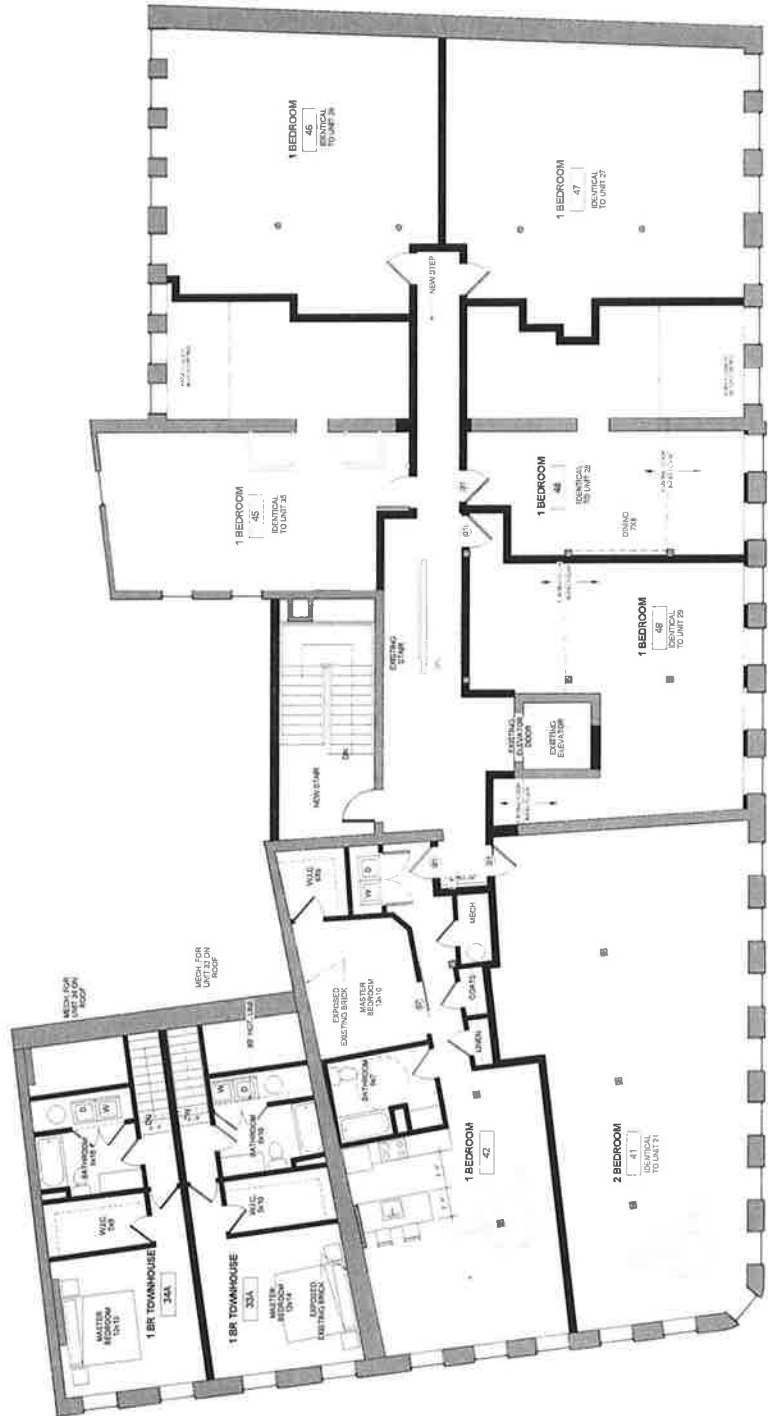
DESIGNED BY: [Name]  
 DRAWN BY: [Name]  
 CHECKED BY: [Name]

PROJECT NO: 413 BROOKWAY ALLIANT NY  
 DATE: 10/19/2018

LEVEL 4 PROPOSED PLAN

SCALE:	1/8" = 1'-0"
DATE:	10/19/2018
PROJECT:	413 BROOKWAY ALLIANT NY
CLIENT:	ALLIANT NY
LOCATION:	413 BROOKWAY ALLIANT NY
DATE:	10/19/2018
SCALE:	1/8" = 1'-0"

ALLIANT NY  
 413 BROOKWAY ALLIANT NY  
 A1.4



1/8" = 1'-0"



**COTLER ARCHITECTURE**  
 565 S. BURNING WOOD AVENUE, SUITE 100  
 11500 BURNING WOOD AVENUE, SUITE 100  
 11500 BURNING WOOD AVENUE, SUITE 100

DATE: 01/15/2014  
 PROJECT: 11500 BURNING WOOD AVENUE, SUITE 100  
 DRAWN BY: [Name]  
 CHECKED BY: [Name]  
 APPROVED BY: [Name]

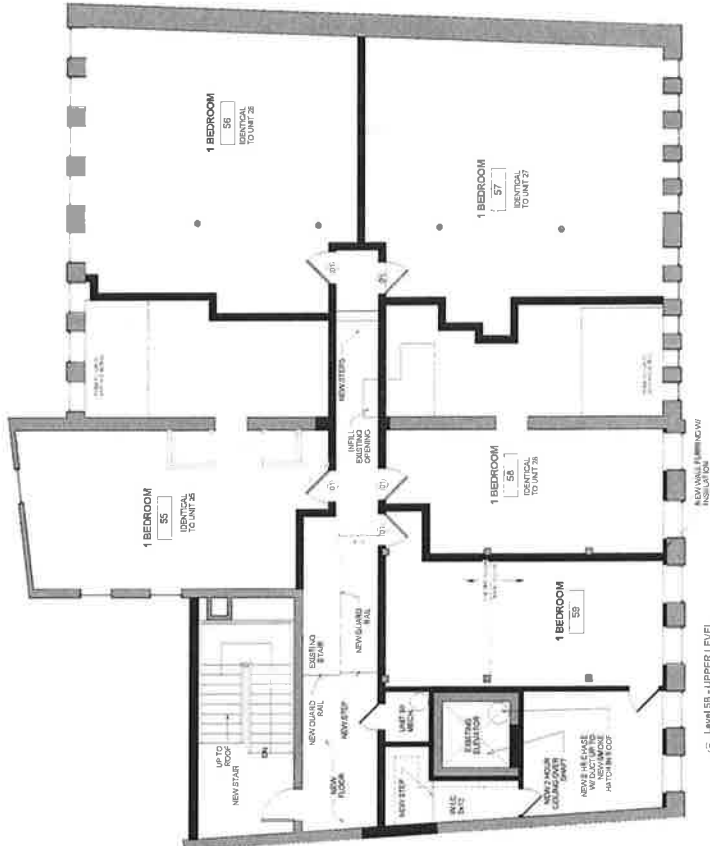
OWNER: [Name]  
 CONTRACT NO.: [Number]  
 SHEET NO.: [Number]

LEVEL 5 PROPOSED PLAN

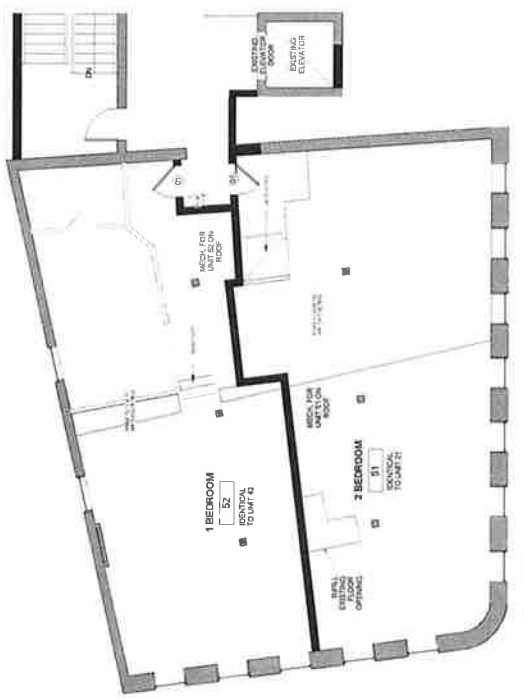
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82	REVISED PER [Name]	01/15/2014
83	REVISED PER [Name]	01/15/2014
84	REVISED PER [Name]	01/15/2014
85	REVISED PER [Name]	01/15/2014
86	REVISED PER [Name]	01/15/2014
87	REVISED PER [Name]	01/15/2014
88	REVISED PER [Name]	01/15/2014
89	REVISED PER [Name]	01/15/2014
90	REVISED PER [Name]	01/15/2014
91	REVISED PER [Name]	01/15/2014
92	REVISED PER [Name]	01/15/2014
93	REVISED PER [Name]	01/15/2014
94	REVISED PER [Name]	01/15/2014
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96	REVISED PER [Name]	01/15/2014
97	REVISED PER [Name]	01/15/2014
98	REVISED PER [Name]	01/15/2014
99	REVISED PER [Name]	01/15/2014
100	REVISED PER [Name]	01/15/2014

PROJECT NO.: 11500  
 SHEET NO.: A1.5

PLOTTED ON: 01/15/2014 10:00 AM  
 PLOTTER: HP DesignJet T1100e



⑤ LEVEL 5 - UPPER LEVEL  
 3/16" = 1'-0"



④ LEVEL 5 - LOWER LEVEL  
 3/16" = 1'-0"

# MEMO

**TO:** City of Albany Industrial Development Agency Finance Committee  
**FROM:** City of Albany Industrial Development Agency Staff  
**RE:** 40 Steuben LLC  
**DATE:** November 8<sup>th</sup>, 2013

---

Staff has received an initial application from 40 Steuben LLC.

The Applicant is seeking financial assistance from the Agency in the form of a sales and use tax exemption; mortgage recording tax exemption, and real property tax exemption.

Staff recognizes the importance of the project to Downtown, as well as the City as a whole. Please note staff review has been preliminary and as such expects to offer more feedback going forward. Staff puts the application listed above before the Committee for initial discussion and direction.

The Applicant would like the Committee to recommend a public hearing resolution with the understanding that the application will require further discussion and potential refinement.

40 STEUBEN LLC  
C/O OMNI DEVELOPMENT COMPANY  
40 BEAVER STREET  
ALBANY, NY 12207

November 11, 2013

Mr. Michael Yevoli  
Chief Executive Officer  
City of Albany Industrial Development Agency  
21 Lodge Street  
Albany, NY 12207

RE: Request for IDA Assistance for 58 North Pearl Street aka 40 Steuben Place

Dear Mr. Yevoli:

Attached is a completed application, as well as the appropriate supplementary material required by the City of Albany Industrial Development Agency ("IDA"), for consideration of financial assistance associated with the renovation of 58 North Pearl Street.

The entire property has been vacant for several months and due to the over abundance of office space in the central business district, the age of the building and the functionally obsolete floor plan, the building will be very difficult to market as office space. The building is currently owned by the lender, via a deed in lieu of foreclosure, and will be purchased by 40 Steuben LLC, a recently formed limited liability company comprised of myself, David Swawite and Mark Rosen. Our plan is to renovate the building into approximately 26 market rate apartments and two retail spaces fronting on North Pearl Street.

Critical to the success of the project is a Payment in Lieu of Tax Agreement ("PILOT") without which the project will not be economically viable. The requested PILOT is for 21 years and is fixed for the first 13 years escalating to full taxes in the 22nd year. We will also be seeking an exemption for sales and mortgage recording taxes.

One of our other major concerns is the dilapidated condition of the neighboring properties located at 54 & 56 North Pearl Street. We request assistance from the City of Albany, and the IDA to either encourage the current owners to improve the properties or to gain control of these properties so they can be improved.

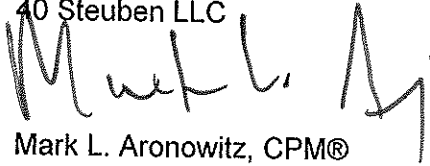
The financial assistance requested in our application is required to help make the project economically viable. Without this assistance the rents would need to be significantly above market and the project would not be undertaken. The City stakeholders will benefit by: the adaptive reuse of a significant structure located in the middle of downtown Albany's Historic District; 26 to 50 new residents in downtown Albany; one to two new retail locations with approximately 3 to 5 new jobs; and, upwards of 25 construction jobs for 6-9 months. All of these items will increase the demand for services, increase sales tax revenue to the City of Albany and help continue the momentum in downtown Albany as it becomes a 24/7 location to live, work and play.

In accordance with Article 6 of the Public Officers Law, we are requesting the Pro-Forma Development Summary and supporting projections be kept confidential since dissemination would cause substantial injury to our competitive position.

Please do not hesitate to contact me should you have any questions or require additional information. I look forward to working with the IDA staff, officers and directors on this project. Thank you.

Sincerely,

40 Steuben LLC

A handwritten signature in black ink, appearing to read "Mark L. Aronowitz". The signature is written in a cursive style with a large, stylized initial "M".

Mark L. Aronowitz, CPM®  
Member

MLA

*Enclosure*

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY**

**APPLICATION**

-----  
IMPORTANT NOTICE: The answers to the questions contained in this application are necessary to determine your firm's eligibility for financing and other assistance from the City of Albany Industrial Development Agency. These answers will also be used in the preparation of papers in this transaction. Accordingly, all questions should be answered accurately and completely by an officer or other employee of your firm who is thoroughly familiar with the business and affairs of your firm and who is also thoroughly familiar with the proposed project. This application is subject to acceptance by the Agency.  
-----

TO: CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY  
c/o Department of Economic Development  
21 Lodge Street  
Albany, New York 12207

This application by applicant respectfully states:

APPLICANT: 40 Steuben LLC

APPLICANT'S ADDRESS: c/o Omni Development Company, Inc. 40 Beaver Street

CITY: Albany STATE: NY ZIP CODE: 12207

PHONE NO.: 518.432.4500 FAX NO.: 518.432.8345 E-MAIL: maronowitz@omnidevelopment.com

NAME OF PERSON(S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO THIS APPLICATION:

IF APPLICANT IS REPRESENTED BY AN ATTORNEY, COMPLETE THE FOLLOWING:

NAME OF ATTORNEY: Frank O'Connor

ATTORNEY'S ADDRESS: 40 Beaver Street

CITY: Albany STATE: NY ZIP CODE: 12207

PHONE NO.: 518.432.7511 FAX NO.: 518.432.5221 E-MAIL: foconnor@gdwo.net

-----  
NOTE: PLEASE READ THE INSTRUCTIONS ON PAGE 2 HEREOF BEFORE FILLING OUT THIS FORM.  
-----

## INSTRUCTIONS

1. The Agency will not approve any application unless, in the judgment of the Agency, said application and the summary contains sufficient information upon which to base a decision whether to approve or tentatively approve an action.
2. Fill in all blanks, using "none" or "not applicable" or "N/A" where the question is not appropriate to the project which is the subject of this application (the "Project").
3. If an estimate is given as the answer to a question, put "(est)" after the figure or answer which is estimated.
4. If more space is needed to answer any specific question, attach a separate sheet.
5. When completed, return eight (8) copies of this application to the Agency at the address indicated on the first page of this application.
6. The Agency will not give final approval to this application until the Agency receives a completed environmental assessment form concerning the Project which is the subject of this application.
7. Please note that Article 6 of the Public Officers Law declares that all records in the possession of the Agency (with certain limited exceptions) are open to public inspection and copying. If the applicant feels that there are elements of the Project which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the applicant's competitive position, the applicant may identify such elements in writing and request that such elements be kept confidential in accordance with Article 6 of the Public Officers Law.
8. The applicant will be required to pay to the Agency all actual costs incurred in connection with this application and the Project contemplated herein (to the extent such expenses are not paid out of the proceeds of the Agency's bonds issued to finance the project). The applicant will also be expected to pay all costs incurred by general counsel and bond counsel to the Agency. The costs incurred by the Agency, including the Agency's general counsel and bond counsel, may be considered as a part of the project and included as a part of the resultant bond issue.
9. The Agency has established an application fee of One Thousand Five Hundred Dollars (\$1,500) to cover the anticipated costs of the Agency in processing this application. A check or money order made payable to the Agency must accompany each application. **THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS ACCOMPANIED BY THE APPLICATION FEE.**

FOR AGENCY USE ONLY

1. Project Number	
2. Date application Received by Agency	, 20
3. Date application referred to attorney for review	, 20
4. Date copy of application mailed to members	, 20
5. Date notice of Agency meeting on application posted	, 20
6. Date notice of Agency meeting on application mailed	, 20
7. Date of Agency meeting on application	, 20
8. Date Agency conditionally approved application	, 20
9. Date scheduled for public hearing	, 20
10. Date Environmental Assessment Form ("EAF") received	, 20
11. Date Agency completed environmental review	, 20
12. Date of final approval of application	, 20



SUMMARY OF PROJECT

Applicant: 40 Steuben LLC

Contact Person: Mark L. Aronowitz

Phone Number: 518-432-4500

Occupant: None

Project Location: 58 North Pearl Street, a/k/a 40 Steuben Place

Approximate Size of Project Site: 8,075 sf

Description of Project: conversion of vacant office building containing approximately 37,000 rentable square feet to 26 apartments and 2 retail spaces.

Type of Project:  Manufacturing  Warehouse/Distribution  
 Commercial  Not-For-Profit  
 Other-Specify Residential

Employment Impact: Existing Jobs 0  
New Jobs 3-5 retail jobs

Project Cost: \$ 4,950,000

Type of Financing:  Tax-Exempt  Taxable  Straight Lease

Amount of Bonds Requested: \$ N/A

Estimated Value of Tax-Exemptions:

N.Y.S. Sales and Compensating Use Tax: \$ 28,000 est  
Mortgage Recording Taxes: \$ 46,500  
Real Property Tax Exemptions: \$ 1,140,874  
Other (please specify): \$

I. INFORMATION CONCERNING THE PROPOSED OCCUPANT OF THE PROJECT (HEREINAFTER, THE "COMPANY").

A. Identity of Company:

1. Company Name: 40 Steuben LLC

Present Address: c/o Omni Development Company, Inc., 40 Beaver St., Albany, NY

Zip Code: 12207

Employer's ID No.: 46-4006190

2. If the Company differs from the Applicant, give details of relationship:

N/A

3. Indicate type of business organization of Company:

a. N/A Corporation (If so, incorporated in what country? What State? \_\_\_\_\_ Date Incorporated? \_\_\_\_\_ Type of Corporation? \_\_\_\_\_ Authorized to do business in New York? Yes \_\_\_; No \_\_\_).

b. N/A Partnership (if so, indicate type of partnership \_\_\_\_\_, Number of general partners \_\_\_\_, Number of limited partners \_\_\_\_).

c. x Limited liability company, Date created? 10/30/13.

d. N/A Sole proprietorship

4. Is the Company a subsidiary or direct or indirect affiliate of any other organization(s)? If so, indicate name of related organization(s) and relationship:

No

B. Management of Company:

1. List all owners, officers, members, directors and partners (complete all columns for each person):

NAME (First, Middle, Last) HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
I. David Swawite 887 Lenox Road Richmond, MA 01254	Managing Member	Omni Development Company, Inc.
Mark Rosen 75 Bittersweet Lane Slingerlands, NY 12159	Managing Member	Dawn Homes
Mark L. Aronowitz 8 Fox Run Latham, NY 12110	Member	Omni Development Company, Inc.

2. Is the Company or management of the Company now a plaintiff or a defendant in any civil or criminal litigation? Yes \_\_\_; No x.

3. Has any person listed above ever been convicted of a criminal offense (other than a minor traffic violation)? Yes \_\_\_; No x.

4. Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated a bankrupt? Yes \_\_\_; No x. (If yes to any of the foregoing, furnish details in a separate attachment).

5. If the answer to any of questions 2 through 4 is yes, please, furnish details in a separate attachment.

C. Principal Owners of Company:

1. Principal owners of Company: Is Company publicly held? Yes \_\_\_; No x. If yes, list exchanges where stock traded:

2. If no, list all stockholders having a 5% or more interest in the Company:

NAME	ADDRESS	PERCENTAGE OF HOLDING
Mark Rosen	75 Bittersweet Lane Slingerlands, NY 12159	50%
I. David Swawite	887 Lenox Road Richmond, MA 01254	35%
Mark L. Aronowitz	8 Fox Run Latham, NY 12110	15%

D. Company's Principal Bank(s) of account: M & T Bank  
327 Great Oaks Blvd.  
Albany, NY 12203

II. DATA REGARDING PROPOSED PROJECT

A. Summary: (Please provide a brief narrative description of the Project.)  
Conversion of a vacant office building into approximately 26 one and two bedroom apartments containing 28,655 sq ft and two 1st floor retail spaces fronting on North Pearl Street containing approximately 2,580 sq ft.

B. Location of Proposed Project:

1. Street Address 58 North Pearl Street
2. City of Albany
3. Town of N/A
4. Village of N/A
5. County of Albany

C. Project Site:

1. Approximate size (in acres or square feet) of Project site: 8,025 sq ft  
Is a map, survey or sketch of the project site attached? Yes ; No .
2. Are there existing buildings on project site? Yes ; No .
- a. If yes, indicate number and approximate size (in square feet) of each existing building:  
Six story plus basement building containing approximately 47,000 gross sq ft.  
31,235 rentable sq ft after conversion.
- b. Are existing buildings in operation? Yes ; No .
- If yes, describe present use of present buildings:  
Vacant office building
- c. Are existing buildings abandoned? Yes ; No . About to be abandoned? Yes ; No . If yes, describe:
- d. Attach photograph of present buildings.  
See attached

3. Utilities serving project site:  
 Water-Municipal: Yes  
       Other (describe)  
 Sewer-Municipal: Yes  
       Other (describe)  
 Electric-Utility: National Grid  
       Other (describe)  
 Heat-Utility: National Grid  
       Other (describe)
4. Present legal owner of project site: Berkshire Acquisition II, LLC
- a. If the Company owns project site, indicate date of purchase:  
 N/A, 20\_\_\_; Purchase price: \$ N/A.
- b. If Company does not own the Project site, does Company have <sup>contract</sup> option signed with owner to purchase the Project site? Yes x; No \_\_\_\_. If yes, indicate date <sup>contract</sup> option signed with owner: \_\_\_\_, 20\_\_\_; and the date the <sup>contract</sup> option expires: December 31, 2013, as of November 1, 2013.
- c. If the Company does not own the project site, is there a relationship legally or by common control between the Company and the present owners of the project site? Yes \_\_; No x. If yes, describe:

5. a. Zoning District in which the project site is located:  
 Commercial C-3
- b. Are there any variances or special permits affecting the site? Yes \_\_; No x. If yes, list below and attach copies of all such variances or special permits:  
 Not aware of any at this time.

D. Buildings:

1. Does part of the project consist of a new building or buildings? Yes \_\_; No x. If yes, indicate number and size of new buildings:
2. Does part of the project consist of additions and/or renovations to the existing buildings? Yes x; No \_\_. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation:  
 Complete renovation of existing building.
3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed or expanded:  
 26 +/- one & two bedroom apartments, 2 retail spaces, storage and residential amenities possibly including a fitness center and rooftop deck.

E. Description of the Equipment:

1. Does a part of the Project consist of the acquisition or installation of machinery, equipment or other personal property (the "Equipment")? Yes x; No \_\_\_\_\_. If yes, describe the Equipment:  
Artwork, fitness equipment and furniture
  
2. With respect to the Equipment to be acquired, will any of the Equipment be Equipment which has previously been used? Yes \_\_\_\_; No x. If yes, please provided detail:
  
3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed:  
Decorative  
Fitness Facility

F. Project Use:

1. What are the principal products to be produced at the Project?  
N/A
  
2. What are the principal activities to be conducted at the Project?  
Residential & Retail
  
3. Does the Project include facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities? Yes x; No \_\_\_\_\_. If yes, please provide detail:  
Unknown at this time.
  
4. If the answer to question 3 is yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project? 3 %
  
5. If the answer to question 3 is yes, and the answer to question 4 is more than 33.33%, indicate whether any of the following apply to the Project: N/A
  - a. Will the Project be operated by a not-for-profit corporation? Yes \_\_\_\_; No \_\_\_\_\_. If yes, please explain:

- b. Is the Project likely to attract a significant number of visitors from outside the economic development region in which the Project will be located? Yes x; No \_\_\_\_\_. If yes, please explain:  
Anticipated that the residents will primarily be from outside the downtown Albany area.
- c. Would the Project occupant, but for the contemplated financial assistance from the Agency, locate the related jobs outside the State of New York? Yes \_\_\_\_; No x. If yes, please explain:  
But probably outside of downtown Albany because rents would be too high.
- d. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonable accessible to the residents of the city, town or village within which the Project will be located, because of a lack of reasonably accessible retail trade facilities offering such goods or services? Yes \_\_\_\_; No x. If yes, please provide detail:
- e. Will the Project be located in one of the following: (i) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (ii) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most recent census data, has (x) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? Yes x; No \_\_\_\_\_. If yes, please explain: \_\_\_\_\_

6. If the answers to any of subdivisions c. through e. of question 5 is yes, will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York? Yes x; No \_\_\_\_\_. If yes, please explain:

3-5 retail jobs will be created.

7. Will the completion of the Project result in the removal of a plant or facility of the Company or another proposed occupant of the Project (a "Project Occupant") from one area of the State of New York to another area of the State of New York? Yes \_\_\_\_; No x. If yes, please explain:

8. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Company located in the State of New York? Yes \_\_\_; No x. If yes, please provide detail:

9. If the answer to either question 7 or question 8 is yes, indicate whether any of the following apply to the Project: N/A

a. Is the Project reasonably necessary to preserve the competitive position of the Company on such Project Occupant in its industry? Yes \_\_\_; No \_\_\_. If yes, please provide detail:

b. Is the Project reasonably necessary to discourage the Company or such Project Occupant from removing such other plant or facility to a location outside the State of New York? Yes \_\_\_; No \_\_\_. If yes, please provide detail:

G. Other Involved Agencies:

1. Please indicate all other local agencies, boards, authorities, districts, commissions or governing bodies (including any city, county and other political subdivision of the State of New York and all state departments, agencies, boards, public benefit corporations, public authorities or commissions) involved in approving or funding or directly undertaking action with respect to the Project. For example, do you need a municipal building permit to undertake the Project? Do you need a zoning approval to undertake the Project? If so, you would list the appropriate municipal building department or planning or zoning commission which would give said approvals.

Planning Board - Site Plan Approval

Building dept. - Building permit

Historic Resource Committee-Review exterior renovation

NYS Parks, Recreation & Historic Preservation-Historic Tax Credit Application

2. Describe the nature of the involvement of the federal, state or local agencies described above:

US Dept. of Interior & National Park Service-Historic Tax Credit Application

H. Construction Status:

1. Has construction work on this project begun? Yes \_\_\_; No x. If yes, please discuss in detail the approximate extent of construction and the extent of completion. Indicate in your answer whether such specific steps have been completed as site clearance and preparation; completion of foundations; installation of footings; etc.:



2. Please indicate amount of funds expended on this project by the Company in the past three (3) years and the purposes of such expenditures:

\$50,000 deposit on purchase

I. Method of Construction After Agency Approval:

1. If the Agency approves the project which is the subject of this application, there are two methods that may be used to construct the project. The applicant can construct the project privately and sell the project to the Agency upon completion. Alternatively, the applicant can request to be appointed as "agent" of the Agency, in which case certain laws applicable to public construction may apply to the project. Does the applicant wish to be designated as "agent" of the Agency for purposes of constructing the project? Yes \_\_\_; No x.

2. If the answer to question 1 is yes, does the applicant desire such "agent" status prior to the closing date of the financing? Yes \_\_\_; No \_\_\_.

III. INFORMATION CONCERNING LEASES OR SUBLEASES OF THE PROJECT. (PLEASE COMPLETE THE FOLLOWING SECTION IF THE COMPANY INTENDS TO LEASE OR SUBLEASE ANY PORTION OF THE PROJECT).

A. Does the Company intend to lease or sublease more than 10% (by area or fair market value) of the Project? Yes x; No \_\_\_. If yes, please complete the following for each existing or proposed tenant or subtenant: Unknown at this time

1. Sublessee name:  
Present Address:  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip:  
Employer's ID No.:  
Sublessee is: \_\_\_ Corporation: \_\_\_ Partnership: \_\_\_ Sole Proprietorship  
Relationship to Company:  
Percentage of Project to be leased or subleased:  
Use of Project intended by Sublessee:  
Date of lease or sublease to Sublessee:  
Term of lease or sublease to Sublessee:  
Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes \_\_\_; No \_\_\_. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

2. Sublessee name:  
Present Address:  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip:  
Employer's ID No.:  
Sublessee is:  
\_\_\_\_\_ Corporation: \_\_\_\_\_ Partnership: \_\_\_\_\_ Sole Proprietorship  
Relationship to Company:  
Percentage of Project to be leased or subleased:  
Use of Project intended by Sublessee:  
Date of lease or sublease to Sublessee:  
Term of lease or sublease to Sublessee: \_\_\_\_\_  
Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes \_\_\_; No \_\_\_. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

3. Sublessee name:  
Present Address:  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip:  
Employer's ID No.:  
Sublessee is: \_\_\_\_\_ Corporation: \_\_\_\_\_ Partnership: \_\_\_\_\_ Sole Proprietorship  
Relationship to Company:  
Percentage of Project to be leased or subleased:  
Use of Project intended by Sublessee:  
Date of lease or sublease to Sublessee:  
Term of lease or sublease to Sublessee:  
Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes \_\_\_; No \_\_\_. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

B. What percentage of the space intended to be leased or subleased is now subject to a binding written lease or sublease? None

IV. Employment Impact

A. Indicate below the number of people presently employed at the project site and the number that will be employed at the project site at end of the first and second years after the project has been completed (Do not include construction workers). Also indicate below the number of workers employed at the project site representing newly created positions as opposed to positions relocated from other project sites of the applicant. Such information regarding relocated positions should also indicate whether such positions are relocated from other project sites financed by obligations previously issued by the Agency.

TYPE OF EMPLOYMENT					
	PROFESSIONAL MANAGERIAL	SKILLED	SEMI- SKILLED	UNSKILLED	TOTALS
Present Full Time					0
Present Part Time					0
Present Seasonal					0
First Year Full Time					0
First Year Part Time					0
First Year Seasonal					0
Second Year Full Time			3	2	5
Second Year Part Time		.25	.25		.5
Second Year Seasonal					

B. Please prepare a separate attachment describing in detail the types of employment at the project site. Such attachment should describe the activities or work performed for each type of employment. See attached Schedule A

V. Project Cost

A. Anticipated Project Costs. State the costs reasonably necessary for the acquisition of the project site and the construction of the proposed project including the acquisition and installation of any machinery and equipment necessary or convenient in connection therewith, and including any utilities, access roads or appurtenant facilities, using the following categories:

<u>Description of Cost</u>	<u>Amount</u>
Land	\$ 100,000
Buildings	\$ 3,785,793
Machinery and equipment costs	\$ 0
Utilities, roads and appurtenant costs	\$ included in bldg.
Architects and engineering fees	\$ 131,000
Costs of Bond issue (legal, financial and printing)	\$ 0
Construction loan fees and interest	

(if applicable)	\$ 120,688
Other (specify) Marketing & Brokerage	\$ 36,610
Professional & IDA	\$ 140,500
Furniture & Fixtures	\$ 87,000
Working Capital	\$ 201,995
Contingency	\$349,979
TOTAL PROJECT COST	\$ 4,953,565

B. Have any of the above expenditures already been made by applicant?  
 Yes x; No \_\_\_\_\_. (If yes, indicate particular.)  
 \$50,000 deposit on purchase

V. BENEFITS EXPECTED FROM THE AGENCY

A. Financing

1. Is the applicant requesting that the Agency issue bonds to assist in financing the project? Yes \_\_\_\_; No x. If yes, indicate:
  - a. Amount of loan requested: \_\_\_\_\_ Dollars;
  - b. Maturity requested: \_\_\_\_\_ Years.
  
2. Is the interest on such bonds intended to be exempt from federal income taxation? Yes \_\_\_\_; No x.
  
3. If the answer to question 2 is yes, will any portion of the Project be used for any of the following purposes: N/A
  - a. retail food and beverage services: Yes \_\_\_\_; No \_\_\_\_
  - b. automobile sales or service: Yes \_\_\_\_; No \_\_\_\_
  - c. recreation or entertainment: Yes \_\_\_\_; No \_\_\_\_
  - d. golf course: Yes \_\_\_\_; No \_\_\_\_
  - e. country club: Yes \_\_\_\_; No \_\_\_\_
  - f. massage parlor: Yes \_\_\_\_; No \_\_\_\_
  - g. tennis club: Yes \_\_\_\_; No \_\_\_\_
  - h. skating facility (including roller skating, skateboard and ice skating): Yes \_\_\_\_; No \_\_\_\_
  - i. racquet sports facility (including handball and racquetball court): Yes \_\_\_\_; No \_\_\_\_
  - j. hot tub facility: Yes \_\_\_\_; No \_\_\_\_
  - k. suntan facility: Yes \_\_\_\_; No \_\_\_\_
  - l. racetrack: Yes \_\_\_\_; No \_\_\_\_
  
4. If the answer to any of the above questions contained in question 3 is yes, please furnish details on a separate attachment. N/A
  
5. Is the Project located in the City's federally designated Enterprise Zone? Yes \_\_\_\_; No x.

6. Is the applicant requesting the Agency to issue federally tax-exempt Enterprise Zone bonds? Yes \_\_\_; No x.

B. Tax Benefits

1. Is the applicant requesting any real property tax exemption that would not be available to a project that did not involve the Agency? Yes x; No \_\_\_.

2. Is the applicant expecting that the financing of the Project will be secured by one or more mortgages? Yes x; No \_\_\_. If yes, what is the approximate amount of financing to be secured by mortgages? \$ 3,712,500.

3. Is the applicant expecting to be appointed agent of the Agency for purposes of avoiding payment of N.Y.S. Sales Tax or Compensating Use Tax? Yes x; No \_\_\_. If yes, what is the approximate amount of purchases which the applicant expects to be exempt from the N.Y.S. Sales and Compensating Use Taxes? \$ 28,000 est..

4. What is the estimated value of each type of tax-exemption being sought in connection with the Project? Please detail the type of tax-exemption and value of the exemption.

a.	N.Y.S. Sales and Compensating Use Taxes:	\$ <u>28,000 est.</u>
b.	Mortgage Recording Taxes:	\$ <u>46,500</u>
c.	Real Property Tax Exemptions:	\$ <u>1,140,874</u>
d.	Other (please specify):	
	_____	\$ _____
	_____	\$ _____

5. Are any of the tax-exemptions being sought in connection with the Project inconsistent with the Agency's tax-exemption policy contained in its Rules and Regulations? Yes x; No \_\_\_. If yes, please explain.

Seeking Pilot deviation for 21 years.

6. Is the Project located in the City's state designated Empire Zone? Yes \_\_\_; No x.

C. Project Cost/Benefit Information. Complete the attached Cost/Benefit Analysis so that the Agency can perform a cost/benefit analysis of undertaking the Project. Such information should consist of a list and detailed description of the benefits of the Agency undertaking the Project (e.g., number of jobs created, types of jobs created, economic development in the area, etc.). Such information should also consist of a list and detailed description of the costs of the Agency undertaking the Project (e.g., tax revenues lost, buildings abandoned, etc.).

VI. REPRESENTATIONS BY THE APPLICANT. The applicant understands and agrees with the Agency as follows:

A. Job Listings. Except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOC") and with the administrative

entity (collectively with the DOC, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.

B. First Consideration for Employment: In accordance with Section 858-b(2) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.

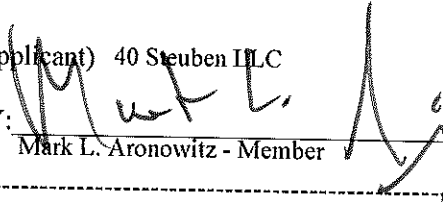
C. City Human Rights Law. The Applicant agrees to endeavor to comply with the provisions of Article XI, Division 2 of the City Code, entitled "The Omnibus Human Rights Law". The Applicant understands that it is not subject to the provisions of The Omnibus Human Rights Law.

D. Annual Sales Tax Filings. In accordance with Section 874(8) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the applicant and all consultants or subcontractors retained by the applicant.

F. Annual Employment Reports: The applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site.

G. Absence of Conflicts of Interest: The applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

(Applicant) 40 Steuben ILC

BY:   
Mark L. Aronowitz - Member

NOTE: APPLICANT MUST ALSO COMPLETE THE APPROPRIATE VERIFICATION APPEARING ON PAGES 18 THROUGH 21 HEREOF BEFORE A NOTARY PUBLIC AND MUST SIGN AND ACKNOWLEDGE THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 22

VERIFICATION

(If applicant is limited liability company)

STATE OF NY )  
 ) SS.:  
COUNTY OF Albany )

Mark L. Aronowitz, deposes and says  
(Name of Individual)  
that he is one of the members of the firm of 40 Steuben LLC,  
(Partnership Name)

the partnership named in the attached application; that he has read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as a member of and from the books and papers of said partnership.

Mark L. Aronowitz

Sworn to before me this  
11 day of 11, 2013

MARIA LISA REDDY  
Notary Public, State of New York  
No. 01RE4976665  
Qualified in Albany County  
Commission Expires 1/22/15

Maria Lisa Reddy  
(Notary Public)

-----  
NOTE: THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 22 IS SIGNED BY THE APPLICANT.  
-----

HOLD HARMLESS AGREEMENT

Applicant hereby releases City of Albany Industrial Development Agency and the members, officers, servants, agents and employees thereof (hereinafter collectively referred to as the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (i) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the application or the project described therein or the issue of bonds requested therein are favorably acted upon by the Agency, and (ii) the Agency's financing of the Project described therein; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or the Applicant are unable to find buyers willing to purchase the total bond issue requested, then, and in that event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

(Applicant) 40 Steuben LLC

BY:

Mark L. Aronowitz - Member

Sworn to before me this

11 day of 11, 2013

Maria Lisa Reddy  
(Notary Public)

MARIA LISA REDDY  
Notary Public, State of New York  
No. 01RE4976665  
Qualified in Albany County  
Commission Expires 1/22/15



TO: Project Applicants  
 FROM: City of Albany Industrial Development Agency  
 RE: Cost/Benefit Analysis

In order for the City of Albany Industrial Development Agency (the "Agency") to prepare a Cost/Benefit Analysis for a proposed project (the "Project"), the Applicant must answer the questions contained in this Project Questionnaire (the "Questionnaire") and complete the attached Schedules. This Questionnaire and the attached Schedule will provide information regarding various aspects of the Project, and the costs and benefits associated therewith.

Since we need this Questionnaire to be completed before we can finalize the Cost/Benefit Analysis, please complete this Questionnaire and forward it to us at your earliest convenience.

**PROJECT QUESTIONNAIRE**

1. Name of Project Beneficiary ("Company"):	40 Steuben LLC
2. Brief Identification of the Project:	Conversion of vacant office building to 26 apartments and 2 retail spaces
3. Estimated Amount of Project Benefits Sought:	
A. Amount of Bonds Sought:	\$ 0
B. Value of Sales Tax Exemption Sought	\$ 28,000
C. Value of Real Property Tax Exemption Sought	\$ 1,140,874
D. Value of Mortgage Recording Tax Exemption Sought	\$ 46,500

**PROJECTED PROJECT INVESTMENT**

<b>A. Land-Related Costs</b>		
1. Land acquisition		\$ 100,000
2. Site preparation		\$
3. Landscaping		\$
4. Utilities and infrastructure development		\$
5. Access roads and parking development		\$
6. Other land-related costs (describe)		\$
<b>B. Building-Related Costs</b>		
1. Acquisition of existing structures		\$ 750,000
2. Renovation of existing structures		\$ 1,783,143
3. New construction costs		\$
4. Electrical systems		\$ 376,500
5. Heating, ventilation and air conditioning		\$ 207,650
6. Plumbing		\$ 343,500
7. Other building-related costs (describe) exterior		\$ 325,000

C.	Machinery and Equipment Costs	
1.	Production and process equipment	\$
2.	Packaging equipment	\$
3.	Wharehousing equipment	\$
4.	Installation costs for various equipment	\$
5.	Other equipment-related costs (describe)	\$
D.	Furniture and Fixture Costs	
1.	Office furniture	\$ 35,000
2.	Office equipment	\$
3.	Computers	\$
4.	Other furniture-related costs (describe) appliances	\$ 52,000
E.	Working Capital Costs	
1.	Operation costs	\$ 201,995
2.	Production costs	\$
3.	Raw materials	\$
4.	Debt service	\$ 83,563
5.	Relocation costs	\$
6.	Skills training	\$
7.	Other working capital-related costs (describe)	\$
8.	Contingency	\$ 349,979
F.	Professional Service Costs	
1.	Architecture and engineering	\$ 113,500
2.	Accounting/legal /IDA	\$ 140,500
3.	Other service-related costs (describe) Appraisal, Survey, Permits	\$ 17,500
G.	Other Costs	
1.	Marketing	\$ 25,000
2.	Brokerage	\$ 11,610
3.	Financing	37,125
H.	Summary of Expenditures	
1.	Total Land-Related Costs	\$ 100,000
2.	Total Building-Related Costs	\$ 3,785,793
3.	Total Machinery and Equipment Costs	\$ -0-
4.	Total Furniture and Fixture Costs	\$ 87,000
5.	Total Working Capital Costs	\$ 635,537
6.	Total Professional Service Costs	\$ 271,500
7.	Total Other Costs	\$ 73,735
		\$ 4,953,565

**PROJECTED PROFIT**

I. Please provide projected profit as defined by earnings after income tax but before depreciation and amortization:

YEAR	Without IDA benefits	With IDA benefits
1	\$ (85,624)	\$ (29,459)
2	\$ (29,790)	\$ 28,060
3	\$ (26,640)	\$ 32,946
4	\$ (23,471)	\$ 37,902
5	\$ (20,287)	\$ 42,928

**PROJECTED CONSTRUCTION EMPLOYMENT IMPACT**

I. Please provide estimates of total construction jobs and the total annual wages and benefits of construction jobs at the Project:

Year	Number of Construction Jobs	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax
Current Year		\$	\$
Year 1	15	\$ 585,000	\$ 40,075
Year 2		\$	\$
Year 3		\$	\$
Year 4		\$	\$
Year 5		\$	\$

**PROJECTED PERMANENT EMPLOYMENT IMPACT**

I. Please provide estimates of total number of existing permanent jobs to be preserved or retained as a result of the Project:

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year	0	0	0	0
Year 1	0	0	0	0
Year 2				
Year 3				
Year 4				
Year 5				

II. Please provide estimates of total new permanent jobs to be created at the Project:

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year	0	0	0	0
Year 1	under	construction		
Year 2		.25	3.25	2
Year 3		.25	3.25	2
Year 4		.25	3.25	2
Year 5		.25	3.25	2

III. Please provide estimates for the following:

A. Creation of New Job Skills relating to permanent jobs. Please complete Schedule A.

IV. Provide the projected percentage of employment that would be filled by City of Albany residents:  
goal of 50%

A. Provide a brief description of how the project expects to meet this percentage:  
 Listings in Times Union, Craigs List, City of Albany Job Site. Preference will be given to City of Albany residents who meet the job requirements

**PROJECTED OPERATING IMPACT**

I. Please provide estimates for the impact of Project operating purchases and sales:

Additional Purchases (1 <sup>st</sup> year following project completion)	\$ <u>10,000 est</u>
Additional Sales Tax Paid on Additional Purchases	\$ <u>800 est</u>
Estimated Additional Sales (1 <sup>st</sup> full year following project completion)	\$ <u>125,000 est</u>
Estimated Additional Sales Tax to be collected on additional sales (1 <sup>st</sup> full year following project completion)	\$ <u>10,000 est</u>

II. Please provide estimates for the impact of Project on existing real property taxes and new payments in lieu of taxes ("Pilot Payments"):

Applicant is seeking a 21 year PILOT Agreement whereby the tax payment for 2014 during construction and first 12 years of occupancy 2015 - 2026 are fixed at an assessment of \$850,000. Starting in 2027 the assessment shall increase \$127,778 per year until full assessment of \$2,000,000 is then reached in 2035.

Year	Existing Real Property Taxes (Without IDA involvement)	New Pilot Payments (With IDA)	Total (Difference)
Current Year	94,834	40,304	54,529
Year 1	97,679	41,513	56,165
Year 2	100,609	42,759	57,850
Year 3	103,627	44,042	59,586
Year 4	106,736	45,363	61,373
Year 5	109,938	46,724	63,215
Year 6	113,236	48,125	65,111
Year 7	116,634	49,569	67,064
Year 8	120,133	51,056	69,076
Year 9	123,737	52,588	71,149
Year 10	127,449	54,166	73,283

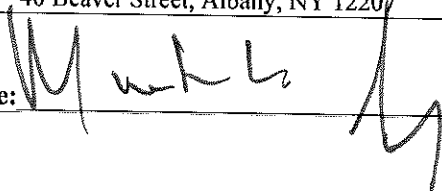
III. Please provide a brief description for the impact of other economic benefits expected to be produced as a result of the Project:

A vacant building in the heart of North Pearl Street will be re-energized with 26 - 50 residents many of whom may not currently live in the City of Albany. Average income of the residents is estimated at \$50,000 to \$150,000 per person. Thus providing significant disposable income to be spent in downtown, including at restaurants, stores and entertainment venues.

**CERTIFICATION**

I certify that I have prepared the responses provided in this Questionnaire and that, to the best of my knowledge, such responses are true, correct and complete.

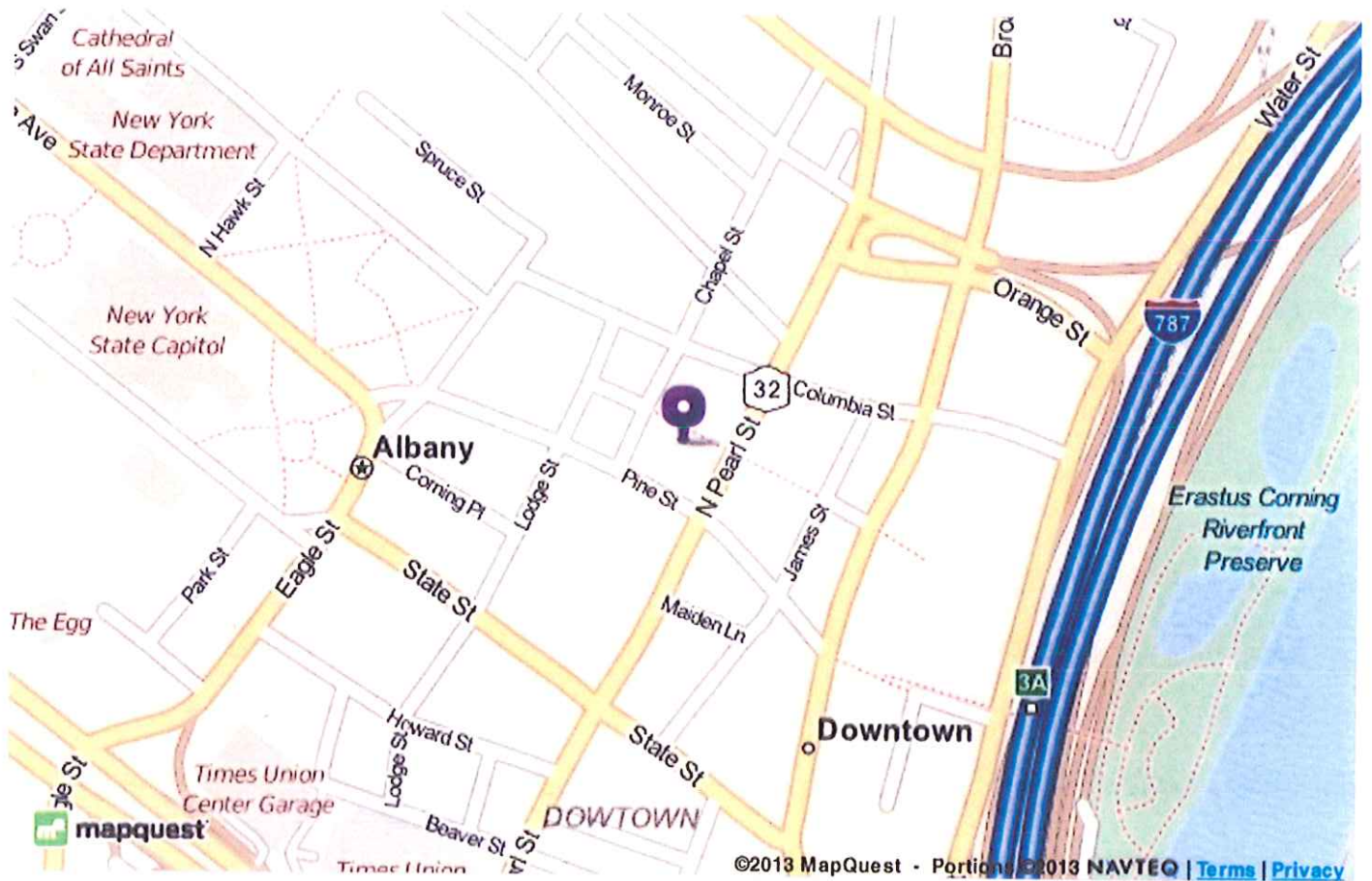
I understand that the foregoing information and attached documentation will be relied upon, and constitute inducement for, the Agency in providing financial assistance to the Project. I certify that I am familiar with the Project and am authorized by the Company to provide the foregoing information, and such information is true and complete to the best of my knowledge. I further agree that I will advise the Agency of any changes in such information, and will answer any further questions regarding the Project prior to the closing.

<b>Date Signed:</b> <u>11/11</u> , 20 <u>03</u>	<b>Name of Person Completing Project Questionnaire on behalf of the Company.</b>  Name: <u>Mark L. Aronowitz</u> Title: <u>Member</u> Phone Number: <u>518-432-4500</u> Address: <u>40 Beaver Street, Albany, NY 12207</u>  Signature: 
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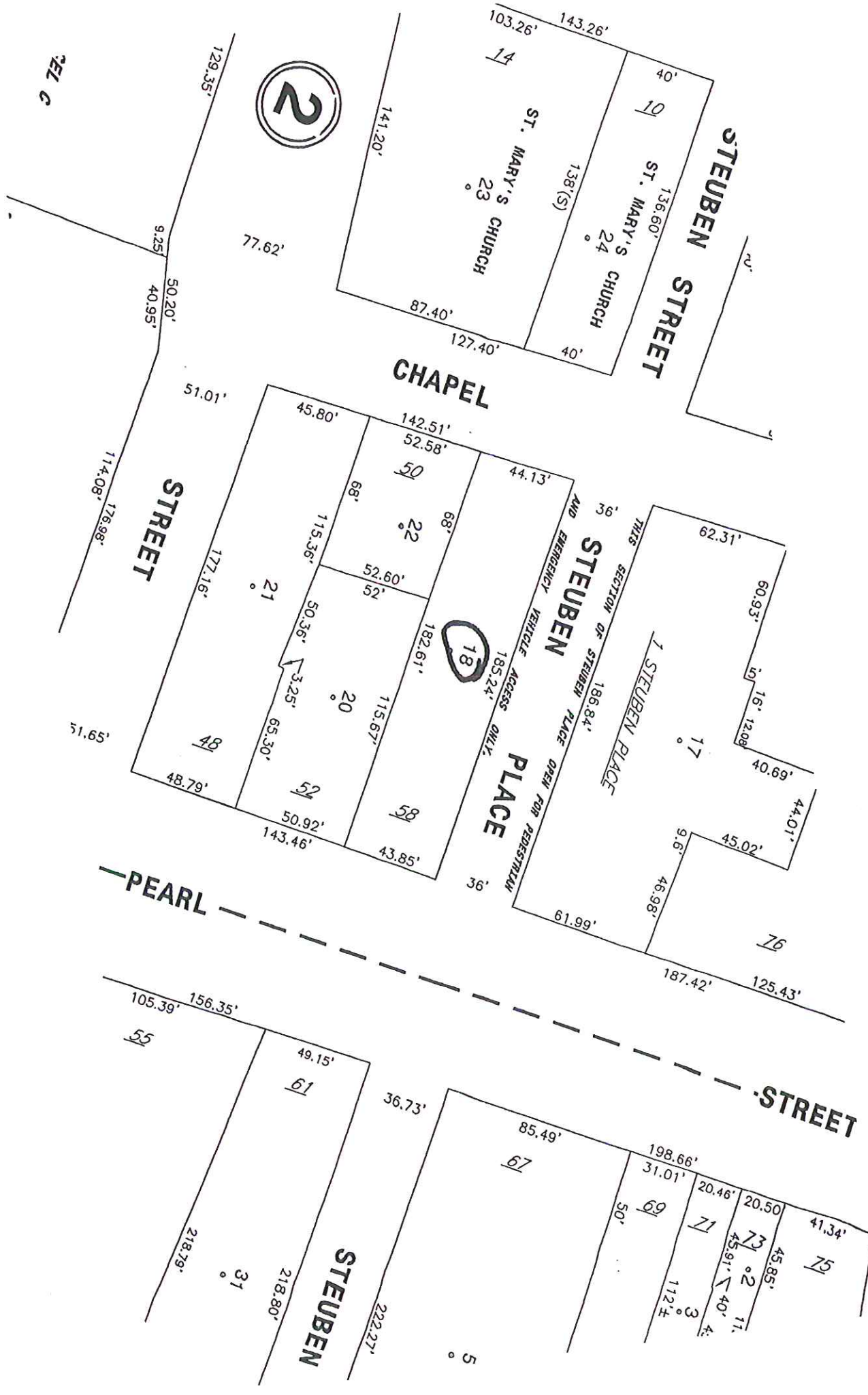




Map of:  
**58 N Pearl St**  
Albany, NY 12207-2704







143.26'  
103.26'  
40'  
10  
136.60'  
ST. MARY'S CHURCH  
138'(S)  
23  
24  
87.40'  
127.40'  
40'

STEUBEN STREET

CHAPEL STREET

STREET

STEUBEN PLACE

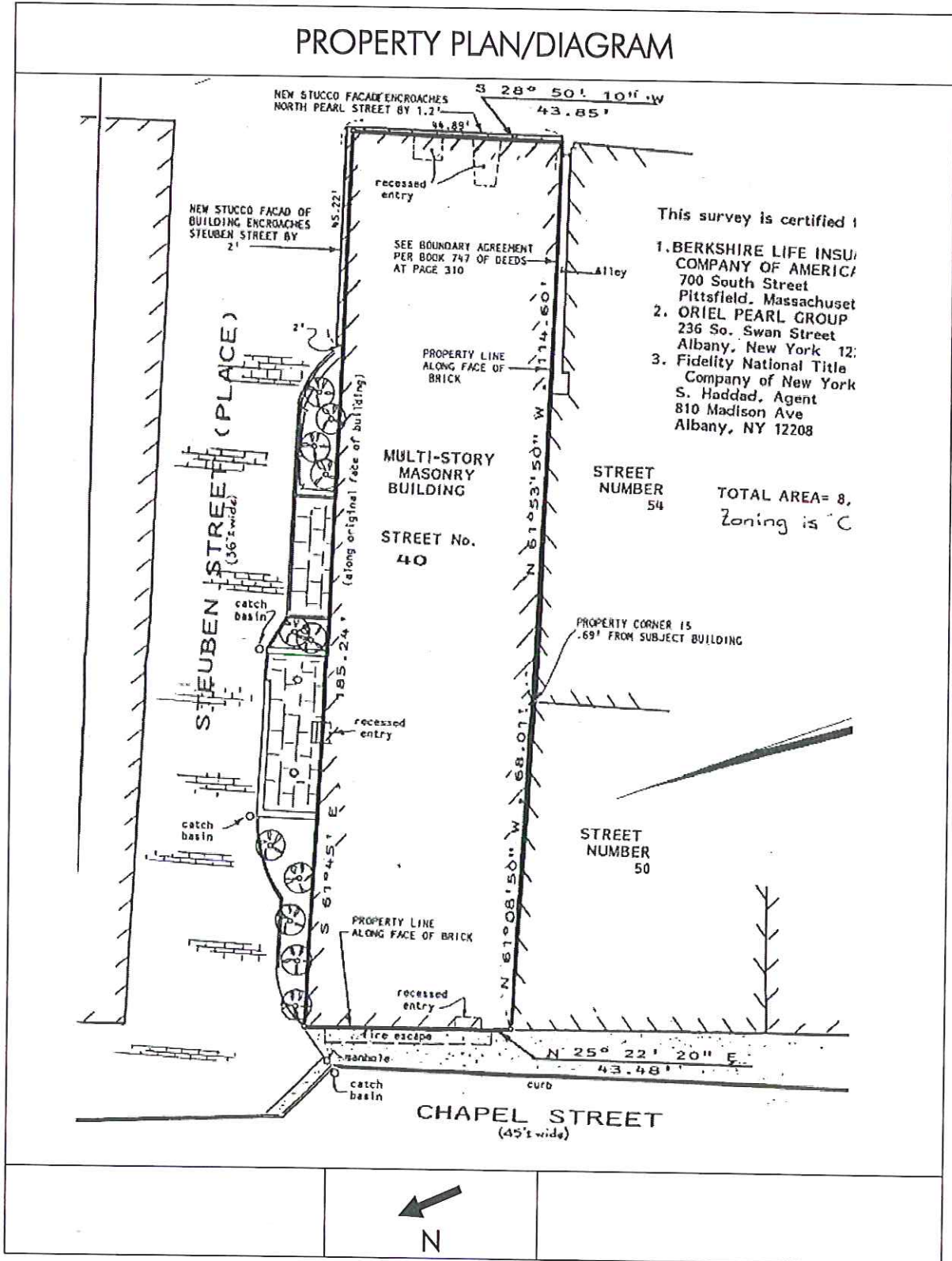
PLACE

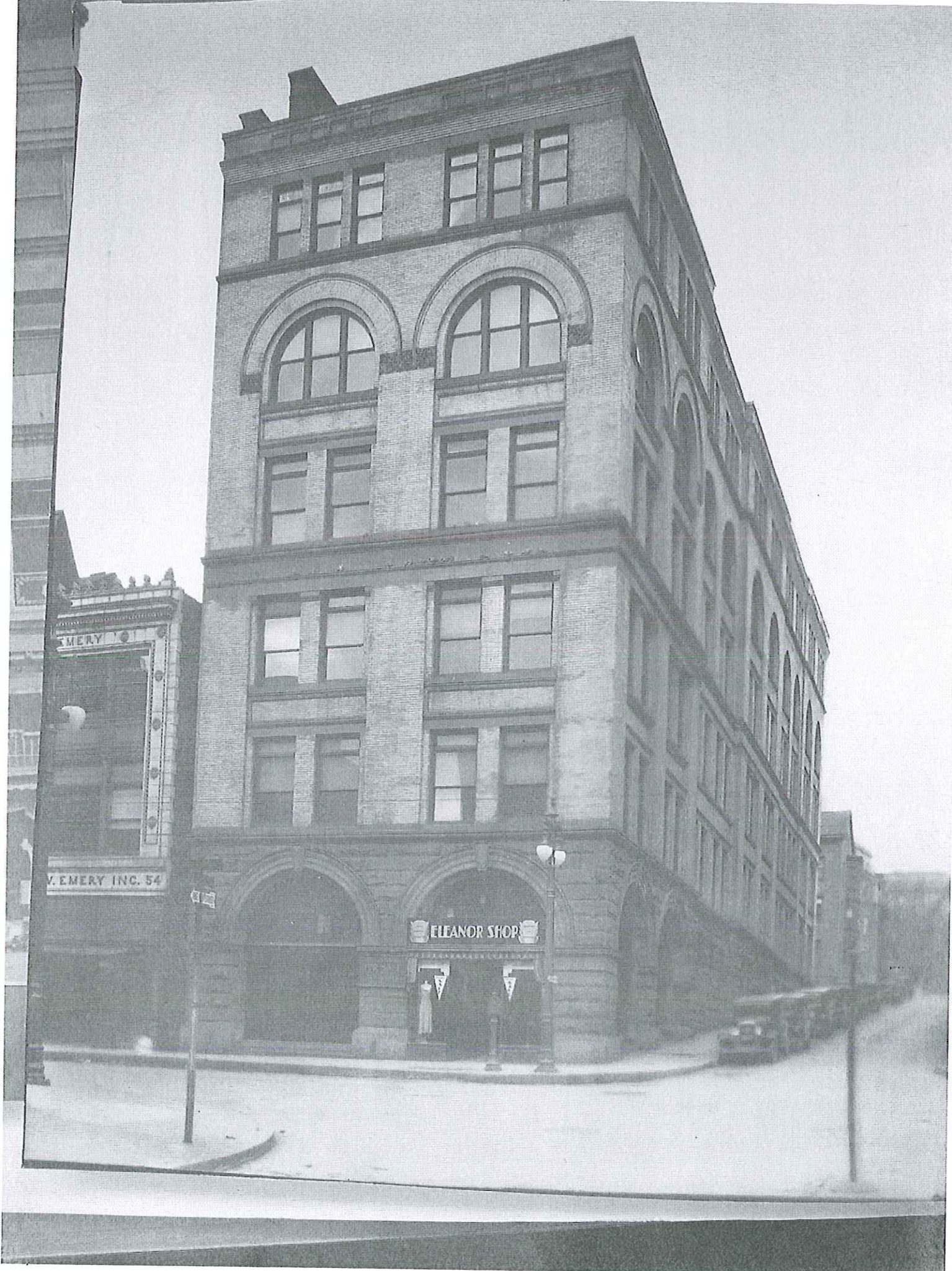
1 STEUBEN PLACE

PEARL STREET

STREET

STEUBEN





V. EMERY

V. EMERY INC. 54

ELEANOR SHOP





40 Stubbins St.



# MEMO

**TO:** City of Albany Industrial Development Agency Finance Committee  
**FROM:** City of Albany Industrial Development Agency Staff  
**RE:** Park South Projects  
**DATE:** November 8<sup>th</sup>, 2013

---

Staff has received initial applications from the following entities:

- 1) Park South Partners LLC
- 2) Albany Medical Center – 391 Myrtle Avenue (MOB)

The entities listed above are seeking financial assistance. Park South Partners LLC is seeking a sales and use tax exemption; mortgage recording tax exemption, and real property tax exemption. Albany Medical Center – 391 Myrtle Avenue (MOB) is seeking a real property tax exemption on the project that is proposed to be financed through the Capital Resource Corporation.

Staff recognizes the importance of the projects to Park South, as well as the City as a whole. Please note staff review has been preliminary and as such expects to offer more feedback going forward. Staff puts the applications listed above before the Committee for discussion and direction.

The Applicants would like the Committee to recommend public hearing resolutions with the understanding that the applications will require further discussion and potential refinement.

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY**

**APPLICATION**

-----  
IMPORTANT NOTICE: The answers to the questions contained in this application are necessary to determine your firm's eligibility for financing and other assistance from the City of Albany Industrial Development Agency. These answers will also be used in the preparation of papers in this transaction. Accordingly, all questions should be answered accurately and completely by an officer or other employee of your firm who is thoroughly familiar with the business and affairs of your firm and who is also thoroughly familiar with the proposed project. This application is subject to acceptance by the Agency.  
-----

TO: CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY  
c/o Department of Economic Development  
21 Lodge Street  
Albany, New York 12207

This application by applicant respectfully states:

APPLICANT: Park South Partners LLC

APPLICANT'S ADDRESS: 255 Washington Avenue Extension

CITY: Albany STATE: New York ZIP CODE: 12205

PHONE NO.: 862-6600 FAX NO.: 862-6610 E-MAIL: towens@tricityrentals.com

NAME OF PERSON(S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO THIS APPLICATION:

IF APPLICANT IS REPRESENTED BY AN ATTORNEY, COMPLETE THE FOLLOWING:

NAME OF ATTORNEY: Paul Goldman, Esq.

ATTORNEY'S ADDRESS: 210 Washington Avenue Extension

CITY: Albany STATE: New York ZIP CODE: 12203

PHONE NO.: 431-0941 FAX NO.: 694-4821 E-MAIL: pgoldman@goldmanpllc.com

-----  
NOTE: PLEASE READ THE INSTRUCTIONS ON PAGE 2 HEREOF BEFORE FILLING OUT THIS FORM.  
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## INSTRUCTIONS

1. The Agency will not approve any application unless, in the judgment of the Agency, said application and the summary contains sufficient information upon which to base a decision whether to approve or tentatively approve an action.
2. Fill in all blanks, using “none” or “not applicable” or “N/A” where the question is not appropriate to the project which is the subject of this application (the “Project”).
3. If an estimate is given as the answer to a question, put “(est)” after the figure or answer which is estimated.
4. If more space is needed to answer any specific question, attach a separate sheet.
5. When completed, return eight (8) copies of this application to the Agency at the address indicated on the first page of this application.
6. The Agency will not give final approval to this application until the Agency receives a completed environmental assessment form concerning the Project which is the subject of this application.
7. Please note that Article 6 of the Public Officers Law declares that all records in the possession of the Agency (with certain limited exceptions) are open to public inspection and copying. If the applicant feels that there are elements of the Project which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the applicant’s competitive position, the applicant may identify such elements in writing and request that such elements be kept confidential in accordance with Article 6 of the Public Officers Law.
8. The applicant will be required to pay to the Agency all actual costs incurred in connection with this application and the Project contemplated herein (to the extent such expenses are not paid out of the proceeds of the Agency’s bonds issued to finance the project). The applicant will also be expected to pay all costs incurred by general counsel and bond counsel to the Agency. The costs incurred by the Agency, including the Agency’s general counsel and bond counsel, may be considered as a part of the project and included as a part of the resultant bond issue.
9. The Agency has established an application fee of One Thousand Five Hundred Dollars (\$1,500) to cover the anticipated costs of the Agency in processing this application. A check or money order made payable to the Agency must accompany each application. THIS APPLICATION WILL NOT BE

ACCEPTED BY THE AGENCY UNLESS ACCOMPANIED BY THE  
APPLICATION FEE.

FOR AGENCY USE ONLY

1. Project Number	
2. Date application Received by Agency	, 20
3. Date application referred to attorney for review	, 20
4. Date copy of application mailed to members	, 20
5. Date notice of Agency meeting on application posted	, 20
6. Date notice of Agency meeting on application mailed	, 20
7. Date of Agency meeting on application	, 20
8. Date Agency conditionally approved application	, 20
9. Date scheduled for public hearing	, 20
10. Date Environmental Assessment Form ("EAF") received	, 20
11. Date Agency completed environmental review	, 20
12. Date of final approval of application	_____, 20____

SUMMARY OF PROJECT

Applicant: Park South Partners LLC
Contact Person: Timothy R. Owens
Phone Number: (518) 862-6600
Occupant: various residential/retail tenants
Project Location: 163 Morris Street, 11 New Scotland Avenue, 33 New Scotland Avenue and 160 Morris Street
Approximate Size of Project Site: 163 Morris St. (22.25 acres); 11 New Scotland Ave. (0.58 acres); 33 New Scotland Ave. (0.69 acres);
Description of Project: \* see below and 160 Morris St. (0.43 acres).

Type of Project: [ ] Manufacturing [ ] Warehouse/Distribution
[ ] Commercial [ ] Not-For-Profit
[X] Other-Specify residential/retail

Employment Impact: Existing Jobs 0
New Jobs 11

Project Cost: \$ 50,721,000

Type of Financing: [ ] Tax-Exempt [ ] Taxable [X] Straight Lease

Amount of Bonds Requested: \$ n/a

Estimated Value of Tax-Exemptions:

Table with 2 columns: Tax-Exemption Category and Amount. Rows include N.Y.S. Sales and Compensating Use Tax (\$1,899,400), Mortgage Recording Taxes (\$500,000), Real Property Tax Exemptions (\$15,919,928), and Other (please specify).

\* Acquisition of 163 Morris St., 11 New Scotland Ave., 33 New Scotland Ave. and 160 Morris St.; construction of 256 apartment units and retail space; and installation thereon of various personal property, furniture, fixtures and equipment.

I. INFORMATION CONCERNING THE PROPOSED OCCUPANT OF THE PROJECT (HEREINAFTER, THE "COMPANY").

A. Identity of Company:

1. Company Name: Park South Partners LLC

Present Address: 255 Washington Avenue Extension, Albany, NY

Zip Code: 12205

Employer's ID No.: applied for 46-3393252

2. If the Company differs from the Applicant, give details of relationship: n/a

3. Indicate type of business organization of Company:

a. \_\_\_\_\_ Corporation (If so, incorporated in what country?  
What State? \_\_\_\_\_ Date Incorporated? \_\_\_\_\_ Type of  
Corporation? \_\_\_\_\_ Authorized to do business in New York?  
Yes \_\_\_\_; No \_\_\_\_).

b. \_\_\_ Partnership (if so, indicate type of partnership \_\_\_\_\_,  
Number of general partners \_\_\_\_, Number of limited partners \_\_\_\_).

c.  Limited liability company,  
Date created? August 13, 2013.

d. \_\_\_\_\_ Sole proprietorship

4. Is the Company a subsidiary or direct or indirect affiliate of any other organization(s)? If so, indicate name of related organization(s) and relationship:  
See attached list of affiliates.

B. Management of Company:

1. List all owners, officers, members, directors and partners (complete all columns for each person):

NAME (First, Middle, Last) HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
Norman Massry Morris Massry		see list of affiliated companies attached hereto.

2. Is the Company or management of the Company now a plaintiff or a defendant in any civil or criminal litigation? Yes \_\_\_\_; No x.

3. Has any person listed above ever been convicted of a criminal offense (other than a minor traffic violation)? Yes \_\_\_\_; No x.

4. Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated a bankrupt? Yes \_\_\_\_; No x.  
(If yes to any of the foregoing, furnish details in a separate attachment).

5. If the answer to any of questions 2 through 4 is yes, please, furnish details in a separate attachment.

C. Principal Owners of Company:

1. Principal owners of Company: Is Company publicly held? Yes \_\_\_\_; No x.  
If yes, list exchanges where stock traded:

2. If no, list all stockholders having a 5% or more interest in the Company:

NAME	ADDRESS	PERCENTAGE OF HOLDING
Norman Massry	255 Washington Ave. Ext. Albany NY 12205	
Morris Massry	255 Washington Ave. Ext. Albany NY 12205	

D. Company's Principal Bank(s) of account:

II. DATA REGARDING PROPOSED PROJECT

A. Summary: (Please provide a brief narrative description of the Project.)

Acquisition of a leasehold interest in those certain parcels of land located at 160 Morris St., 163 Morris Street, 11 New Scotland Avenue, and 33 New Scotland Avenue, construction thereon of +/- 256 residential apartments and 25,000+/- sq. ft. retail; and installation

Location of Proposed Project

fit-up, finishes, furniture, fixtures and equipment.

1. Street Address 160 Morris St., 163 Morris St., 11 New Scotland Ave. and 33 New Scotland Ave.
2. City of Albany
3. Town of
4. Village of
5. County of Albany

C. Project Site:

1. Approximate size (in acres or square feet) of Project site: 23.95 acres

Is a map, survey or sketch of the project site attached? Yes  ; No .

2. Are there existing buildings on project site? Yes  ; No .

a. If yes, indicate number and approximate size (in square feet) of each existing building: various residential structures per final approved site plan

b. Are existing buildings in operation? Yes  ; No .

If yes, describe present use of present buildings: residential housing

c. Are existing buildings abandoned? Yes  ; No . About to be abandoned? Yes  ; No . If yes, describe: residential housing and occupants are in the process of being relocated.

d. Attach photograph of present buildings.

3. Utilities serving project site:  
 Water-Municipal: City of Albany  
 Other (describe)  
 Sewer-Municipal: City of Albany  
 Other (describe)  
 Electric-Utility: National Grid  
 Other (describe)  
 Heat-Utility: National Grid  
 Other (describe)
4. Present legal owner of project site: Albany Medical Center
- a. If the Company owns project site, indicate date of purchase: \_\_\_\_\_, 20\_\_\_\_; Purchase price: \$ n/a- leasehold acquisition
- b. If Company does not own the Project site, does Company have option signed with owner to purchase the Project site? Yes x; No \_\_\_\_\_. If yes, indicate date option signed with owner: \_\_\_\_\_, 20\_\_\_\_; and the date the option expires: \_\_\_\_\_, 20\_\_\_\_. in process
- c. If the Company does not own the project site, is there a relationship legally or by common control between the Company and the present owners of the project site? Yes \_\_\_\_; No x. If yes, describe:

5. a. Zoning District in which the project site is located:  
 Park South Planned Development Overlay District
- b. Are there any variances or special permits affecting the site? Yes \_\_\_\_; No x. If yes, list below and attach copies of all such variances or special permits:

D. Buildings:

1. Does part of the project consist of a new building or buildings? Yes x; No \_\_\_\_\_. If yes, indicate number and size of new buildings:  
 6 residential buildings and 2 buildings with retail on 1st floor and residential on remaining 5 floors.
2. Does part of the project consist of additions and/or renovations to the existing buildings? Yes \_\_\_\_; No x. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation:
3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed or expanded: residential housing



E. Description of the Equipment:

1. Does a part of the Project consist of the acquisition or installation of machinery, equipment or other personal property (the "Equipment")? Yes x; No \_\_\_\_\_. If yes, describe the Equipment:  
various tenant furniture, fixtures and equipment
  
2. With respect to the Equipment to be acquired, will any of the Equipment be Equipment which has previously been used? Yes \_\_\_\_; No x. If yes, please provided detail:
  
3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed:  
Furniture, fixtures and equipment for residential apartments and retail stores

F. Project Use:

1. What are the principal products to be produced at the Project? n/a
  
2. What are the principal activities to be conducted at the Project?  
residential apartments
  
3. Does the Project include facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities? Yes \_\_\_\_; No x. If yes, please provide detail:  
There will be +/- 25,000 sq. ft. retail for the entire Project.
  
4. If the answer to question 3 is yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project? \_\_\_\_% n/a

5. If the answer to question 3 is yes, and the answer to question 4 is more than 33.33%, indicate whether any of the following apply to the Project: n/a

a. Will the Project be operated by a not-for-profit corporation? Yes\_\_\_\_; No\_\_\_\_. If yes, please explain: n/a

b. Is the Project likely to attract a significant number of visitors from outside the economic development region in which the Project will be located? Yes\_\_\_\_; No\_\_\_\_. If yes, please explain: n/a

c. Would the Project occupant, but for the contemplated financial assistance from the Agency, locate the related jobs outside the State of New York? Yes\_\_\_\_; No\_\_\_\_. If yes, please explain: n/a

d. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonable accessible to the residents of the city, town or village within which the Project will be located, because of a lack of reasonably accessible retail trade facilities offering such goods or services? Yes\_\_\_\_; No\_\_\_\_. If yes, please provide detail:  
n/a

e. Will the Project be located in one of the following: (i) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (ii) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most recent census data, has (x) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? Yes\_\_\_\_; No\_\_\_\_. If yes, please explain: \_\_\_\_\_ n/a

6. If the answers to any of subdivisions c. through e. of question 5 is yes, will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York? Yes\_\_\_\_; No\_\_\_\_. If yes, please explain: n/a

7. Will the completion of the Project result in the removal of a plant or facility of the Company or another proposed occupant of the Project (a "Project Occupant") from one area of the State of New York to another area of the State of New York? Yes\_\_\_\_; No x. If yes, please explain:

8. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Company located in the State of New York? Yes\_\_\_\_; No x. If yes, please provide detail:

9. If the answer to either question 7 or question 8 is yes, indicate whether any of the following apply to the Project: n/a

a. Is the Project reasonably necessary to preserve the competitive position of the Company on such Project Occupant in its industry? Yes\_\_\_\_; No\_\_\_\_. If yes, please provide detail: n/a

b. Is the Project reasonably necessary to discourage the Company or such Project Occupant from removing such other plant or facility to a location outside the State of New York? Yes\_\_\_\_; No\_\_\_\_. If yes, please provide detail: n/a

G. Other Involved Agencies:

1. Please indicate all other local agencies, boards, authorities, districts, commissions or governing bodies (including any city, county and other political subdivision of the State of New York and all state departments, agencies, boards, public benefit corporations, public authorities or commissions) involved in approving or funding or directly undertaking action with respect to the Project. For example, do you need a municipal building permit to undertake the Project? Do you need a zoning approval to undertake the Project? If so, you would list the appropriate municipal building department or planning or zoning commission which would give said approvals.

Albany Common Council, Albany Planning Board, ESDC.  
City of Albany Zoning Board of Appeals

2. Describe the nature of the involvement of the federal, state or local agencies described above: permits and approvals.

H. Construction Status:

1. Has construction work on this project begun? Yes \_\_\_; No x. If yes, please discuss in detail the approximate extent of construction and the extent of completion. Indicate in your answer whether such specific steps have been completed as site clearance and preparation; completion of foundations; installation of footings; etc.:

2. Please indicate amount of funds expended on this project by the Company in the past three (3) years and the purposes of such expenditures: None .

1. Method of Construction After Agency Approval:

1. If the Agency approves the project which is the subject of this application, there are two methods that may be used to construct the project. The applicant can construct the project privately and sell the project to the Agency upon completion. Alternatively, the applicant can request to be appointed as "agent" of the Agency, in which case certain laws applicable to public construction may apply to the project. Does the applicant wish to be designated as "agent" of the Agency for purposes of constructing the project? Yes x; No \_\_\_.

2. If the answer to question 1 is yes, does the applicant desire such "agent" status prior to the closing date of the financing? Yes x; No \_\_\_.

III. INFORMATION CONCERNING LEASES OR SUBLEASES OF THE PROJECT. (PLEASE COMPLETE THE FOLLOWING SECTION IF THE COMPANY INTENDS TO LEASE OR SUBLEASE ANY PORTION OF THE PROJECT).

A. Does the Company intend to lease or sublease more than 10% (by area or fair market value) of the Project? Yes x; No \_\_\_. If yes, please complete the following for each existing or proposed tenant or subtenant: The Project is intended to be leased

1. Sublessee name: to various residential tenants under  
Present Address: typical 1 year lease agreements.  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip:  
Employer's ID No.:  
Sublessee is: \_\_\_ Corporation: \_\_\_ Partnership: \_\_\_ Sole Proprietorship  
Relationship to Company:  
Percentage of Project to be leased or subleased:  
Use of Project intended by Sublessee:  
Date of lease or sublease to Sublessee:

Term of lease or sublease to Sublessee:

Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes \_\_\_\_; No \_\_\_\_ . If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

2. Sublessee name:  
 Present Address:  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip:  
 Employer's ID No.:  
 Sublessee is:  
 \_\_\_\_\_ Corporation: \_\_\_\_\_ Partnership: \_\_\_\_\_ Sole Proprietorship  
 Relationship to Company:  
 Percentage of Project to be leased or subleased:  
 Use of Project intended by Sublessee:  
 Date of lease or sublease to Sublessee:  
 Term of lease or sublease to Sublessee: \_\_\_\_\_  
 Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes \_\_\_; No \_\_\_. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

3. Sublessee name:  
 Present Address:  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip:  
 Employer's ID No.:  
 Sublessee is: \_\_\_\_\_ Corporation: \_\_\_\_\_ Partnership: \_\_\_\_\_ Sole Proprietorship  
 Relationship to Company:  
 Percentage of Project to be leased or subleased:  
 Use of Project intended by Sublessee:  
 Date of lease or sublease to Sublessee:  
 Term of lease or sublease to Sublessee:  
 Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes \_\_\_; No \_\_\_. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

B. What percentage of the space intended to be leased or subleased is now subject to a binding written lease or sublease? 0%

IV. Employment Impact

A. Indicate below the number of people presently employed at the project site and the number that will be employed at the project site at end of the first and second years after the project has been completed (Do not include construction workers). Also indicate below the number of workers employed at the project site representing newly created positions as opposed to positions relocated from other project sites of the applicant. Such information regarding relocated positions should also indicate whether such positions are relocated from other project sites financed by obligations previously issued by the Agency.

TYPE OF EMPLOYMENT					
	PROFESSIONAL MANAGERIAL	SKILLED	SEMI- SKILLED	UNSKILLED	TOTALS
Present Full Time					
Present Part Time		SEE ATTACHED EMPLOYMENT SCHEDULE			
Present Seasonal					
First Year Full Time					
First Year Part Time					
First Year Seasonal					
Second Year Full Time					
Second Year Part Time					
Second Year Seasonal					

B. Please prepare a separate attachment describing in detail the types of employment at the project site. Such attachment should describe the activities or work performed for each type of employment.

V. Project Cost See attached Project Cost Chart

A. Anticipated Project Costs. State the costs reasonably necessary for the acquisition of the project site and the construction of the proposed project including the acquisition and installation of any machinery and equipment necessary or convenient in connection therewith, and including any utilities, access roads or appurtenant facilities, using the following categories:

<u>Description of Cost</u>	<u>Amount</u>
Land	\$ 2,100,000
Buildings	\$ 47,485,000
Machinery and equipment costs	\$ _____
Utilities, roads and appurtenant costs	\$ _____
Architects and engineering fees	\$ _____
Costs of Bond issue (legal, financial	

and printing)	\$ 455,000
Construction loan fees and interest (if applicable)	\$ 681,000
Other (specify)	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
<b>TOTAL PROJECT COST</b>	<b>\$50,721,000</b>

B. Have any of the above expenditures already been made by applicant?  
 Yes \_\_\_\_; No x. (If yes, indicate particular.)

V. BENEFITS EXPECTED FROM THE AGENCY

A. Financing

1. Is the applicant requesting that the Agency issue bonds to assist in financing the project? Yes \_\_\_\_; No x. If yes, indicate:
  - a. Amount of loan requested: \_\_\_\_ Dollars; n/a
  - b. Maturity requested: \_\_\_\_ Years. n/a
  
2. Is the interest on such bonds intended to be exempt from federal income taxation? Yes \_\_\_\_; No x.
  
3. If the answer to question 2 is yes, will any portion of the Project be used for any of the following purposes: n/a
  - a. retail food and beverage services: Yes \_\_\_\_; No \_\_\_\_
  - b. automobile sales or service: Yes \_\_\_\_; No \_\_\_\_
  - c. recreation or entertainment: Yes \_\_\_\_; No \_\_\_\_
  - d. golf course: Yes \_\_\_\_; No \_\_\_\_
  - e. country club: Yes \_\_\_\_; No \_\_\_\_
  - f. massage parlor: Yes \_\_\_\_; No \_\_\_\_
  - g. tennis club: Yes \_\_\_\_; No \_\_\_\_
  - h. skating facility (including roller
  - i. skating, skateboard and ice skating): Yes \_\_\_\_; No \_\_\_\_
  - j. racquet sports facility (including
  - handball and racquetball court): Yes \_\_\_\_; No \_\_\_\_
  - k. hot tub facility: Yes \_\_\_\_; No \_\_\_\_
  - l. suntan facility: Yes \_\_\_\_; No \_\_\_\_
  - m. racetrack: Yes \_\_\_\_; No \_\_\_\_
  
4. If the answer to any of the above questions contained in question 3 is yes, please furnish details on a separate attachment. n/a



5. Is the Project located in the City's federally designated Enterprise Zone? Yes \_\_\_; No X.
6. Is the applicant requesting the Agency to issue federally tax-exempt Enterprise Zone bonds? Yes \_\_\_; No X.

B. Tax Benefits

1. Is the applicant requesting any real property tax exemption that would not be available to a project that did not involve the Agency? Yes X; No \_\_\_.
2. Is the applicant expecting that the financing of the Project will be secured by one or more mortgages? Yes X; No \_\_\_. If yes, what is the approximate amount of financing to be secured by mortgages? \$ 40,000,000.
3. Is the applicant expecting to be appointed agent of the Agency for purposes of avoiding payment of N.Y.S. Sales Tax or Compensating Use Tax? Yes X; No \_\_\_. If yes, what is the approximate amount of purchases which the applicant expects to be exempt from the N.Y.S. Sales and Compensating Use Taxes? \$ 47,485,000.
4. What is the estimated value of each type of tax-exemption being sought in connection with the Project? Please detail the type of tax-exemption and value of the exemption.

a.	N.Y.S. Sales and Compensating Use Taxes:	\$ <u>1,899,400</u>
b.	Mortgage Recording Taxes:	\$ <u>500,000</u>
c.	Real Property Tax Exemptions:	\$ <u>15,919,928</u>
d.	Other (please specify):	\$ _____
	_____	\$ _____
	_____	\$ _____

5. Are any of the tax-exemptions being sought in connection with the Project inconsistent with the Agency's tax-exemption policy contained in its Rules and Regulations? Yes X; No \_\_\_. If yes, please explain.  
The applicant is requesting a payment in lieu of tax agreement pursuant to the attached proposed PILOT Schedule.
6. Is the Project located in the City's state designated Empire Zone? Yes \_\_\_; No X.

C. Project Cost/Benefit Information. Complete the attached Cost/Benefit Analysis so that the Agency can perform a cost/benefit analysis of undertaking the Project. Such information should consist of a list and detailed description of the benefits of the Agency undertaking the Project (e.g., number of jobs created, types of jobs created, economic development in the area, etc.). Such information should also consist of a list and detailed description of the costs of the Agency undertaking the Project (e.g., tax revenues lost, buildings abandoned, etc.).

VI. REPRESENTATIONS BY THE APPLICANT. The applicant understands and agrees with the Agency as follows:

A. Job Listings. Except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOC") and with the administrative entity (collectively with the DOC, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.

B. First Consideration for Employment: In accordance with Section 858-b(2) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.

C. City Human Rights Law. The Applicant agrees to endeavor to comply with the provisions of Article XI, Division 2 of the City Code, entitled "The Omnibus Human Rights Law". The Applicant understands that it is not subject to the provisions of The Omnibus Human Rights Law.

D. Annual Sales Tax Filings. In accordance with Section 874(8) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the applicant and all consultants or subcontractors retained by the applicant.

F. Annual Employment Reports: The applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site.

G. Absence of Conflicts of Interest: The applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

PARK SOUTH PARTNERS LLC

(Applicant)

BY:

Name:

Title:

*Linorhy Owens*  
*Authorized Representative*

NOTE: APPLICANT MUST ALSO COMPLETE THE APPROPRIATE VERIFICATION APPEARING ON PAGES 18 THROUGH 21 HEREOF BEFORE A NOTARY PUBLIC AND MUST SIGN AND ACKNOWLEDGE THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 22

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HOLD HARMLESS AGREEMENT

Applicant hereby releases City of Albany Industrial Development Agency and the members, officers, servants, agents and employees thereof (hereinafter collectively referred to as the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (i) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the application or the project described therein or the issue of bonds requested therein are favorably acted upon by the Agency, and (ii) the Agency's financing of the Project described therein; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or the Applicant are unable to find buyers willing to purchase the total bond issue requested, then, and in that event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

PARK SOUTH PARTNERS LLC

(Applicant)

BY

Name:

Title:

*Smothery Owens*  
*Authorized Representative*

Sworn to before me this

*30* day of *Sept*, 20*13*

*[Signature]*  
(Notary Public)



TO: Project Applicants  
 FROM: City of Albany Industrial Development Agency  
 RE: Cost/Benefit Analysis

In order for the City of Albany Industrial Development Agency (the "Agency") to prepare a Cost/Benefit Analysis for a proposed project (the "Project"), the Applicant must answer the questions contained in this Project Questionnaire (the "Questionnaire") and complete the attached Schedules. This Questionnaire and the attached Schedule will provide information regarding various aspects of the Project, and the costs and benefits associated therewith.

Since we need this Questionnaire to be completed before we can finalize the Cost/Benefit Analysis, please complete this Questionnaire and forward it to us at your earliest convenience.

**PROJECT QUESTIONNAIRE**

- |   |  |
|---|--|
| 1. Name of Project Beneficiary ("Company"):         | Park South Partners LLC  |
| 2. Brief Identification of the Project:             | Acquisition of 160 Morris St, 163 Morris St, 11 New Scotland Ave., * |
| 3. Estimated Amount of Project Benefits Sought:     |  |
| A. Amount of Bonds Sought:                          | \$ 0.00  |
| B. Value of Sales Tax Exemption Sought              | \$ 1,899,400.00  |
| C. Value of Real Property Tax Exemption Sought      | \$ 15,919,928  |
| D. Value of Mortgage Recording Tax Exemption Sought | \$ 500,000.00  |

**PROJECTED PROJECT INVESTMENT**

- |  |                  |
|--|------------------|
| A. Land-Related Costs                        |                  |
| 1. Land acquisition                          | \$ 2,100,000.00  |
| 2. Site preparation                          | \$               |
| 3. Landscaping                               | \$               |
| 4. Utilities and infrastructure development  | \$               |
| 5. Access roads and parking development      | \$               |
| 6. Other land-related costs (describe)       | \$               |
| B. Building-Related Costs                    |                  |
| 1. Acquisition of existing structures        | \$               |
| 2. Renovation of existing structures         | \$               |
| 3. New construction costs                    | \$ 47,485,000.00 |
| 4. Electrical systems                        | \$               |
| 5. Heating, ventilation and air conditioning | \$               |
| 6. Plumbing                                  | \$               |
| 7. Other building-related costs (describe)   | \$               |

\* and 33 New Scotland Ave., construction of +/- 256 apartment units and retail space, and installation thereon of various personal property, furniture, fixtures and equipment.

C.	Machinery and Equipment Costs	
1.	Production and process equipment	\$ _____
2.	Packaging equipment	\$ _____
3.	Wharehousing equipment	\$ _____
4.	Installation costs for various equipment	\$ _____
5.	Other equipment-related costs (describe)	\$ _____
D.	Furniture and Fixture Costs	
1.	Office furniture	\$ _____
2.	Office equipment	\$ _____
3.	Computers	\$ _____
4.	Other furniture-related costs (describe)	\$ _____
E.	Working Capital Costs	
1.	Operation costs	\$ _____
2.	Production costs	\$ _____
3.	Raw materials	\$ _____
4.	Debt service	\$ _____
5.	Relocation costs	\$ _____
6.	Skills training	\$ _____
7.	Other working capital-related costs (describe)	\$ _____
F.	Professional Service Costs	
1.	Architecture and engineering	\$ _____
2.	Accounting/legal /IDA fees	\$ 455,000.00
3.	Other service-related costs (describe)	\$ _____
G.	Other Costs	
1.	<u>Loan fees, CPI, carry costs</u>	\$ 681,000.00
2.	_____	\$ _____
H.	Summary of Expenditures	
1.	Total Land-Related Costs	\$ 2,100,000.00
2.	Total Building-Related Costs	\$ 47,485,000.00
3.	Total Machinery and Equipment Costs	\$ _____
4.	Total Furniture and Fixture Costs	\$ _____
5.	Total Working Capital Costs	\$ _____
6.	Total Professional Service Costs	\$ 455,000.00
7.	Total Other Costs	\$ 681,000.00

**PROJECTED PROFIT**

\*See attached Income & Expense Reports

I. Please provide projected profit as defined by earnings after income tax but before depreciation and amortization:

YEAR	Without IDA benefits	With IDA benefits
1	\$ _____	\$ _____
2	\$ _____	\$ _____
3	\$ _____	\$ _____
4	\$ _____	\$ _____
5	\$ _____	\$ _____

**PROJECTED CONSTRUCTION EMPLOYMENT IMPACT**

I. Please provide estimates of total construction jobs and the total annual wages and benefits of construction jobs at the Project:

Year	Number of Construction Jobs	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax
Current Year	0	\$ _____	\$ _____
Year 1	200*	\$ 2,704,000	\$ 405,600
Year 2		\$ _____	\$ _____
Year 3		\$ _____	\$ _____
Year 4		\$ _____	\$ _____
Year 5		\$ _____	\$ _____

\* equivalent of 20 full time jobs - 1 year

**PROJECTED PERMANENT EMPLOYMENT IMPACT**

I. Please provide estimates of total number of existing permanent jobs to be preserved or retained as a result of the Project:

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year	0	0	0	0
Year 1	0	0	0	0
Year 2	0	0	0	0
Year 3	0	0	0	0
Year 4	0	0	0	0
Year 5	0	0	0	0

II. Please provide estimates of total new permanent jobs to be created at the Project:

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year				
Year 1	see attached Job Creation Chart			
Year 2				
Year 3				
Year 4				
Year 5				

III. Please provide estimates for the following:

A. Creation of New Job Skills relating to permanent jobs. Please complete Schedule A.

IV. Provide the projected percentage of employment that would be filled by City of Albany residents:

20% \_\_\_\_\_ We anticipate job openings will be listed with the local Job Development Authority office which will provide a source of local applicants for employment.

A. Provide a brief description of how the project expects to meet this percentage:

**PROJECTED OPERATING IMPACT**

I. Please provide estimates for the impact of Project operating purchases and sales:

Additional Purchases (1 <sup>st</sup> year following project completion)	\$ 0 _____
Additional Sales Tax Paid on Additional Purchases	\$ 0 _____
Estimated Additional Sales (1 <sup>st</sup> full year following project completion)	\$ 0 _____
Estimated Additional Sales Tax to be collected on additional sales (1 <sup>st</sup> full year following project completion)	\$ 0 _____

II. Please provide estimates for the impact of Project on existing real property taxes and new payments in lieu of taxes ("Pilot Payments"): see attached proposed PILOT Schedule.

Year	Existing Real Property Taxes (Without IDA involvement)	New Pilot Payments (With IDA)	Total (Difference)
Current Year			
Year 1			
Year 2	SEE ATTACHED PROPOSED PILOT SCHEDULE		
Year 3			
Year 4			
Year 5			
Year 6			
Year 7			
Year 8			
Year 9			
Year 10			

- III. Please provide a brief description for the impact of other economic benefits expected to be produced as a result of the Project:

Local retail and service industries will benefit from the 256 new market rate residences in the City of Albany.

**CERTIFICATION**

I certify that I have prepared the responses provided in this Questionnaire and that, to the best of my knowledge, such responses are true, correct and complete.

I understand that the foregoing information and attached documentation will be relied upon, and constitute inducement for, the Agency in providing financial assistance to the Project. I certify that I am familiar with the Project and am authorized by the Company to provide the foregoing information, and such information is true and complete to the best of my knowledge. I further agree that I will advise the Agency of any changes in such information, and will answer any further questions regarding the Project prior to the closing.

Date Signed: 9/30, 2013

Name of Person Completing Project Questionnaire on behalf of the Company.

Name: Emily Owens  
Title: Authorized Representative  
Phone Number: 862-8600  
Address: 255 Washington Avenue Ext.  
Albany NY 12205

Signature: Emily Owens

SCHEDULE A

CREATION OF NEW JOB SKILLS

Please list the projected new job skills for the new permanent jobs to be created at the Project as a result of the undertaking of the Project by the Company.

New Job Skills

Number of Positions Created

Wage Rate

SEE ATTACHED JOB CREATION CHART

Should you need additional space, please attach a separate sheet.

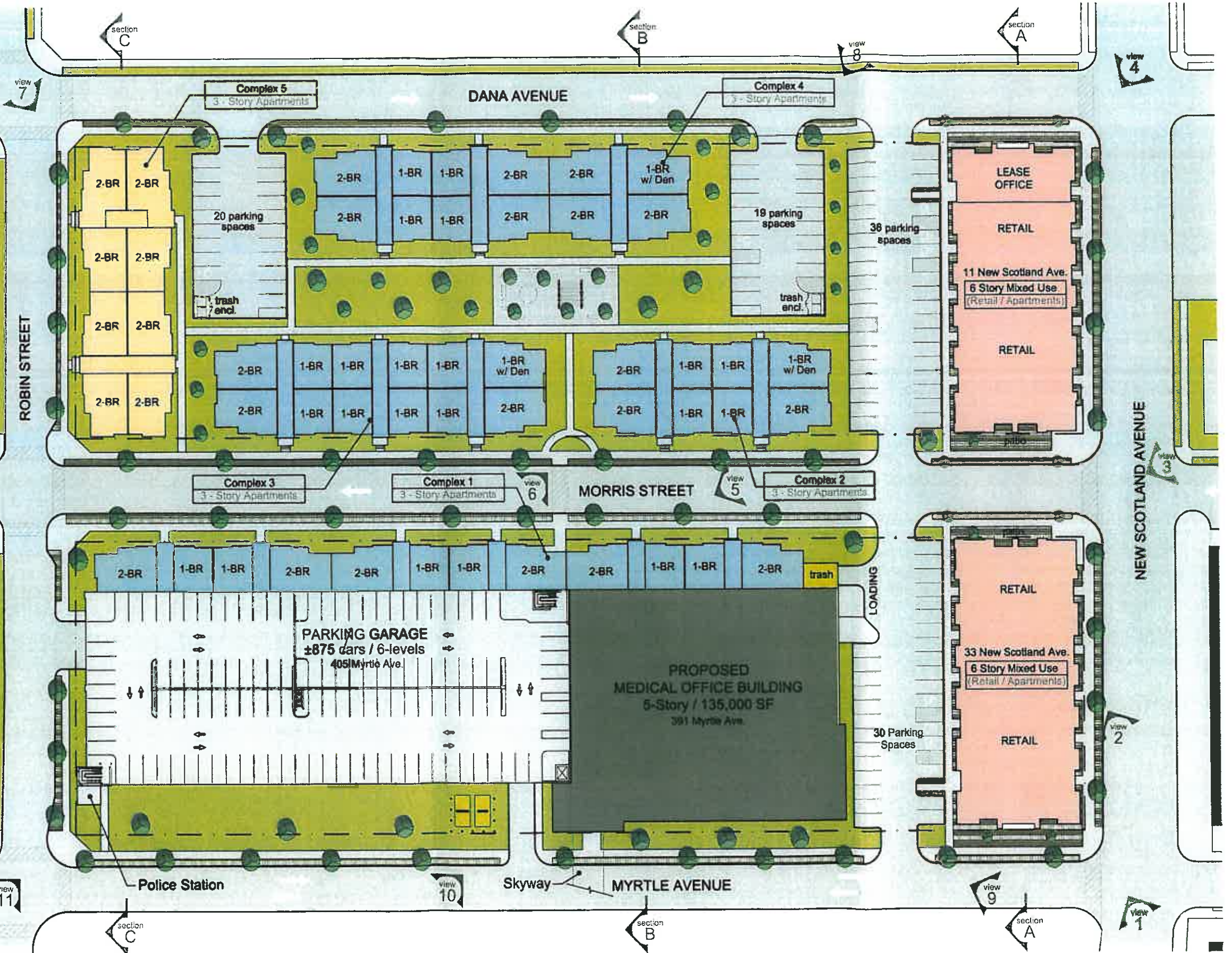
LIST OF AFFILIATES (PAGES 6, 7)



<b>Massry Affiliated Entities</b>
Brunswick Associates of Albany, LP
Brunswick Associates II of Albany, LLC
California Associates, LP
Capital View Associates, LLC
Center Albany Associates, L.P.
Clover Park Apartment Associates of Albany, LP
Country Club Manor Associates, LP
Crescent Village Associates, LP
Court Royale Apartments, LLC
E.B. Realty of Albany, LLC
Elmwood Associates
Hillside Associates of Albany, LLC
Livingston Apartments, LP
Menands Associates, LP
MRP Associates, LLC
MRP Schuyler, LLC
NMM Glens Falls Assoc., LLC
Paradise NM, LLC
R.P. Associates of Albany, LP
Rustic Village
Sandcreek Associates
Sheridan Village Associates, LLC
TM Orchard Park Res. Ptrs, LP
Tri City Rentals, LLC
Tri City Rentals Management Corp
Towers Associates
Woodlake Associates, LP
255 Washington Avenue Extension LLC

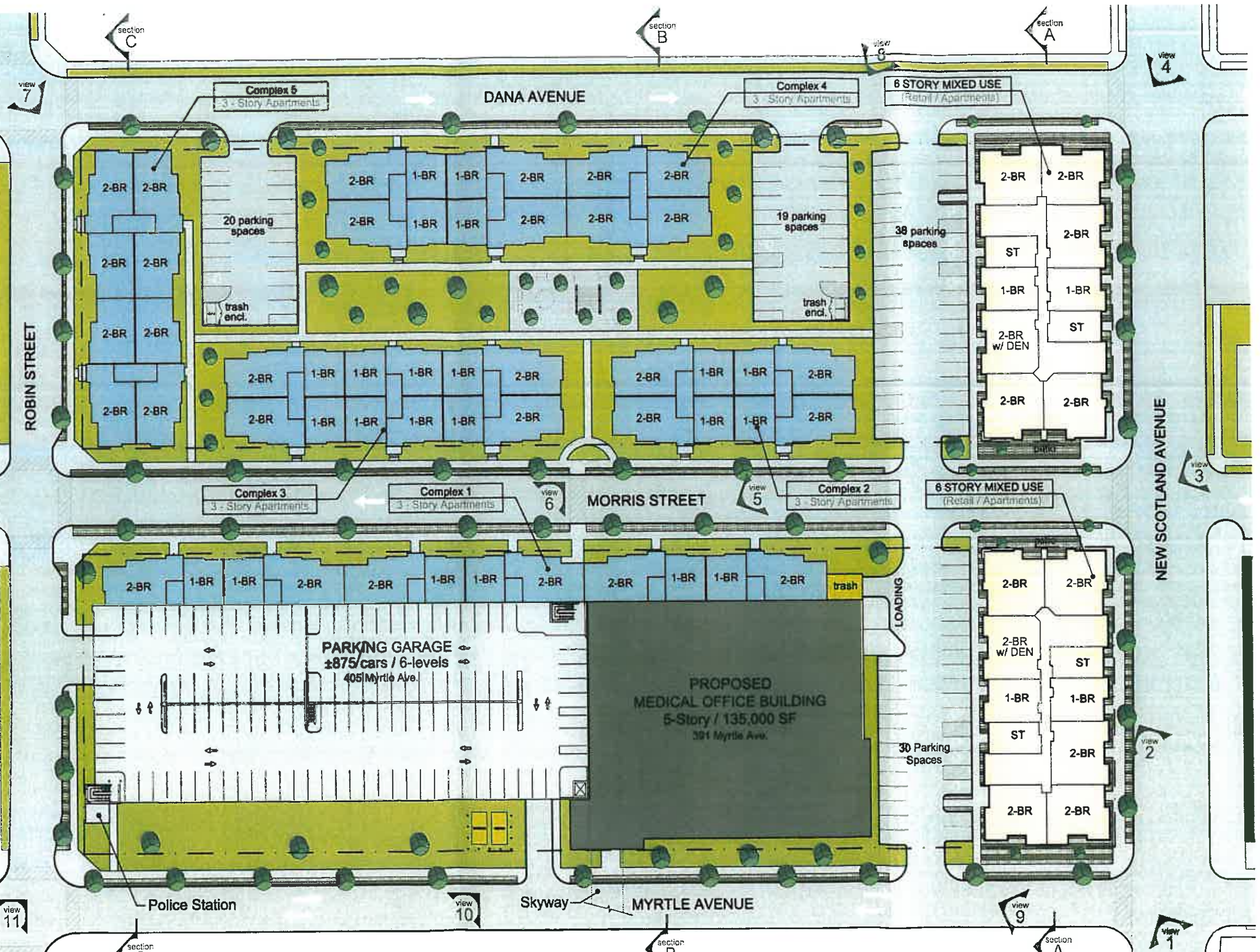
SITE PLAN (PAGE 8)

PROPOSED PROGRAM		
(Footprint: 36,500± sf)		
6 LEVEL / ±875 PARKING SPACES		
± 107 PARKING LOT SPACES + STREET PARKING		
5 - Story Multi-tenant Medical Office Building		
6-STORY MIXED USE (82,000± sf)		
GROUND LEVEL RETAIL SPACE		
20 TWO BEDROOM APARTMENT	50 units	
10 TWO BEDROOM w/ DEN		
10 ONE BEDROOM APARTMENT		
10 STUDIO APARTMENT		
6-STORY MIXED USE (82,000± sf)		
GROUND LEVEL RETAIL SPACE		
20 TWO BEDROOM APARTMENT	50 units	
10 TWO BEDROOM w/ DEN		
10 ONE BEDROOM APARTMENT		
10 STUDIO APARTMENT		
Complex 1 (42,000± sf)		
17 TWO BEDROOM APARTMENT	36 units	
19 ONE BEDROOM APARTMENT		
Complex 2 (21,500± sf)		
11 TWO BEDROOM APARTMENT	24 units	
12 ONE BEDROOM APARTMENT		
1 ONE BEDROOM w/ DEN		
Complex 3 (38,000± sf)		
11 TWO BEDROOM APARTMENT	36 units	
24 ONE BEDROOM APARTMENT		
1 ONE BEDROOM w/ DEN		
Complex 4 (42,000± sf)		
23 TWO BEDROOM APARTMENT	36 units	
12 ONE BEDROOM APARTMENT		
1 ONE BEDROOM w/ DEN		
Complex 5 (31,000± sf)		
24 TWO BEDROOM APARTMENT	24 units	
Total Apartments: 256 units		



Conceptual Ground Level Site Plan scale 1/64" = 1'-0"

PROPOSED PROGRAM	
<b>Parking Garage</b>	(Footprint: 36,500± sf)
6 LEVEL / ±875 PARKING SPACES	
± 107 PARKING LOT SPACES + STREET PARKING	
<b>Medical Office Building</b>	
5 - Story Multi-tenant Medical Office Building	
<b>6-STORY MIXED USE</b>	(82,000± sf)
GROUND LEVEL RETAIL SPACE	
20 TWO BEDROOM APARTMENT	50 units
10 TWO BEDROOM w/ DEN	
10 ONE BEDROOM APARTMENT	
10 STUDIO APARTMENT	
<b>6-STORY MIXED USE</b>	(82,000± sf)
GROUND LEVEL RETAIL SPACE	
20 TWO BEDROOM APARTMENT	50 units
10 TWO BEDROOM w/ DEN	
10 ONE BEDROOM APARTMENT	
10 STUDIO APARTMENT	
<b>Complex 1</b>	(42,000± sf)
17 TWO BEDROOM APARTMENT	36 units
19 ONE BEDROOM APARTMENT	
<b>Complex 2</b>	(21,500± sf)
11 TWO BEDROOM APARTMENT	24 units
12 ONE BEDROOM APARTMENT	
1 ONE BEDROOM w/ DEN	
<b>Complex 3</b>	(38,000± sf)
11 TWO BEDROOM APARTMENT	36 units
24 ONE BEDROOM APARTMENT	
1 ONE BEDROOM w/ DEN	
<b>Complex 4</b>	(42,000± sf)
23 TWO BEDROOM APARTMENT	36 units
12 ONE BEDROOM APARTMENT	
1 ONE BEDROOM w/ DEN	
<b>Complex 5</b>	(31,000± sf)
24 TWO BEDROOM APARTMENT	24 units
<b>Total Apartments: 256 units</b>	



Conceptual Upper Level Site Plan  
 scale 1/64" = 1'-0"

SITE PHOTOGRAPH (PAGE 8)

EMPLOYMENT/JOB CREATION CHART (PAGES 16, 29, SCHEDULE A)

**PARK SOUTH APARTMENTS  
EMPLOYMENT STAFF**

<b>Gross Payroll:</b>			
<b>Property Manager</b>	<b>1 @ \$55,000 / yr</b>	<b>\$</b>	<b>55,000</b>
<b>Leasing Consultants</b>	<b>2 @ \$30,000 / yr</b>	<b>\$</b>	<b>60,000</b>
<b>Maintenance Supervisor</b>	<b>1 @ \$50,000 / yr</b>	<b>\$</b>	<b>50,000</b>
<b>Maintenance</b>	<b>1 @ \$36,500 / yr</b>	<b>\$</b>	<b>36,500</b>
<b>Grounds / Maint</b>	<b>2 @ \$23,400 / yr</b>	<b>\$</b>	<b>46,800</b>
<b>Cleaning / Housekeeping</b>	<b>2 @ \$23,400 / yr</b>	<b>\$</b>	<b>46,800</b>
<b>Concierge / Resident Assistant</b>	<b>2 @ \$26,000 / yr</b>	<b>\$</b>	<b>52,000</b>
<b>Total Gross Payroll</b>	<b>11 Employees</b>	<b>\$</b>	<b>347,100</b>
<b>Employer Taxes &amp; Benefits Package ( ~ 25%)</b>		<b>\$</b>	<b>88,100</b>
<b>Total Estimated Payroll &amp; Benefits</b>		<b>\$</b>	<b>435,200</b>
<b>Total Per Unit</b>		<b>\$</b>	<b>1,700</b>

PROPOSED PILOT SCHEDULE (PAGE 29)

# of Apartments 256

Taxes with savings

Proj increase  
2.00%

Year	Assessment Floor	Assessment Ceiling	Exemption Factor	Value after Exemption	Rate per \$1,000	Projected Taxes	Taxes Per Apt	
CP	2014	15,374,239	\$ 18,434,930	Fixed at Current	\$ 46.45	\$ 163,000	\$ 637	
CP	2015	15,374,239	\$ 18,434,930	Fixed at Current	\$ 47.37	\$ 163,000	\$ 637	
Year 1	2016	15,374,239	\$ 18,434,930	Fixed at Current	\$ 48.32	\$ 163,000	\$ 637	
Year 2	2017	15,374,239	\$ 18,434,930	Fixed at Current	\$ 49.29	\$ 163,000	\$ 637	
Year 3	2018	15,374,239	\$ 18,434,930	Fixed at Current	\$ 50.27	\$ 163,000	\$ 637	
Year 4	2019	15,374,239	\$ 18,434,930	Fixed at Current	\$ 51.28	\$ 163,000	\$ 637	
Year 5	2020	15,374,239	\$ 18,434,930	Fixed at Current	\$ 52.31	\$ 163,000	\$ 637	
Year 6	2021	15,374,239	\$ 18,434,930	Fixed at Current	\$ 53.35	\$ 163,000	\$ 637	
Year 7	2022	15,374,239	\$ 18,434,930	Fixed at Current	\$ 54.42	\$ 163,000	\$ 637	
Year 8	2023	15,374,239	\$ 18,434,930	Fixed at Current	\$ 55.51	\$ 163,000	\$ 637	
Year 9	2024	15,374,239	\$ 18,434,930	Fixed at Current	\$ 56.62	\$ 163,000	\$ 637	
Year 10	2025	15,374,239	\$ 18,434,930	Fixed at Current	\$ 57.75	\$ 163,000	\$ 637	
Year 11	2026	15,374,239	\$ 18,434,930	75.00%	\$ 4,608,733	\$ 58.90	\$ 271,475	\$ 1,060
Year 12	2027	15,374,239	\$ 18,434,930	75.00%	\$ 4,608,733	\$ 60.08	\$ 276,904	\$ 1,082
Year 13	2028	15,374,239	\$ 18,434,930	75.00%	\$ 4,608,733	\$ 61.28	\$ 282,443	\$ 1,103
Year 14	2029	15,374,239	\$ 18,434,930	75.00%	\$ 4,608,733	\$ 62.51	\$ 288,091	\$ 1,125
Year 15	2030	15,374,239	\$ 18,434,930	65.00%	\$ 6,452,226	\$ 63.76	\$ 411,394	\$ 1,607
Year 16	2031	15,374,239	\$ 18,434,930	65.00%	\$ 6,452,226	\$ 65.04	\$ 419,622	\$ 1,639
Year 17	2032	15,374,239	\$ 18,434,930	60.00%	\$ 7,373,972	\$ 66.34	\$ 489,160	\$ 1,911
Year 18	2033	15,374,239	\$ 18,434,930	60.00%	\$ 7,373,972	\$ 67.66	\$ 498,943	\$ 1,949
Year 19	2034	15,374,239	\$ 18,434,930	55.00%	\$ 8,295,719	\$ 69.02	\$ 572,537	\$ 2,236
Year 20	2035	15,374,239	\$ 18,434,930	55.00%	\$ 8,295,719	\$ 70.40	\$ 583,988	\$ 2,281
<b>Total Estimated Taxes with abatement</b>						<b>\$ 6,050,558</b>		

Taxes with savings

Proj increase  
2.00%

Projected Taxes	Taxes Per Apt	Projected Taxes	Taxes Per Apt	Projected Taxes	Taxes Per Apt	Projected Taxes	Taxes Per Apt
Year 1	2014	Construction period - current taxes		\$ 46.45	\$ 163,000	\$ 637	
Year 2	2015	Construction period - current taxes		\$ 47.37	\$ 163,000	\$ 637	
Year 3	2016	\$ 18,434,930	0%	\$ 48.32	\$ 890,816	\$ 3,480	
Year 4	2017	\$ 18,434,930	0%	\$ 49.29	\$ 908,632	\$ 3,549	
Year 5	2018	\$ 18,434,930	0%	\$ 50.27	\$ 926,805	\$ 3,620	
Year 6	2019	\$ 18,434,930	0%	\$ 51.28	\$ 945,341	\$ 3,693	
Year 7	2020	\$ 18,434,930	0%	\$ 52.31	\$ 964,248	\$ 3,767	
Year 8	2021	\$ 18,434,930	0%	\$ 53.35	\$ 983,533	\$ 3,842	
Year 9	2022	\$ 18,434,930	0%	\$ 54.42	\$ 1,003,203	\$ 3,919	
Year 10	2023	\$ 18,434,930	0%	\$ 55.51	\$ 1,023,268	\$ 3,997	
Year 11	2024	\$ 18,434,930	0%	\$ 56.62	\$ 1,043,733	\$ 4,077	
Year 12	2025	\$ 18,434,930	0%	\$ 57.75	\$ 1,064,608	\$ 4,159	
Year 13	2026	\$ 18,434,930	0%	\$ 58.90	\$ 1,085,900	\$ 4,242	
Year 14	2027	\$ 18,434,930	0%	\$ 60.08	\$ 1,107,618	\$ 4,327	
Year 15	2028	\$ 18,434,930	0%	\$ 61.28	\$ 1,129,770	\$ 4,413	
Year 16	2029	\$ 18,434,930	0%	\$ 62.51	\$ 1,152,365	\$ 4,501	
Year 17	2030	\$ 18,434,930	0%	\$ 63.76	\$ 1,175,413	\$ 4,591	
Year 18	2031	\$ 18,434,930	0%	\$ 65.04	\$ 1,198,921	\$ 4,683	
Year 19	2032	\$ 18,434,930	0%	\$ 66.34	\$ 1,222,899	\$ 4,777	
Year 20	2033	\$ 18,434,930	0%	\$ 67.66	\$ 1,247,357	\$ 4,872	
Year 21	2034	\$ 18,434,930	0%	\$ 69.02	\$ 1,272,305	\$ 4,970	
Year 22	2035	\$ 18,434,930	0%	\$ 70.40	\$ 1,297,751	\$ 5,069	
<b>Total Estimated Taxes without abatement</b>						<b>\$ 21,970,485</b>	

Projected Savings \$ **15,919,928**



**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY**

**APPLICATION**

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IMPORTANT NOTICE: The answers to the questions contained in this application are necessary to determine your firm's eligibility for financing and other assistance from the City of Albany Capital Resource Corporation. These answers will also be used in the preparation of papers in this transaction. Accordingly, all questions should be answered accurately and completely by an officer or other employee of your firm who is thoroughly familiar with the business and affairs of your firm and who is also thoroughly familiar with the proposed project. This application is subject to acceptance by the Corporation.  
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TO: CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY  
c/o Department of Economic Development  
21 Lodge Street  
Albany, New York 12207

This application by applicant respectfully states:

APPLICANT: **Albany Medical Center ("AMC")**

APPLICANT'S ADDRESS: **43 New Scotland Avenue**

CITY: Albany STATE: NY ZIP CODE: **12208**

PHONE NO.: **518-262-5585** FAX NO.: 518-262-5306 E-MAIL: **albertf@mail.amc.edu**

NAME OF PERSON(S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO THIS APPLICATION:

**Gary Kochem, William Hasselbarth, and Frances Albert are authorized to speak on behalf of AMC. In addition, the Applicant has authorized the developer for the Project to speak of behalf of the Project. The developer is Columbia Development Companies – Joseph R. Nicolla and Richard A. Rosen are authorized to speak with respect to the application.**

IF APPLICANT IS REPRESENTED BY AN ATTORNEY, COMPLETE THE FOLLOWING:

NAME OF ATTORNEY: **Edwin J. Kelley, Esq. of BS&K. In addition, the developer's counsel is Debra J. Lambeck, Esq. (employed by Columbia Development)**

ATTORNEY'S ADDRESS: **One Lincoln Center**

CITY: **Syracuse** STATE: **NY** ZIP CODE: **13202**

PHONE NO.: **315-218-8123** FAX NO.: **315-218-8100** E-MAIL: **kelleye@bsk.com**

-----  
NOTE: PLEASE READ THE INSTRUCTIONS ON PAGE 2 HEREOF BEFORE FILLING OUT THIS FORM.

## INSTRUCTIONS

1. The Corporation will not approve any application unless, in the judgment of the Corporation, said application and the summary contains sufficient information upon which to base a decision whether to approve or tentatively approve an action.
2. Fill in all blanks, using "none" or "not applicable" or "N/A" where the question is not appropriate to the project which is the subject of this application (the "Project").
3. If an estimate is given as the answer to a question, put "(est)" after the figure or answer which is estimated.
4. If more space is needed to answer any specific question, attach a separate sheet.
5. When completed, return twelve (12) copies of this application to the Corporation at the address indicated on the first page of this application.
6. The Corporation will not give final approval to this application until the Corporation receives a completed environmental assessment form concerning the Project which is the subject of this application.
7. Please note that Article 6 of the Public Officers Law declares that all records in the possession of the Corporation (with certain limited exceptions) are open to public inspection and copying. If the applicant feels that there are elements of the Project which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the applicant's competitive position, the applicant may identify such elements in writing and request that such elements be kept confidential in accordance with Article 6 of the Public Officers Law.
8. The applicant will be required to pay to the Corporation all actual costs incurred in connection with this application and the Project contemplated herein (to the extent such expenses are not paid out of the proceeds of the Corporation's bonds issued to finance the project). The applicant will also be expected to pay all costs incurred by general counsel and bond counsel to the Corporation. The costs incurred by the Corporation, including the Corporation's general counsel and bond counsel, may be considered as a part of the project and included as a part of the resultant bond issue.
9. The Agency has established an application fee of One Thousand Five Hundred Dollars (\$1,500) to cover the anticipated costs of the Corporation in processing this application. A check or money order made payable to the Corporation must accompany each application. THIS APPLICATION WILL NOT BE

ACCEPTED BY THE CORPORATION UNLESS ACCOMPANIED BY THE APPLICATION FEE.

FOR AGENCY USE ONLY

1. Project Number	
2. Date application Received by Corporation	, 20
3. Date application referred to attorney for review	, 20
4. Date copy of application mailed to members	, 20
5. Date notice of Corporation meeting on application posted	, 20
6. Date notice of Corporation meeting on application mailed	, 20
7. Date of Corporation meeting on application	, 20
8. Date Corporation conditionally approved application	, 20
9. Date scheduled for public hearing	, 20
10. Date Environmental Assessment Form ("EAF") received	, 20
11. Date Corporation completed environmental review	, 20
12. Date of final approval of application	_____, 20__



I. INFORMATION CONCERNING THE PROPOSED OCCUPANT OF THE PROJECT (HEREINAFTER, THE "COMPANY").

A. Identity of Company:

1. Company Name: **Albany Medical Center**  
  
Present Address: **43 New Scotland Ave, Albany, NY**  
  
Zip Code: **12208**  
  
Employer's ID No.: **14-1641730**
2. If the Company differs from the Applicant, give details of relationship: **NA**
3. Indicate type of business organization of Company:
  - a.  Corporation (If so, incorporated in what country? **USA**  
What State? **New York** Date Incorporated? **1982** Type of Corporation? **NFP, 501C3** Authorized to do business in New York? Yes ; No ).
  - b.  Partnership (if so, indicate type of partnership \_\_\_\_\_,  
Number of general partners \_\_\_\_\_, Number of limited partners \_\_\_\_\_).
  - c.  Limited liability company,  
Date created? \_\_\_\_\_.
  - d.  Sole proprietorship
4. Is the Company a subsidiary or direct or indirect affiliate of any other organization(s)? If so, indicate name of related organization(s) and relationship: **AMC was organized for the purpose of coordinating planning, financial management, resource utilization, fundraising, and policy direction of its affiliates Albany Medical Center Hospital, Albany Medical College and Albany Medical Center Foundation.**

B. Management of Company:

1. List all owners, officers, members, directors and partners (complete all columns for each person): **Please see Attachment B. Please note that our Board Members and Officers utilize the address of AMC as their preferred mailing address.**

NAME (First, Middle, Last) HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
See Attachment B.		

2. Is the Company or management of the Company now a plaintiff or a defendant in any civil or criminal litigation? Yes  ; No \_\_\_\_.

3. Has any person listed above ever been convicted of a criminal offense (other than a minor traffic violation)? Yes \_\_\_\_; No .

4. Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated a bankrupt? Yes \_\_\_\_; No . (If yes to any of the foregoing, furnish details in a separate attachment).

5. If the answer to any of questions 2 through 4 is yes, please, furnish details in a separate attachment. **Please see Attachment C.**

C. Principal Owners of Company:

1. Principal owners of Company: Is Company publicly held? Yes \_\_\_\_; No . If yes, list exchanges where stock traded: N/A

2. If no, list all stockholders having a 5% or more interest in the Company:

NAME	ADDRESS	PERCENTAGE OF HOLDING
N/A		

- D. Company's Principal Bank(s) of account: **AMC's primary banking relationships are with Key Bank and the Bank of America.**

II. DATA REGARDING PROPOSED PROJECT

- A. Summary: (Please provide a brief narrative description of the Project.)

**The medical office building will be a 5 story, 135,000 square feet structure at New Scotland Avenue and Myrtle.**

- B. Location of Proposed Project:

1. Street Address **391 Myrtle Ave.**
2. City of **Albany**
3. Town of
4. Village of
5. County of **Albany**

- C. Project Site:

1. Approximate size (in acres or square feet) of Project site: **..65 acres**  
Is a map, survey or sketch of the project site attached? Yes **X**; No \_\_\_\_\_. **See Attach D**
2. Are there existing buildings on project site? Yes **X**; No \_\_\_\_\_.
  - a. If yes, indicate number and approximate size (in square feet) of each existing building: **Please see Attachment E.**

- b. Are existing buildings in operation? Yes **X**; No \_\_\_\_\_.  
If yes, describe present use of present buildings: **Residential property**

- c. Are existing buildings abandoned? Yes \_\_\_\_; No **X**. About to be abandoned? Yes \_\_\_\_; No \_\_\_\_\_. If yes, describe:

- d. Attach photograph of present buildings. **Please see Attachment F.**



3. Utilities serving project site:  
 Water-Municipal: **Municipal, City of Albany**  
 Other (describe)  
 Sewer-Municipal: **Municipal, City of Albany**  
 Other (describe)  
 Electric-Utility: **National Grid**  
 Other (describe)  
 Heat-Utility: **National Grid**  
 Other (describe)
4. Present legal owner of project site: **AMC**
- a. If the Company owns project site, indicate date of purchase: \_\_\_\_\_, 20\_\_\_; Purchase price: \$\_\_\_\_\_. **Please see Attachment E.**
- b. If Company does not own the Project site, does Company have option signed with owner to purchase the Project site? Yes \_\_\_; No \_\_\_. If yes, indicate date option signed with owner: \_\_\_\_\_, 20\_\_\_; and the date the option expires: \_\_\_\_\_, 20\_\_\_.
- c. If the Company does not own the project site, is there a relationship legally or by common control between the Company and the present owners of the project site? Yes \_\_\_; No \_\_\_. If yes, describe:

- 5.
- a. Zoning District in which the project site is located: **Residential and Commercial Office**
- b. Are there any variances or special permits affecting the site? Yes \_\_\_; No **X**. If yes, list below and attach copies of all such variances or special permits:

D. Buildings:

1. Does part of the project consist of a new building or buildings? Yes **X**; No \_\_\_\_\_. If yes, indicate number and size of new buildings: **A medical office building.**
2. Does part of the project consist of additions and/or renovations to the existing buildings? Yes \_\_\_; No **X**. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation:

3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed or expanded: **The construction of a medical office building is important to increasing the community's access to top quality health care including multiple specialties.**

E. Description of the Equipment:

1. Does a part of the Project consist of the acquisition or installation of machinery, equipment or other personal property (the "Equipment")? Yes **X**; No. If yes, describe the Equipment: **Various medical equipment and office furnishings.**

2. With respect to the Equipment to be acquired, will any of the Equipment be Equipment which has previously been used? Yes \_\_\_; No **X**. If yes, please provided detail:

3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed: **Provide patient care.**

F. Project Use:

1. What are the principal products to be produced at the Project? **Patient Care Services.**

2. What are the principal activities to be conducted at the Project? **Patient Care Services.**

3. Does the Project include facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities? Yes \_\_\_; No **X**. If yes, please provide detail:

4. If the answer to question 3 is yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project? \_\_\_\_\_% **N/A**

5. If the answer to question 3 is yes, and the answer to question 4 is more than 33.33%, indicate whether any of the following apply to the Project: **N/A**

a. Will the Project be operated by a not-for-profit corporation? **YesX**; No\_\_\_\_. If yes, please explain: **The Project will be operated by Albany Medical Center which is a not for profit corporation.**

b. Is the Project likely to attract a significant number of visitors from outside the economic development region in which the Project will be located? Yes\_\_\_\_; No **X** If yes, please explain:

c. Would the Project occupant, but for the contemplated financial assistance from the Corporation, locate the related jobs outside the State of New York? Yes\_\_\_\_; No **X** If yes, please explain:

d. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonable accessible to the residents of the city, town or village within which the Project will be located, because of a lack of reasonably accessible retail trade facilities offering such goods or services? Yes **X**; No\_\_\_\_. If yes, please provide detail: **The Project will provide patient care services.**

e. Will the Project be located in one of the following: (i) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (ii) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most recent census data, has (x) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? **Yes X**; No\_\_\_\_. If yes, please explain: **The Project is located in the NYS Empire Zone.**

6. If the answers to any of subdivisions c. through e. of question 5 is yes, will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York? **Yes X**; No\_\_\_\_. If yes, please

explain: It is anticipated that the Project will create 48 new jobs and help retain 370 jobs.

7. Will the completion of the Project result in the removal of a plant or facility of the Company or another proposed occupant of the Project (a "Project Occupant") from one area of the State of New York to another area of the State of New York? Yes\_\_\_; NoX. If yes, please explain: N/A

8. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Company located in the State of New York? Yes\_\_\_; NoX. If yes, please provide detail: N/A

9. If the answer to either question 7 or question 8 is yes, indicate whether any of the following apply to the Project: N/A

a. Is the Project reasonably necessary to preserve the competitive position of the Company on such Project Occupant in its industry? Yes\_\_\_; No\_\_\_. If yes, please provide detail:

b. Is the Project reasonably necessary to discourage the Company or such Project Occupant from removing such other plant or facility to a location outside the State of New York? Yes\_\_\_; No\_\_\_. If yes, please provide detail:

G. Other Involved Agencies:

1. Please indicate all other local agencies, boards, authorities, districts, commissions or governing bodies (including any city, county and other political subdivision of the State of New York and all state departments, agencies, boards, public benefit corporations, public authorities or commissions) involved in approving or funding or directly undertaking action with respect to the Project. For example, do you need a municipal building permit to undertake the Project? Do you need a zoning approval to undertake the Project? If so, you would list the appropriate municipal building department or planning or zoning commission which would give said approvals. **City of Albany Planning Department and City of Albany Board of Zoning Appeals.**

2. Describe the nature of the involvement of the federal, state or local agencies described above: **Site plan approval, zoning variances**

H. Construction Status:

1. Has construction work on this project begun? Yes \_\_\_\_; No **X**. If yes, please discuss in detail the approximate extent of construction and the extent of completion. Indicate in your answer whether such specific steps have been completed as site clearance and preparation; completion of foundations; installation of footings; etc.:

2. Please indicate amount of funds expended on this project by the Company in the past three (3) years and the purposes of such expenditures: **Preliminary project expenditures – environmental planning, engineering and surveying.**

I. Method of Construction After Corporation Approval:

1. If the Corporation approves the project which is the subject of this application, there are two methods that may be used to construct the project. The applicant can construct the project privately and sell the project to the Corporation upon completion. Alternatively, the applicant can request to be appointed as “agent” of the Corporation, in which case certain laws applicable to public construction may apply to the project. Does the applicant wish to be designated as “agent” of the Corporation for purposes of constructing the project? Yes **X**; No \_\_\_\_.

2. If the answer to question 1 is yes, does the applicant desire such “agent” status prior to the closing date of the financing? Yes **X**; No \_\_\_\_.

III. INFORMATION CONCERNING LEASES OR SUBLEASES OF THE PROJECT. (PLEASE COMPLETE THE FOLLOWING SECTION IF THE COMPANY INTENDS TO LEASE OR SUBLEASE ANY PORTION OF THE PROJECT).

A. Does the Company intend to lease or sublease more than 10% (by area or fair market value) of the Project? Yes **X**; No \_\_\_\_ If yes, please complete the following for each existing or proposed tenant or subtenant:

1. Sublessee name: **Albany Medical College**  
Present Address: **47 New Scotland Ave**  
City: **Albany** State: **NY** Zip: **12208**  
Employer's ID No.: **14-1338310**

Sublessee is: **X** Corporation:  Partnership:  Sole Proprietorship

Relationship to Company: **Affiliate**

Percentage of Project to be leased or subleased: **50%**

Use of Project intended by Sublessee: **Patient Care**

Date of lease or sublease to Sublessee: **January 1, 2015**

Term of lease or sublease to Sublessee: **10 year**

Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes ; No **X**. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee. **NA**

2. Sublessee name: **Negotiations in Process with Private Physician Groups**

Present Address:

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Employer's ID No.:

Sublessee is:

\_\_\_\_\_ Corporation:  Partnership:  Sole Proprietorship

Relationship to Company:

Percentage of Project to be leased or subleased:

Use of Project intended by Sublessee: **Patient Care**

Date of lease or sublease to Sublessee: **January 1, 2015**

Term of lease or sublease to Sublessee: \_\_\_\_\_

Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes ; No **X**. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

3. Sublessee name:

Present Address:

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Employer's ID No.:

Sublessee is: \_\_\_\_\_ Corporation:  Partnership:  Sole Proprietorship

Relationship to Company:

Percentage of Project to be leased or subleased:

Use of Project intended by Sublessee:

Date of lease or sublease to Sublessee:

Term of lease or sublease to Sublessee:

Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes ; No . If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

- B. What percentage of the space intended to be leased or subleased is now subject to a binding written lease or sublease? **50%**

IV. Employment Impact

A. Indicate below the number of people presently employed at the project site and the number that will be employed at the project site at end of the first and second years after the project has been completed (Do not include construction workers). Also indicate below the number of workers employed at the project site representing newly created positions as opposed to positions relocated from other project sites of the applicant. Such information regarding relocated positions should also indicate whether such positions are relocated from other project sites financed by obligations previously issued by the Corporation.

TYPE OF EMPLOYMENT					
	PROFESSIONAL MANAGERIAL	SKILLED	SEMI- SKILLED	UNSKILLED	TOTALS
Present Full Time					
Present Part Time					
Present Seasonal					
First Year Full Time		48			48
First Year Part Time					
First Year Seasonal					
Second Year Full Time		48			48
Second Year Part Time					
Second Year Seasonal					

B. Please prepare a separate attachment describing in detail the types of employment at the project site. Such attachment should describe the activities or work performed for each type of employment. **Please see Attachment G.**

V. Project Cost

A. Anticipated Project Costs. State the costs reasonably necessary for the acquisition of the project site and the construction of the proposed project including the acquisition and installation of any machinery and equipment necessary or convenient in connection therewith, and including any utilities, access roads or appurtenant facilities, using the following categories:

<u>Description of Cost</u>	<u>Amount</u>
Land	\$3,600,000
Buildings	\$25,805,304
Machinery and equipment costs	\$ _____
Utilities, roads and appurtenant costs	\$ _____
Architects and engineering fees	\$800,258
Costs of Bond issue (legal, financial and printing)	\$565,584
Construction loan fees and interest (cap interest & lender fee)	\$500,000
Other (specify)	\$ _____
<b>Developer Cost</b>	<b>\$850,000</b>
\$	\$ _____
_____	\$ _____
<b>TOTAL PROJECT COST</b>	<b>\$32,121,146_</b>

B. Have any of the above expenditures already been made by applicant?  
Yes ; No \_\_\_\_\_. (If yes, indicate particular.) **Preliminary Planning.**

V. BENEFITS EXPECTED FROM THE CORPORATION

A. Financing

1. Is the applicant requesting that the Corporation issue bonds to assist in financing the project? Yes; No  If yes, indicate:
  - a. Amount of loan requested:;
  - b. Maturity requested:
  
2. Is the interest on such bonds intended to be exempt from federal income taxation? N/A Yes; No \_\_\_\_\_.
  
3. If the answer to question 2 is yes, will any portion of the Project be used for any of the following purposes: N/A
  - a. retail food and beverage services: Yes \_\_\_\_\_; No \_\_\_\_\_
  - b. automobile sales or service: Yes \_\_\_\_\_; No \_\_\_\_\_
  - c. recreation or entertainment: Yes \_\_\_\_\_; No \_\_\_\_\_
  - d. golf course: Yes \_\_\_\_\_; No \_\_\_\_\_
  - e. country club: Yes \_\_\_\_\_; No \_\_\_\_\_
  - f. massage parlor: Yes \_\_\_\_\_; No \_\_\_\_\_
  - g. tennis club: Yes \_\_\_\_\_; No \_\_\_\_\_
  - h. skating facility (including roller
  - i. skating, skateboard and ice skating): Yes \_\_\_\_\_; No \_\_\_\_\_
  - j. racquet sports facility (including handball and racquetball court): Yes \_\_\_\_\_; No \_\_\_\_\_



- k. hot tub facility: Yes \_\_\_; No
- l. suntan facility: Yes \_\_\_; No
- m. racetrack: Yes \_\_\_; No

- 4. If the answer to any of the above questions contained in question 3 is yes, please furnish details on a separate attachment. N/A
- 5. Is the Project located in the City's federally designated Enterprise Zone? Yes \_\_\_; No **X**, **The Project is located in the NYS Empire Zone**
- 6. Is the applicant requesting the Corporation to issue federally tax-exempt Enterprise Zone bonds? Yes \_\_\_; No **X**.

**B. Tax Benefits**

1. Is the applicant expecting that the financing of the Project will be secured by one or more mortgages? Yes; No **X** If yes, what is the approximate amount of financing to be secured by mortgages?

2. Is the applicant expecting to be appointed agent of the Corporation for purposes of avoiding payment of N.Y.S. Sales Tax or Compensating Use Tax? Yes \_\_\_; No **X**. If yes, what is the approximate amount of purchases which the applicant expects to be exempt from the N.Y.S. Sales and Compensating Use Taxes? N/A\_.

3. What is the estimated value of each type of tax-exemption being sought in connection with the Project? Please detail the type of tax-exemption and value of the exemption.

a.	N.Y.S. Sales and Compensating Use Taxes:	\$ _____
b.	Mortgage Recording Taxes:	
c.	Other (please specify):	
	<b>Property Tax Savings under proposed Pilot</b>	<b>\$5,718,000</b>
	<b>See Attachment J</b>	<b>\$ _____</b>

4. Are any of the tax-exemptions being sought in connection with the Project inconsistent with the Corporation's tax-exemption policy contained in its Rules and Regulations? Yes \_\_\_; No **X**. If yes, please explain.

5. Is the Project located in the City's state designated Empire Zone? Yes **X**; No \_\_\_.

**C. Project Cost/Benefit Information.** Complete the attached Cost/Benefit Analysis so that the Corporation can perform a cost/benefit analysis of undertaking the Project. Such information should consist of a list and detailed description of the benefits of the Corporation undertaking the Project (e.g., number of jobs created, types of jobs created, economic development in the area, etc.). Such information should also consist of a list and detailed description of the costs of the Corporation undertaking the Project (e.g., tax revenues lost, buildings abandoned, etc.).

VI. REPRESENTATIONS BY THE APPLICANT. The applicant understands and agrees with the Corporation as follows:

A. Job Listings. Except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOC") and with the administrative entity (collectively with the DOC, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.

B. First Consideration for Employment: In accordance with Section 858-b(2) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any Financial Assistance from the Corporation, except as otherwise provided by collective bargaining agreements, where practicable, the applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.

C. City Human Rights Law. The applicant has reviewed the provisions of Chapter 48, Article III of the City Code, entitled "The Omnibus Human Rights Law" and agrees to comply with such provisions to the extent that such provisions are applicable to the applicant and the Project.

D. Annual Sales Tax Filings. In accordance with Section 874(8) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Corporation, in accordance with Section 874(8) of the General Municipal Law, the applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the applicant and all consultants or subcontractors retained by the applicant.

F. Annual Employment Reports: The applicant understands and agrees that, if the Project receives any Financial Assistance from the Corporation, the applicant agrees to file, or cause to be filed, with the Corporation, on an annual basis, reports regarding the number of people employed at the project site.

G. Absence of Conflicts of Interest: The applicant has received from the Corporation a list of the members, officers and employees of the Corporation. No member, officer or employee of the Corporation has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described: \_\_\_\_\_.

H. Construction Job and Materialmen Information: The applicant understands that the Commissioner of Economic Development and Planning (the "Commissioner") is preparing certain reports for submission to the Common Council of the City of Albany relating to certain construction activities for projects involving not-for-profit corporation; specifically, information relating to wages rates, use of local labor, use of local suppliers and participation by MWBE entities. The applicant agrees to provide information relating to such matters in order to assist the Commissioner in the preparation of such reports.

(Applicant)

BY: William C. Hamilton

NOTE: APPLICANT MUST ALSO COMPLETE THE APPROPRIATE VERIFICATION APPEARING ON PAGES 18 THROUGH 21 HEREOF BEFORE A NOTARY PUBLIC AND MUST SIGN AND ACKNOWLEDGE THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 22

VERIFICATION

(If Applicant is a Corporation)

STATE OF NY )  
 ) SS.:  
COUNTY OF Albany )

William C. Kisselbach deposes and says that he is the  
(Name of chief executive of applicant)

CEO of AMC,  
(Title) (Company Name)

the corporation named in the attached application; that he has read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. Deponent further says that the reason this verification is made by the deponent and not by said company is because the said company is a corporation. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as an officer of and from the books and papers of said corporation.

William C. Kisselbach  
(officer of applicant)

Sworn to before me this  
21<sup>st</sup> day of Sept, 2013

Donald J. Richmond  
(Notary Public)

SH. EDMOND  
Notary Public, State of New York  
Qualified in Albany County  
No. 4907005  
Commission Expires Oct 21 2013  
Secretary of County





VERIFICATION

(If applicant is limited liability company)

STATE OF \_\_\_\_\_ )  
 ) SS.:  
COUNTY OF \_\_\_\_\_ )

\_\_\_\_\_, deposes and says  
(Name of Individual)  
that he is one of the members of the firm of \_\_\_\_\_,  
(Partnership Name)

the partnership named in the attached application; that he has read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as a member of and from the books and papers of said partnership.

\_\_\_\_\_

Sworn to before me this  
\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
(Notary Public)

-----  
NOTE: THIS APPLICATION WILL NOT BE ACCEPTED BY THE CORPORATION UNLESS THE  
HOLD HARMLESS AGREEMENT APPEARING ON PAGE 22 IS SIGNED BY THE APPLICANT.  
-----

HOLD HARMLESS AGREEMENT

Applicant hereby releases City of Albany Capital Resource Corporation and the members, officers, servants, agents and employees thereof (hereinafter collectively referred to as the "Corporation") from, agrees that the Corporation shall not be liable for and agrees to indemnify, defend and hold the Corporation harmless from and against any and all liability arising from or expense incurred by (i) the Corporation's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the application or the project described therein or the issue of bonds requested therein are favorably acted upon by the Corporation, and (ii) the Corporation's financing of the Project described therein; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Corporation or the Applicant are unable to find buyers willing to purchase the total bond issue requested, then, and in that event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Corporation, its agents or assigns, all actual costs incurred by the Corporation in the processing of the Application, including attorneys' fees, if any.

(Applicant)

BY: William C. Haseelbrant

Sworn to before me this  
27<sup>th</sup> day of Sept., 2013

David J. Redmond  
(Notary Public)

RHEV. REDMOND  
Notary Public, State of New York  
Qualified in Albany County  
No. 4867605  
Commission Expires Oct. 21, 2014  
See. 24, 2013



TO: Project Applicants  
 FROM: City of Albany Capital Resource Corporation  
 RE: Cost/Benefit Analysis

In order for the City of Albany Capital Resource Corporation (the "Corporation") to prepare a Cost/Benefit Analysis for a proposed project (the "Project"), the Applicant must answer the questions contained in this Project Questionnaire (the "Questionnaire") and complete the attached Schedules. This Questionnaire and the attached Schedule will provide information regarding various aspects of the Project, and the costs and benefits associated therewith.

Since we need this Questionnaire to be completed before we can finalize the Cost/Benefit Analysis, please complete this Questionnaire and forward it to us at your earliest convenience.

**PROJECT QUESTIONNAIRE**

1. Name of Project Beneficiary ("Company"): **Albany Medical Center**
2. Brief Identification of the Project: **Medical Office Building**
3. Estimated Amount of Project Benefits Sought:
  - A. Amount of Bonds Sought: \_\_\_\_\_
  - B. Value of Sales Tax Exemption Sought: \$ \_\_\_\_\_
  - C. Value of Real Property Tax Exemption Sought: **\$5,718,000 over 20 years**
  - D. Value of Mortgage Recording Tax Exemption Sought: \_\_\_\_\_

**PROJECTED PROJECT INVESTMENT**

**Please see attachment G**

<b>A. Land-Related Costs</b>		
1. Land acquisition		\$ _____
2. Site preparation		
3. Landscaping		\$ _____
4. Utilities and infrastructure development		\$ _____
5. Access roads and parking development		\$ _____
6. Other land-related costs (describe)		\$ _____
<b>B. Building-Related Costs</b>		
1. Acquisition of existing structures		\$ _____
2. Renovation of existing structures		\$ _____
3. New construction costs		\$ _____
4. Electrical systems		\$ _____
5. Heating, ventilation and air conditioning		\$ _____
6. Plumbing		\$ _____
7. Other building-related costs (describe)		\$ _____

**C. Machinery and Equipment Costs\_PLEASE SEE ATTACHMENT G**

- 1. Production and process equipment \_\_\_\_\_ \$ \_\_\_\_\_
- 2. Packaging equipment \_\_\_\_\_ \$ \_\_\_\_\_
- 3. Warehousing equipment \_\_\_\_\_ \$ \_\_\_\_\_
- 4. Installation costs for various equipment \_\_\_\_\_ \$ \_\_\_\_\_
- 5. Other equipment-related costs (describe) \_\_\_\_\_ \$ \_\_\_\_\_

**D. Furniture and Fixture Costs**

- 1. Office furniture \_\_\_\_\_ \$ \_\_\_\_\_
- 2. Office equipment \_\_\_\_\_ \$ \_\_\_\_\_
- 3. Computers \_\_\_\_\_ \$ \_\_\_\_\_
- 4. Other furniture-related costs (describe) \_\_\_\_\_ \$ \_\_\_\_\_

**E. Working Capital Costs**

- 1. Operation costs \_\_\_\_\_ \$ \_\_\_\_\_
- 2. Production costs \_\_\_\_\_ \$ \_\_\_\_\_
- 3. Raw materials \_\_\_\_\_ \$ \_\_\_\_\_
- 4. Debt service \_\_\_\_\_ \$ \_\_\_\_\_
- 5. Relocation costs \_\_\_\_\_ \$ \_\_\_\_\_
- 6. Skills training \_\_\_\_\_ \$ \_\_\_\_\_
- 7. Other working capital-related costs (describe) \_\_\_\_\_ \$ \_\_\_\_\_

**F. Professional Service Costs**

- 1. Architecture and engineering \_\_\_\_\_ \$ \_\_\_\_\_
- 2. Accounting/legal \_\_\_\_\_ \$ \_\_\_\_\_
- 3. Other service-related costs (describe) \_\_\_\_\_ \$ \_\_\_\_\_

**G. Other Costs**

- 1. \_\_\_\_\_ \$ \_\_\_\_\_
- 2. \_\_\_\_\_ \$ \_\_\_\_\_

**H. Summary of Expenditures**

- 1. Total Land-Related Costs \_\_\_\_\_ \$ \_\_\_\_\_
- 2. Total Building-Related Costs \_\_\_\_\_ \$ \_\_\_\_\_
- 3. Total Machinery and Equipment Costs \_\_\_\_\_ \$ \_\_\_\_\_
- 4. Total Furniture and Fixture Costs \_\_\_\_\_ \$ \_\_\_\_\_
- 5. Total Working Capital Costs \_\_\_\_\_ \$ \_\_\_\_\_
- 6. Total Professional Service Costs \_\_\_\_\_ \$ \_\_\_\_\_
- 7. Total Other Costs \_\_\_\_\_ \$ \_\_\_\_\_

**PROJECTED PROFIT**

I. Please provide projected profit as defined by earnings after income tax but before depreciation and amortization: **Please see attachment H.**

YEAR	Without IDA benefits	With IDA benefits
1	\$ _____	\$ _____
2	\$ _____	\$ _____
3	\$ _____	\$ _____
4	\$ _____	\$ _____
5	\$ _____	\$ _____

**PROJECTED CONSTRUCTION EMPLOYMENT IMPACT**

I. Please provide estimates of total construction jobs and the total annual wages and benefits of construction jobs at the Project:

Year	Number of Construction Jobs	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax
Current Year		\$ _____	\$ _____
Year 1		\$ _____	\$ _____
Year 2		\$ _____	\$ _____
Year 3		\$ _____	\$ _____
Year 4		\$ _____	\$ _____
Year 5		\$ _____	\$ _____

**PROJECTED PERMANENT EMPLOYMENT IMPACT**

**PLEASE SEE ATTACHMENT G**

I. Please provide estimates of total number of existing permanent jobs to be preserved or retained as a result of the Project:

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year	0	0	0	0
Year 1	0	0	0	0
Year 2	0	0	0	0
Year 3	0	0	0	0
Year 4	0	0	0	0
Year 5	0	0	0	0

II. Please provide estimates of total new permanent jobs to be created at the Project:

**PLEASE SEE ATTACHMENT G**

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year	0	0	0	0
Year 1	0	9	0	0
Year 2	0	9	0	0
Year 3	0	9	0	0
Year 4	0	9	0	0
Year 5	0	9	0	0

III. Please provide estimates for the following:

A. Creation of New Job Skills relating to permanent jobs. **PLEASE SEE ATTACHMENT G.**

IV. Provide the projected percentage of employment that would be filled by City of Albany residents:  
75%

A. Provide a brief description of how the project expects to meet this percentage: **Active local recruitment and advertising as well as job fairs**

**PROJECTED OPERATING IMPACT**

I. Please provide estimates for the impact of Project operating purchases and sales:

**Please see Economic Impact Study.**

Additional Purchases (1 <sup>st</sup> year following project completion)	\$ _____
Additional Sales Tax Paid on Additional Purchases	\$ _____
Estimated Additional Sales (1 <sup>st</sup> full year following project completion)	\$ _____
Estimated Additional Sales Tax to be collected on additional sales (1 <sup>st</sup> full year following project completion)	\$ _____

II. Please provide a brief description for the impact of other economic benefits expected to be produced as a result of the Project: **Please see Economic Impact Study.**

**CERTIFICATION**

I certify that I have prepared the responses provided in this Questionnaire and that, to the best of my knowledge, such responses are true, correct and complete.

I understand that the foregoing information and attached documentation will be relied upon, and constitute inducement for, the Corporation in providing financial assistance to the Project. I certify that I am familiar with the Project and am authorized by the Company to provide the foregoing information, and such information is true and complete to the best of my knowledge. I further agree that I will advise the Corporation of any changes in such information, and will answer any further questions regarding the Project prior to the closing.

Date Signed: Sept 27, 2013

**Name of Person Completing Project Questionnaire on behalf of the Company.**

Name: Frances Spreer Albert

Title: VP Finance

Phone Number: 518-262-5585

Address: 43 New Scotland Ave. HC 21  
Albany NY 12208

Signature: Frances Spreer Albert

# ATTACHMENT A

**LEGAL DESCRIPTION OF  
PARK SOUTH  
PROPOSED PARCEL No.2  
No.391 MYRTLE AVENUE  
CITY OF ALBANY, COUNTY OF ALBANY, STATE OF NEW YORK**

**ALL THAT TRACT, PIECE, OR PARCEL OF LAND, situate, lying and being in the City of Albany, County of Albany, and State of New York:**

**BEGINNING** at a point in the northeasterly bounds of Myrtle Avenue, said point being located N.52°36'45"W., a distance of 160.00 feet from the northeasterly bounds of Myrtle Avenue with the northwesterly bounds of New Scotland Avenue;

**THENCE** along the northeasterly bounds of Myrtle Avenue, N.52°36'45"W., a distance of 200.00 feet to a point;

**THENCE** through the lands now or formerly of Albany Medical Center, No.397 Myrtle Avenue, and No.168 Morris Street and, the following three (3) courses and distances:

1. N.37°52'02"E., a distance of 28.50 feet to a point;
2. S.52°36'45"E., a distance of 14.00 feet to a point;
3. N.37°52'02"E., a distance of 121.50 feet to a point;

**THENCE** through the lands now or formerly of Albany Medical Center, No.168, 166, 164, 160, 158, 156, 154, and 152 Morris Street and through No.383 Myrtle Avenue the following two (2) courses and distances:

1. S.52°36'45"E., a distance of 186.00 feet to a point;
2. S.37°35'02"W., a distance of 150.00 feet to the **POINT OF BEGINNING**.

Containing 28,309 square feet or 0.65 acres of land more or less.

**SUBJECT TO** all easements, restrictions and rights-of-way of record.

Date: 8/14/2013  
Job No.: 2013-0145  
File: S:/docs/Tony/130145-P2-LD

Last Name	First Name	Middle	Board Title	Term Expiration	Year Elected
Archibold, Jr.	Raimundo	C.	Director	2017	2012
Barba	James	J.	Director	2016	1987
Cushing	Robert	T.	Chair	2015	2004
DeFazio	Joyce	M.	Director	2015	1993
Diesel	R. Wayne		Director	2015	2005
Elltzer	Peter	H.	Vice-Chair	2016	1994
Fecteau, CPA	Marc	N.	Director	2015	1996
Gillis	Margaret		Director	2014	2012
Golub	David		Director	2014	2000
Hamlin	Douglas	M.	Director	2016	2008
Heerwagen	Peter	H.	Director	2017	1999
Moy, Esq.	Lillian		Director	2016	2006
Nigro	John	J.	Director	2014	2008
O'Connor	John	B.	Director	2015	2005
Parnes, M.D.	Steven	M.	Director	2017	1993
Pickett III	Daniel	T.	Director	2017	2012
Reiskert	W. Michael		Director	2016	2010
Robinson, Jr	John	B.	Director	2017	1989
Smith	Janice		Director	2014	2008
Sperry	Jeffrey		Director	2015	2006
Stone	Jeffrey		Vice-Chair	2014	2008
Tidgewell	Todd	M.	Director	2016	2010
Usmani	Omar		Director	2014	2012
King Weir	Candace	King	Director	2017	1999
Bender IV	Matthew		Emeritus		1983
Kahl	Mary	C.	Emeritus		1984
Barba	James J		CEO		
Kochem	Gary J		COO		
Hasselbarth	William C		CFO		

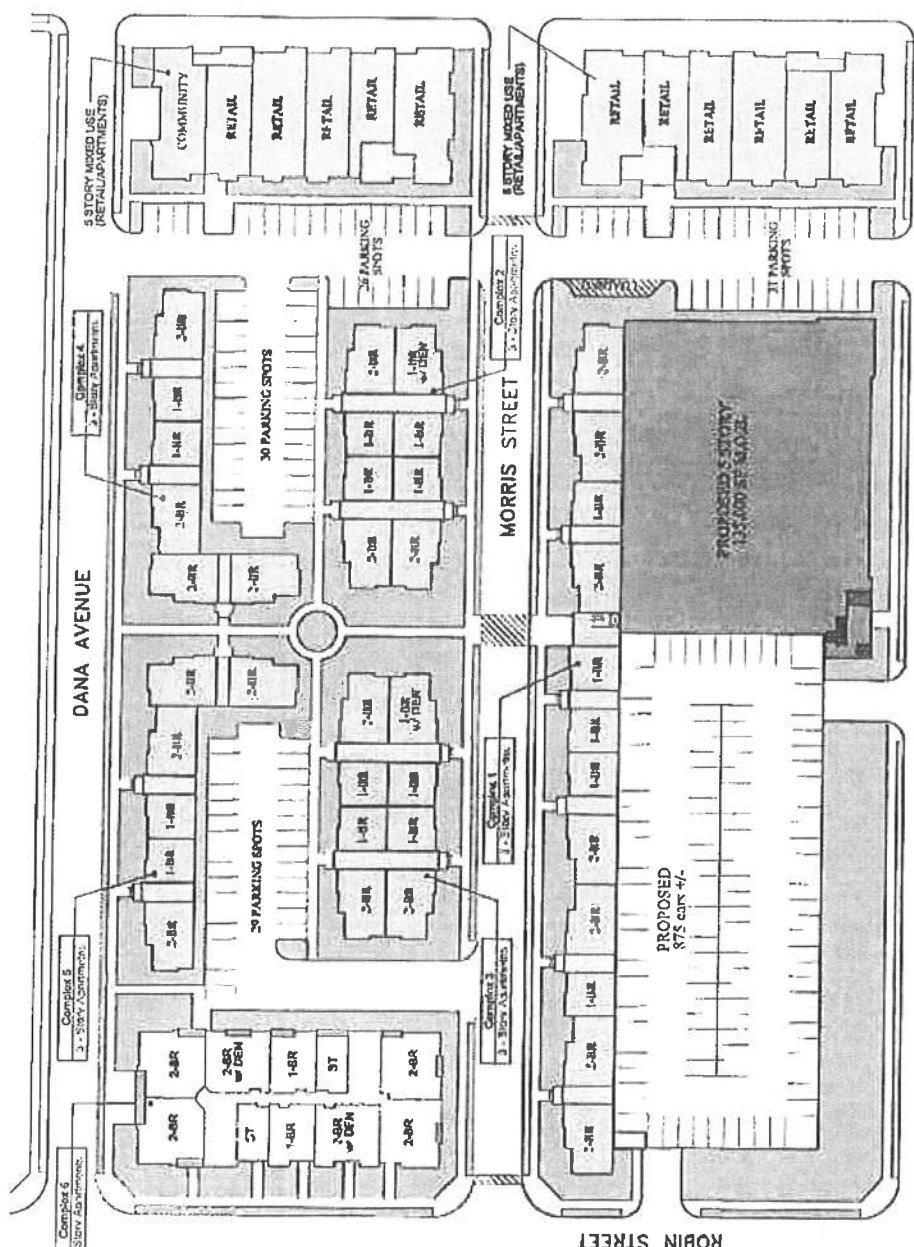
**Albany Medical Center – CRC Application  
Attachment C**

The Center has a self-insurance program for professional and general liability insurance which involves the combination of purchased excess coverage and the establishment of funded reserves. The purchased coverage includes an excess policy retroactive to January 1, 1990. The Center maintains a risk management department to monitor and estimate professional liability exposure. Management accrues for professional and general liability reserves and the corresponding charge to operating expenses based on estimates of asserted and currently identifiable unasserted claims, if any, and a provision for unknown incidents. Management maintains a balance in a trusteed account for purposes of paying claims.



# ATTACHMENT D

NEW SCOTLAND AVENUE



PROPOSED PROGRAM:	
<b>3-STORY MIXED USE</b>	(81,000 SF ±)
5	GROUND LEVEL RETAIL SPACE
20	TWO BEDROOM APARTMENT w/ DEN
10	ONE BEDROOM APARTMENT w/ DEN
10	STUDIO APARTMENT
<b>5-STORY MIXED USE</b>	(87,000 SF ±)
8	GROUND LEVEL RETAIL SPACE
16	TWO BEDROOM APARTMENT w/ DEN
8	ONE BEDROOM APARTMENT w/ DEN
8	STUDIO APARTMENT
<b>3-STORY APARTMENTS</b>	(40,000 SF ±)
12	TWO BEDROOM APARTMENT w/ DEN
8	ONE BEDROOM APARTMENT w/ DEN
8	STUDIO APARTMENT
<b>3-STORY APARTMENTS</b>	(28,000 SF ±)
8	TWO BEDROOM APARTMENT w/ DEN
8	ONE BEDROOM APARTMENT w/ DEN
10	ONE BEDROOM APARTMENT w/ DEN
<b>TOTAL</b>	
11	GROUND LEVEL RETAIL SPACE
88	TWO BEDROOM APARTMENT w/ DEN
24	ONE BEDROOM APARTMENT w/ DEN
18	ONE BEDROOM APARTMENT w/ DEN
24	STUDIO APARTMENT
240	APARTMENTS
116	PARKING SPOTS

Ground Floor LE scale 1/64

hcp architects

Bill Construction Services

Ground Floor LE

Myrtle Avenue

Sheet

**MEDICAL OFFICE BUILDING****ATTACHMENT E**

<u>ADDRESS</u>	<u>TAX MAP NO.</u>	<u>OWNER</u>	<u>Acquisition Date</u>	<u>Purchase Price</u>	<u>2013</u> <u>property tax</u>	<u>2012-2013</u> <u>school tax</u>	
397 Myrtle Ave.	76.22-2-47	Albany Medical Center	1/1/1971	29,010.00	\$ 284.58	\$ 433.46	residential structure on property
395 Myrtle Ave.	76.22-2-46	Albany Medical Center	1/1/1971	35,150.00	\$ 2,971.35	\$ 4,525.78	residential structure on property
393 Myrtle Ave.	76.22-2-45	Albany Medical Center	1/1/1989	118,036.90	\$ 2,152.49	\$ 3,278.54	residential structure on property
389-391 Myrtle Ave.	76.22-2-44	Albany Medical Center	1/1/1971	27,006.00	\$ -	\$ -	residential structure on property
387 Myrtle Ave.	76.22-2-43	Albany Medical Center	1/1/1971	23,437.00	\$ -	\$ -	residential structure on property
385 Myrtle Ave.	76.22-2-42	Albany Medical Center	6/1/1990	20,607.00	\$ -	\$ -	residential structure on property
152 Morris St.	76.22-2-30	Albany Medical Center	1/1/1971	15,104.00	\$ 1,558.21	\$ 2,373.38	residential structure on property
154 Morris St.	76.22-2-29	Albany Medical Center	1/1/1971	9,924.00	\$ 1,701.98	\$ 2,592.24	residential structure on property
156 Morris St.	76.22-2-28	Albany Medical Center	7/1/1991	51,360.00	\$ 1,533.11	\$ 2,335.13	residential structure on property
158 Morris St.	76.22-2-27	Albany Medical Center	1/1/1971	12,595.00	\$ 1,804.55	\$ 2,700.59	residential structure on property
160 Morris St.	76.22-2-26	Albany Medical Center	1/1/1971	14,584.00	\$ 1,786.99	\$ 2,721.84	residential structure on property
164 Morris St.	76.22-2-25	Albany Medical Center	4/1/1996	75,356.00	\$ 1,454.98	\$ 2,216.14	residential structure on property
166 Morris St.	76.22-2-24	Albany Medical Center	1/1/1981	18,261.00	\$ 1,798.36	\$ 2,734.59	residential structure on property

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**PHOTOGRAPHS - SUBJECT PROPERTIES**

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**Note:** No land survey was provided and therefore the Appraiser relied on the public records for the land measurements. The map below provides the approximate meets and bounds of the greater sites that comprise the 66 subject lots.

*Bird's Eye View (Bing Map)*



As displayed in the above map, the subject properties (66 lots) can be delineated into two distinctive development sites: the north site contains an area of 2.09 acres and the south site an area of 2.73 acres, for a total area of 4.82 acres.

Street Views are presented on the following pages.

**Albany Medical Center – CRC Application  
Attachment G**

It is anticipated that 12 additional physicians will be recruited into the facility along with support staff of 30. Further in is anticipated there will be six positions to be added include cleaning and maintenance staff and Security.

PILOT Projection

11/4/2013 4:09 PM

20 YEAR PILOT										
									Square Foot	67,500
									(1/2 of Bldg)	
									Proj Increase	3.00%
									Rate	
Year	Land	Building	Total Value	Abatement Savings	Taxable Value	Rate per \$1,000	Taxes	psf		
Year 1		Current Taxes only				\$ 47.96	\$ 94,200	\$ 1.40		
Year 2		Current Taxes only				\$ 49.39	\$ 94,200	\$ 1.40		
Year 3		Current Taxes only				\$ 50.88	\$ 94,200	\$ 1.40		
Year 4		Current Taxes only				\$ 52.40	\$ 94,200	\$ 1.40		
Year 5		Current Taxes only				\$ 53.97	\$ 94,200	\$ 1.40		
Year 6		Current Taxes only				\$ 55.59	\$ 94,200	\$ 1.40		
Year 7		Current Taxes only				\$ 57.26	\$ 94,200	\$ 1.40		
Year 8	\$ 269,913	\$ 8,160,157	\$ 8,430,069	85.71%	\$ 1,435,649	\$ 58.98	\$ 94,200	\$ 1.40		
Year 9	\$ 269,913	\$ 8,160,157	\$ 8,430,069	85.71%	\$ 1,435,649	\$ 60.75	\$ 94,200	\$ 1.40		
Year 10	\$ 269,913	\$ 8,160,157	\$ 8,430,069	71.43%	\$ 2,601,386	\$ 62.57	\$ 162,771	\$ 2.41		
Year 11	\$ 269,913	\$ 8,160,157	\$ 8,430,069	71.43%	\$ 2,601,386	\$ 64.45	\$ 167,654	\$ 2.48		
Year 12	\$ 269,913	\$ 8,160,157	\$ 8,430,069	57.14%	\$ 3,767,123	\$ 66.38	\$ 250,067	\$ 3.70		
Year 13	\$ 269,913	\$ 8,160,157	\$ 8,430,069	57.14%	\$ 3,767,123	\$ 68.37	\$ 257,569	\$ 3.82		
Year 14	\$ 269,913	\$ 8,160,157	\$ 8,430,069	42.86%	\$ 4,932,859	\$ 70.42	\$ 347,392	\$ 5.15		
Year 15	\$ 269,913	\$ 8,160,157	\$ 8,430,069	42.86%	\$ 4,932,859	\$ 72.54	\$ 357,814	\$ 5.30		
Year 16	\$ 269,913	\$ 8,160,157	\$ 8,430,069	28.57%	\$ 6,098,596	\$ 74.71	\$ 455,644	\$ 6.75		
Year 17	\$ 269,913	\$ 8,160,157	\$ 8,430,069	28.57%	\$ 6,098,596	\$ 76.95	\$ 469,313	\$ 6.95		
Year 18	\$ 269,913	\$ 8,160,157	\$ 8,430,069	14.29%	\$ 7,264,333	\$ 79.26	\$ 575,793	\$ 8.53		
Year 19	\$ 269,913	\$ 8,160,157	\$ 8,430,069	14.29%	\$ 7,264,333	\$ 81.64	\$ 593,066	\$ 8.79		
Year 20	\$ 269,913	\$ 8,160,157	\$ 8,430,069	7.14%	\$ 7,847,201	\$ 84.09	\$ 659,872	\$ 9.78		
							\$ 5,144,756			

Taxes without savings

Year	Land	Building	Total Value	Abatement Savings	Taxable Value	Rate per \$1,000	Taxes	psf
Year 1	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 47.96	\$ 404,267	\$ 5.99
Year 2	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 49.39	\$ 416,395	\$ 6.17
Year 3	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 50.88	\$ 428,887	\$ 6.35
Year 4	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 52.40	\$ 441,754	\$ 6.54
Year 5	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 53.97	\$ 455,006	\$ 6.74
Year 6	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 55.59	\$ 468,657	\$ 6.94
Year 7	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 57.26	\$ 482,716	\$ 7.15
Year 8	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 58.98	\$ 497,198	\$ 7.37
Year 9	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 60.75	\$ 512,114	\$ 7.59
Year 10	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 62.57	\$ 527,477	\$ 7.81
Year 11	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 64.45	\$ 543,301	\$ 8.05
Year 12	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 66.38	\$ 559,601	\$ 8.29
Year 13	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 68.37	\$ 576,389	\$ 8.54
Year 14	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 70.42	\$ 593,680	\$ 8.80
Year 15	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 72.54	\$ 611,491	\$ 9.06
Year 16	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 74.71	\$ 629,835	\$ 9.33
Year 17	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 76.95	\$ 648,730	\$ 9.61
Year 18	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 79.26	\$ 668,192	\$ 9.90
Year 19	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 81.64	\$ 688,238	\$ 10.20
Year 20	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 84.09	\$ 708,885	\$ 10.50
							\$ 10,862,815	

Projected Savings \$ 5,718,058

Assumptions

1 Assumed Value for Land and Building, as per comparative medical buildings on New Scotland Ave

	Sq Ft	Land		Building	
		Assessed Value	Land psf	Assessed Value	Building psf
16 NSA	53,299	\$ 375,000	\$ 7.04	\$ 6,425,000	\$ 121
22 NSA	77,730	\$ 159,200	\$ 2.05	\$ 9,497,050	\$ 122
50 NSA	68,676	\$ 200,000	\$ 2.91	\$ 8,237,500	\$ 120
Average of 3			\$ 4.00		\$ 121

2 Assumed Tax Rate/\$1,000

County Tax	3.78
City Tax	14.17
School	28.61
Library	-
	46.56
one year escalation	1.03
	\$ 47.96

3 No Library tax considered in the above.

# Park South Redevelopment Economic Impact Analysis

November 4, 2013

Prepared For:

Albany Medical Center  
and Tri City Rentals

Prepared By:



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## SUMMARY OF FINDINGS

Albany Medical Center and Tri City Rentals (together considered the “Sponsor”) are proposing a major redevelopment project in the Park South neighborhood of the City of Albany (the “Project”). The Project will consist of a series of residential, retail and medical office buildings in proximity to the Albany Medical Center. The Sponsor has submitted an application for financial assistance to the City of Albany and has commissioned Camoin Associates to conduct an economic and limited fiscal impact analysis<sup>1</sup> of the construction and occupation of the Project on the City of Albany (“City”) and surrounding area.

The following is a summary of our findings from this study.

Economic Activity	
Total Households	256
Total Jobs	95
Residential Management Employees	10
Retail Space Employees (full time and part time)*	37
Medical Office Space**	48

Source: Sponsor, Camoin Associates

\* 25 full time employees and 12 part time employees

\*\* Based on information provided by the Sponsor

- The Project will include 256 apartment units requiring 10 on-site property management employees.
- There will be 28,000 square feet of retail space with 25 full time employees and 12 part time employees.
- 135,000 square feet of medical office space will be developed and occupied by tenants. It is expected that the medical office space will result in 420 total employees, including 48 that are net new to the City and would not exist but for the Project.

Summary of Benefits	
One Time Benefits During Construction	
Construction Phase Job-Years	859
Construction Phase Earnings	\$ 67,285,212
One Time Sales Tax Revenue to City	\$ 60,597
Total One Time IDA Fees	\$ 1,174,666
Total Community Benefit Investment	\$ 3,375,000
Annual Benefits Throughout Operation	
Annual Jobs	137
Annual Earnings	\$ 7,546,712
Average Annual Sales Tax Collected by County	\$ 105,532
Average Annual Sales Tax Revenue Distributed to City	\$ 13,508
Average Annual PILOT Payment	\$ 543,461

<sup>1</sup> Note that Camoin Associates conducted only a limited fiscal impact analysis, namely, determining the effects of the Project on municipal revenue sources. We did not conduct an analysis of the public service expenditure impacts of the Project (for example, the impact of the Project on local schools and municipal services).



For this analysis, Camoin Associates must first determine what portions of the project generate new economic activity that but for the Project would not occur in the City. In order to do this, Camoin Associates reviewed City vacancy rates, market analysis documents, and information on existing and planned residential projects in the immediate vicinity of the Project to determine the extent to which any of the Project would create “new” activity and, therefore, new spending in the City. Based on our analysis, we determined that 70% of the residential units could be considered “net new” households to the City (i.e. households in the City that otherwise would locate elsewhere). We then extrapolated the total amount of new spending by these new households to derive job and wage creation resulting from the Project.

Camoin Associates considered the extent to which any of medical space would bring new jobs to the City. It is our understanding that tenants who eventually locate at the Project will be drawn to the City as a result of the Project and they otherwise would go elsewhere. Therefore, we consider 100% of the medical office employees to be net new to the City.

Finally, due to the generic nature of the retail space and the availability of retail space throughout the City, none of the retail sales/jobs would be “net new” to the city of Albany. Therefore, while we report the jobs and wages in the economic activity section of this report, we do not include it in the economic impact section.

- The construction of the Project would result in approximately 859 net new construction job-years in and around the City (including Albany County). These jobs would generate roughly \$67 million in earnings.
- The Project would support 137 net new jobs in and around the City with \$7.5 million in associated earnings. Those figures are composed of new jobs occurring onsite, new jobs resulting from new household spending, and jobs created indirectly through the economic “multiplier” effect. Likewise with the earnings figures shown in the table.
- The Sponsor has proposed terms of a draft PILOT agreement with the City of Albany Industrial Development Agency (the “Agency”). Under this draft PILOT agreement, the Sponsor would pay over \$10.8 million to the taxing jurisdictions over the PILOT term, or an average of \$543,461 each year.
- The Sponsor will pay fees to the IDA totaling \$1,174,666.
- The Sponsor will be performing work totaling approximately \$3,375,000 in the vicinity of the Project, such work being a benefit the community and non-essential to the Project. As such, we treat this as a general public benefit received at no cost to tax payers.

### ECONOMIC ACTIVITY ANALYSIS

As described above, the proposed Project will include residential units, retail, and medical office space as well as a parking structure. The economic activity associated with the Project includes the new apartment units, staff associated with property management, full time and part time employees associated with the retail aspect, plus additional employees at the medical buildings connected to Albany Medical Center. In total, these employees are considered the “economic activity” related to the Project. The table below outlines all of the economic activity related to the Project.

Economic Activity	
Total Households	256
Total Jobs	95
Residential Management Employees	10
Retail Space Employees (full time and part time)*	37
Medical Office Space**	48

Source: Sponsor, Camoin Associates

\* 25 full time employees and 12 part time employees

\*\* Based on information provided by the Sponsor

As shown in the table above, the Project will include 256 apartment units in the Park South neighborhood of the city of Albany. The Sponsor estimates that there will be 10 new full time positions generated as a result of the new apartment units associated with property management. The Project will also include 28,000 square feet of retail space for currently unidentified tenants. Based on similar retail spaces in the area, the Sponsor is estimating 25 full time positions and 12 part time positions being created as part of the retail space. Finally, the Project will include the development of 135,000 square feet of medical office space associated with Albany Medical Center. Based on information provided by the Sponsor, we estimate that the medical office space will house hundreds of employees, including 48 employees that are new to the City of Albany.

It is important to note here that not all economic activity will have an economic impact on the City. The following analysis focuses on the economic activity that but for the Project, would not occur in the City of Albany. In the case of this Project, the economic impact analysis is focused on the new households, housing-related employment, and the medical office space because it is assumed that the retail space would locate in the City with or without the Project and therefore we cannot attribute spin off jobs, sales, and earnings to the Project.

## ECONOMIC IMPACT ANALYSIS

The estimates of direct economic activity generated during the construction phase and building occupation phase as provided by the Sponsor were used, with certain modifications described below, as the direct inputs for the economic impact model. Camoin Associates used these direct inputs in the input-output model designed by Economic Modeling Specialists, Inc. (EMSI). EMSI allows the analyst to input the amount of new direct economic activity (spending or jobs) occurring within the City to estimate the spillover effects that the net new spending or jobs have as these new dollars circulate through the City economy. This is captured in the indirect impacts and is commonly referred to as the “multiplier effect.” See Attachment A for more information on economic impact analysis.

The Project would have economic impacts upon the City in three main categories: 1) temporary construction phase impacts, 2) onsite jobs impacts, and 3) spending impacts by the new tenant households. The impacts of each of these categories are detailed below.

### Construction Phase Impacts

The Sponsor anticipates that construction of the Project would cost \$110 million. We assume that 100% of this activity would be sourced from around Albany County, including the City, which allows us to project the amount of net new spending associated with the construction phase. Based on the \$110 million in sales associated with the construction phase of the Project, Camoin Associates is able to determine that there would be \$149 million in sales, 859 jobs, and \$67 million in wages generated in and around the city of Albany including Albany County.<sup>2</sup>

Economic Impact - Construction			
	Direct	Indirect	Total
Jobs	537	322	859
Sales	\$ 110,000,000	\$ 39,739,228	\$ 149,739,228
Earnings	\$ 52,566,572	\$ 14,718,640	\$ 67,285,212

Source: EMSI, Camoin Associates

### Operation Phase Impacts

#### Residential Impact

In order to determine the annual economic impact of the Project on the City, the first step was to calculate the number of onsite employees and residents that can be considered “net new” to the City’s economy. In other words, the number of employment positions and residents that, but for the Project, would not exist in Albany. For this study, we analyzed the existing supply and demand of market-rate apartments. The following summarizes the research conducted to determine the percentage of market-rate units that could be considered new to the city of Albany.

<sup>2</sup> Indirect impacts represent money spent by businesses on purchases of goods and services within the local economy, creating additional employment and earnings. It also includes the expenditures of new household income from wages and payments made to employees.

The first step was to analyze the City’s average rental vacancy rate over the last twenty years. As reported by the 2010 Census, 63% of all occupied housing units in the City are rentals and the rental vacancy rate in the City is 7% (vacant rental units divided by total rental units). True current (i.e. 2013) rental vacancy in the City is most likely lower than this figure for the following reasons:

- As the housing crisis has forced people into foreclosure and out of their homes, many are looking to rent, adding to the pool of demand.
- It has become more difficult to secure a mortgage for less credit worthy borrowers, meaning that fewer households are transitioning from a rental housing situation to an owner-occupied housing situation, again inflating demand for rental units.
- Other regional and national development trends related to increased interest in walkability and urban lifestyles by young professionals and baby boomers looking to live in a walkable community rich with culture, recreation, retail, food services, and other amenities.

Furthermore, as shown below, the City’s rental vacancy rate is lower than the City’s overall vacancy rate, indicating a relatively tight rental market. Markets with up to 10% vacancy are considered healthy. The low vacancy rates suggest that there is demand for rental units in the City and that even if Project units are filled by current City residents, those vacated units are likely to be re-rented and will not sit vacant (this is known as the back-fill effect).

City of Albany Residential Vacancy Trends			
Year	Total Households	Total Vacancy Rate	Rental Vacancy Rate
1990	46,207	9%	7%
2000	45,288	10%	7%
2010	46,362	11%	7%

Source: Census 2010, ESRI, Camoin Associates

A 2011 study conducted by Zimmerman/Volk Associates for the city of Albany examined where potential renters and buyers of new and existing housing units in the City are likely to come from. The findings of this research suggests 30% will come from the local market (the City), with the remaining coming from the rest of Albany County, Hudson Valley, New York City, and other areas of the United States. This report also indicates that rental lofts and apartments are an attractive type of housing for Downtown Albany.

In addition to the above factors, we considered households displaced by the Project. We noted that 43 existing units are being removed and 256 are being added, for a net gain of 213 units (or 83%). Therefore, in consideration of all these factors, Camoin Associates hereafter assumes that 70% of the tenant households should be considered net new to the City. Therefore, Camoin Associates assumes that 70% of both the tenant households and the on-site residential related jobs are new to the City economy.

### Onsite Jobs Impacts

As mentioned above, Camoin Associates assumes that 70% of the onsite residential related jobs would be new. The Sponsor has reported that there will be 10 full time jobs created as a result of the new residential units, therefore 70% of those are considered net new to the Albany economy. The table below details the impact these new jobs would have on the city of Albany in terms of direct, indirect and total impacts on

employment and wages. The 7 net new onsite jobs would create a total of 10 jobs, resulting in annual earnings of \$306,000 and sales of \$1.5 million.

Economic Impact - Residential Property Management			
	Direct	Indirect	Total
Jobs	7	3	10
Sales	\$1,051,021	\$378,227	\$1,429,248
Earnings	\$182,211	\$123,903	\$306,114

Source: EMSI, Camoin Associates

In addition to the impact of the residential property managers, the new medical office space will also result in new jobs, sales, and earnings for the City. It is our understanding that without the Project, the 48 jobs being created by the tenants of the medical office space would not occur. The table below calculates the impact of the 48 employees that would not exist in the City without the Project. The 48 new employees would result in 25 indirect jobs, \$9.8 million in new sales (not including any sales occurring in the retail space), and \$5.4 million in new earnings.

Economic Impact - Medical Office Space			
	Direct	Indirect	Total
Jobs	48	25	73
Sales	\$ 7,021,239	\$ 2,819,844	\$ 9,841,083
Earnings	\$ 4,357,663	\$ 1,089,416	\$ 5,447,079

Source: Sponsor, EMSI, Camoin Associates

### Tenant Impact

The Project consists of 256 total apartment units. As noted above, Camoin Associates assumes that 70%, or 179 of the total units would be occupied by new households.

Net New Residential Units	
Total Residential Units	256
Percent Net New Units	70%
Total Net New Residential Units*	179

Source: Camoin Associates

\* Rounded down to nearest whole number

New households would make purchases in the City, thereby adding new dollars to the economy. For this analysis, Camoin Associates researched spending patterns by household income. Using a spending basket, developed by the United States Bureau of Labor Statistics, which details household spending in individual consumer categories by income level, Camoin Associates analyzed the likely spending by tenants. The spending basket is based on a consumer unit (household) earning between \$50,000 and \$69,999 per year.<sup>3</sup>

<sup>3</sup> The Zimmerman/Volk Market Analysis is based on capturing households with incomes above \$50,000.

The regional spending basket estimates that households earning this would have average annual expenditures of approximately \$49,982 (including housing costs and utilities).<sup>4</sup>

For total expenditures, it is assumed that some portion of the spending would occur within the City and, therefore, have an impact on the City's economy. The percent spent within the City, as shown in the table on the next page, is based on the current supply and demand of retail goods and services in the City. A surplus/leakage analysis was conducted on the City to identify retail sectors where the tenants would have to (or be likely to) leave the City in order to make their purchases. Many goods and services are available within the City, which makes it reasonable to assume that a good portion of the spending would occur within the City, particularly goods and services that are closely tied to convenience such as food, transportation spending, and healthcare. Tenants may not spend as much in the City on apparel and services and other larger purchases as there is a wide variety of shopping destinations in the region. The fourth column in the following table shows the total amount spent in the City per unit.

Tenant Spending Baskets					
Spending Baskets for Households Earning Between \$50,000 and \$69,999					
Category	Annual Spending Basket	% Spent in the City*	Amount Spent in City Annually	Number of Net New Units	Total Annual Net New City Spending
Food	\$ 6,938	75%	\$ 5,204	179	\$ 931,427
Apparel and Services	\$ 1,559	50%	\$ 780	179	\$ 139,531
Transportation	\$ 7,827	75%	\$ 5,870	179	\$ 1,050,775
Personal Care Services	\$ 606	50%	\$ 303	179	\$ 54,237
Healthcare	\$ 3,689	75%	\$ 2,767	179	\$ 495,248
Entertainment	\$ 2,438	50%	\$ 1,219	179	\$ 218,201
Education	\$ 647	25%	\$ 162	179	\$ 28,953
House Keeping Supplies	\$ 1,113	50%	\$ 557	179	\$ 99,614
Household Furnishings & Equipment	\$ 1,425	50%	\$ 713	179	\$ 127,538
<b>Total Net New City Spending</b>	<b>\$ 26,242</b>		<b>\$ 17,573</b>		<b>\$ 3,145,522</b>

Source: Bureau of Labor Statistics

\* Based on the retail leakage analysis as described earlier in the report. Information from the leakage analysis was combined with an understanding of the current local and regional retail and services market.

The total net new spending in the City was calculated by multiplying the amount spent in the City by the number of net new units. As shown in the table above, spending in the City by all new households would total \$3.1 million. Camoin Associates used the above spending basket amounts to calculate the direct, indirect and total impact of the Project on the City. To do this, we attributed the various spending categories to the NAICS codes found in the table below.

<sup>4</sup> Bureau of Labor Statistics: Consumer Expenditure Survey 2012.

Spending Basket Breakdown by NAICS Code		
NAICS Code	Industry	Spending Basket Category
445110	Supermarkets and Other Grocery (except Convenience) Stores	Food
722110	Full-Service Restaurants	Food
722211	Limited-Service Restaurants	Food
448140	Family Clothing Stores	Apparel and Services
446110	Pharmacies and Drug Stores	Personal Care Products and Services
447110	Gasoline Stations with Convenience Stores	Transportation
811111	General Automotive Repair	Transportation
621111	Offices of Physicians (except Mental Health Specialists)	Healthcare
621210	Offices of Dentists	Healthcare
621340	Offices of Physical, Occupational and Speech Therapists	Healthcare
621330	Offices of Mental Health Practitioners	Healthcare
622110	General Medical and Surgical Hospitals	Healthcare
711110	Theater Companies and Dinner Theater	Entertainment
711130	Musical Groups and Artists	Entertainment
713940	Fitness and Recreational Sports Centers	Entertainment
712110	Museums	Entertainment
711190	Other Performing Arts Companies	Entertainment
611310	Colleges, Universities, and Professional Schools	Education
452990	All Other General Merchandise Stores	House Keeping Supplies
442299	All Other Home Furnishings Stores	Household Furnishings & Equipment

Source: EMSI, Camoin Associates

Using \$3.1 million as the new sales input, Camoin Associates employed EMSI to determine the indirect and total impact of the Project. The following table outlines the findings of this analysis.

Economic Impact - Tenant Spending			
	Direct	Indirect	Total
Jobs	44	10	54
Sales	\$3,145,522	\$1,246,586	\$4,392,108
Earnings	\$1,348,511	\$445,008	\$1,793,519

Source: EMSI, Camoin Associates

The annual combined jobs and earnings impact of the Project on the City is shown in the table below:

Economic Impact - On Site Jobs			
	Direct	Indirect	Total
Jobs	7	3	10
Sales	\$ 1,051,021	\$ 378,227	\$ 1,429,248
Earnings	\$ 182,211	\$ 123,903	\$ 306,114
Economic Impact - Medical Office Space			
	Direct	Indirect	Total
Jobs	48	25	73
Sales	\$ 7,021,239	\$ 2,819,844	\$ 9,841,083
Earnings	\$ 4,357,663	\$ 1,089,416	\$ 5,447,079
Economic Impact - Tenant Spending			
	Direct	Indirect	Total
Jobs	44	10	54
Sales	\$ 3,145,522	\$ 1,246,586	\$ 4,392,108
Earnings	\$ 1,348,511	\$ 445,008	\$ 1,793,519
Economic Impact - Combined Annual Impact			
	Direct	Indirect	Total
Jobs	99	38	137
Sales	\$ 11,217,782	\$ 4,444,657	\$ 15,662,439
Earnings	\$ 5,888,384	\$ 1,658,328	\$ 7,546,712

Source: EMSI, Camoin Associates



### FISCAL IMPACT ANALYSIS

In addition to the economic impact of the Project on the local economy outlined above, there would also be a fiscal impact in terms of annual property tax and sales tax generation. The following section of the analysis outlines the impact of the completion of the Project on the local taxing jurisdictions' revenue sources. As noted in the Executive Summary, this analysis is limited in that it focuses exclusively on increases and decreases to local municipal revenues and does not include projections related to the costs of public service provision.

#### Payment in Lieu of Taxes (PILOT)

The Sponsor has applied to the City of Albany Industrial Development Agency (the "Agency") for a Payment In Lieu of Taxes (PILOT) agreement. The Sponsor has proposed a twenty-year payment schedule for the medical office building, residential, and commercial portions of the Project based on the estimated final assessed value. The table below shows the proposed payment schedule.

PILOT Payments			
Year	Medical Office Building	Residential and Commercial	Total
1	\$ 94,200	\$163,000	\$ 257,200
2	\$ 94,200	\$163,000	\$ 257,200
3	\$ 94,200	\$163,000	\$ 257,200
4	\$ 94,200	\$163,000	\$ 257,200
5	\$ 94,200	\$163,000	\$ 257,200
6	\$ 94,200	\$163,000	\$ 257,200
7	\$ 94,200	\$163,000	\$ 257,200
8	\$ 94,200	\$163,000	\$ 257,200
9	\$ 94,200	\$163,000	\$ 257,200
10	\$ 162,771	\$163,000	\$ 325,771
11	\$ 167,554	\$271,475	\$ 439,029
12	\$ 250,067	\$276,904	\$ 526,971
13	\$ 257,569	\$282,443	\$ 540,012
14	\$ 347,392	\$288,091	\$ 635,483
15	\$ 357,814	\$411,394	\$ 769,208
16	\$ 455,644	\$419,622	\$ 875,266
17	\$ 469,313	\$489,160	\$ 958,473
18	\$ 575,793	\$498,943	\$ 1,074,736
19	\$ 593,066	\$572,537	\$ 1,165,603
20	\$ 659,872	\$583,988	\$ 1,243,860
Total	\$ 5,144,655	\$ 5,724,557	\$ 10,869,212
Average	\$ 257,233	\$ 286,228	\$ 543,461

Source: Sponsor, Camoin Associates

\* Assumes a 3% annual increase on full taxable value.

## Tax Policy Comparison

Without financial assistance from the Agency, Camoin Associates assumes the Sponsor would not undertake the Project. Based on the current taxes paid on the property and an assumed 3% increase in the tax rate each year (holding taxable value constant), the following table outlines the estimated tax payments made by the owner of the property without the Project.

Property Tax Payment Without Project*			
Year	Medical Building	Residential and Commercial	Payment
1	\$ 94,200	\$ 163,000	\$ 257,200
2	\$ 97,026	\$ 167,890	\$ 264,916
3	\$ 99,937	\$ 172,927	\$ 272,863
4	\$ 102,935	\$ 178,115	\$ 281,049
5	\$ 106,023	\$ 183,458	\$ 289,481
6	\$ 109,204	\$ 188,962	\$ 298,165
7	\$ 112,480	\$ 194,631	\$ 307,110
8	\$ 115,854	\$ 200,469	\$ 316,324
9	\$ 119,330	\$ 206,484	\$ 325,813
10	\$ 122,910	\$ 212,678	\$ 335,588
11	\$ 126,597	\$ 219,058	\$ 345,655
12	\$ 130,395	\$ 225,630	\$ 356,025
13	\$ 134,307	\$ 232,399	\$ 366,706
14	\$ 138,336	\$ 239,371	\$ 377,707
15	\$ 142,486	\$ 246,552	\$ 389,038
16	\$ 146,761	\$ 253,949	\$ 400,709
17	\$ 151,163	\$ 261,567	\$ 412,730
18	\$ 155,698	\$ 269,414	\$ 425,112
19	\$ 160,369	\$ 277,497	\$ 437,866
20	\$ 165,180	\$ 285,821	\$ 451,002
Total	\$ 2,531,189	\$ 4,379,871	\$ 6,911,060
Average	\$ 126,559	\$ 218,994	\$ 345,553

Source: Sponsor, Camoin Associates

\* Assumes a 3% annual increase

The table below calculates the benefit (or cost) to the affected taxing jurisdictions as the difference between the PILOT payments associated with the Project and the property tax payments without the Project. The total benefit to the affected taxing jurisdictions over the 20-year term is nearly \$4 million, with an average benefit to the affected taxing jurisdictions of \$197,908 per year.

Tax Policy Comparison			
	A	B	C
Year	Property Tax Payment Without the Project	PILOT Payments	Benefit (Cost) to City of Project (Col B -Col. A)
1	\$ 257,200	\$ 257,200	\$ -
2	\$ 264,916	\$ 257,200	\$ (7,716)
3	\$ 272,863	\$ 257,200	\$ (15,663)
4	\$ 281,049	\$ 257,200	\$ (23,849)
5	\$ 289,481	\$ 257,200	\$ (32,281)
6	\$ 298,165	\$ 257,200	\$ (40,965)
7	\$ 307,110	\$ 257,200	\$ (49,910)
8	\$ 316,324	\$ 257,200	\$ (59,124)
9	\$ 325,813	\$ 257,200	\$ (68,613)
10	\$ 335,588	\$ 325,771	\$ (9,817)
11	\$ 345,655	\$ 439,029	\$ 93,374
12	\$ 356,025	\$ 526,971	\$ 170,946
13	\$ 366,706	\$ 540,012	\$ 173,306
14	\$ 377,707	\$ 635,483	\$ 257,776
15	\$ 389,038	\$ 769,208	\$ 380,170
16	\$ 400,709	\$ 875,266	\$ 474,557
17	\$ 412,730	\$ 958,473	\$ 545,743
18	\$ 425,112	\$ 1,074,736	\$ 649,624
19	\$ 437,866	\$ 1,165,603	\$ 727,737
20	\$ 451,002	\$ 1,243,860	\$ 792,858
<b>Total</b>	<b>\$ 6,911,060</b>	<b>\$ 10,869,212</b>	<b>\$ 3,958,152</b>
<b>Average</b>	<b>\$ 345,553</b>	<b>\$ 543,461</b>	<b>\$ 197,908</b>

Source: Camoin Associates

### Additional Benefits

In addition to the fiscal impacts listed above, there will be other benefits to the City. The Sponsor will make payments to the Agency for fees related to their application equaling approximately \$1,175,000. The Sponsor is also committed to making improvements to the neighborhood that are non-essential to the Project. For example they will be putting utilities underground, paving the road, replacing sidewalk, and installing decorative streetlights. Total non-essential work will total \$3,375,000.

Additional Benefits	
<b>Total IDA Fees</b>	<b>\$ 1,174,666</b>
Medical Office PILOT	\$ 240,909
Medical Office Bonds	\$ 285,210
Parking Garage	\$ 268,140
TriCity	\$ 380,408
<b>Community Enhancements</b>	<b>\$ 3,375,000</b>

Source: Sponsor

### Sales Tax Revenue

Purchases made in Albany County are subject to an 8% sales tax, of which 4% goes to New York State and 4% goes to the County. Of the County portion, 60% is kept by the County and the remaining 40% is distributed throughout the cities, towns, and villages in the County based on population. This distribution formula is based on the population reported in the Census and is therefore revised once every ten years. As of the 2010 Census, the City of Albany's population was approximately 1/3 of all Albany County population, and therefore it receives 1/3 of the 40% in sales tax revenue that is distributed to the cities, towns, and villages.<sup>5</sup> The following section calculates the impact of the Project on the City's sales tax revenue.

#### Sales Tax Revenue - Construction Phase

The one-time construction phase earnings (described in a previous section) would lead to additional sales tax revenue for Albany County that would then increase the amount distributed to the City (and all other municipalities in Albany County). It is assumed that 70% of the construction phase earnings would be spent within Albany County and that 25% of those purchases would be taxable.

<sup>5</sup> Since the distribution formula is only revised every ten years the Project will not have an immediate impact on the size of the City's portion.

One Time City Sales Tax Revenue - Construction Phase	
Total New Earnings	\$ 67,285,212
Amount Spent in County (70%)	\$ 47,099,648
Amount Taxable (25%)	\$ 11,774,912
County Sales Tax Rate	4%
New County Tax Revenue	\$ 470,996
County Portion (60%)	\$ 282,598
Amount Distributed to Municipalities (40%)	\$ 188,399
City of Albany's Portion	32%
New City Tax Revenue	\$ 60,597

Source: Albany County, Camoin Associates

As a result of the construction phase employment, the County would receive nearly \$282,600 and the City would receive \$60,597.

#### Sales Tax Revenue - Ongoing Building Occupation

The additional earnings described in the economic impacts section related to building occupation would lead to additional annual sales tax revenue for the County. It is assumed that 70% of the earnings would be spent within Albany County and that 25% of those purchases would be taxable.

Annual City Sales Tax Revenue - Operation Phase	
Total New Earnings	\$ 7,546,712
Amount Spent in County (70%)	\$ 5,282,698
Amount Taxable (25%)	\$ 1,320,675
County Sales Tax Rate	4%
New County Tax Revenue	\$ 52,827
County Portion (60%)	\$ 31,696
Amount Distributed to Municipalities (40%)	\$ 21,131
City of Albany's Portion	32%
New City Tax Revenue	\$ 6,762

Source: Albany County, Camoin Associates

Under these assumptions, the County would receive \$31,696 per year and the City would receive \$6,762.

In addition to sales tax generated by the earnings of new employees, the County would also receive sales tax revenue from the purchases made by the new households. Based on sales by new households, Albany County would receive \$31,623 annually in sales tax revenue and the City would receive \$6,746.<sup>6</sup>

<sup>6</sup> Note that the household spending figure has already been adjusted to account for the percent of total spending occurring within the City (see page 7, table entitled "Net New Spending by Household Type"). Also note that we have used a higher value for "Amount Taxable" as compared to the previous tables (30% rather than 25%) since certain non-taxable items (related to housing expenses) have been removed from the total spending line, thus increasing the remaining portion taxable.

Annual City Sales Tax Revenue - Household Spending	
Total New Spending	\$ 4,392,108
Amount Taxable (30%)	\$ 1,317,632
County Sales Tax Rate	4%
New County Tax Revenue	\$ 52,705
County Portion (60%)	\$ 31,623
Amount Distributed to Municipalities (40%)	\$ 21,082
City of Albany's Portion	32%
New City Tax Revenue	\$ 6,746

Source: Albany County, Camoin Associates

The table below adds together the sales tax revenue from the operation phase earnings and the household spending to calculate the annual sales tax revenue to the City and County.

Combined Annual City and County Sales Tax Revenue	
<b>City Revenue</b>	
Operation Phase Earnings	\$ 6,762
Household Spending	\$ 6,746
Total New City Revenue	\$ 13,508
<b>County Revenue</b>	
Operation Phase Earnings	\$ 31,696
Household Spending	\$ 31,623
Total New County Revenue	\$ 63,319

## ATTACHMENT A

What is economic impact analysis?

The purpose of conducting an economic impact study is to ascertain the total cumulative changes in employment, earnings and output in a given economy due to some initial “change in final demand”. To understand the meaning of “change in final demand”, consider the installation of a new widget manufacturer in Anytown, USA. The widget manufacturer sells \$1 million worth of its widgets per year exclusively to consumers in Canada. Therefore, the annual change in final demand in the United States is \$1 million because dollars are flowing in from outside the United States and are therefore “new” dollars in the economy.

This change in final demand translates into the first round of buying and selling that occurs in an economy. For example, the widget manufacturer must buy its inputs of production (electricity, steel, etc.), must lease or purchase property and pay its workers. This first round is commonly referred to as the “Direct Effects” of the change in final demand and is the basis of additional rounds of buying and selling described below.

To continue this example, the widget manufacturer’s vendors (the supplier of electricity and the supplier of steel) will enjoy additional output (i.e. sales) that will sustain their businesses and cause them to make additional purchases in the economy. The steel producer will need more pig iron and the electric company will purchase additional power from generation entities. In this second round, some of those additional purchases will be made in the US economy and some will “leak out”. What remains will cause a third round (with leakage) and a fourth (and so on) in ever-diminishing rounds of spending. These sets of industry-to-industry purchases are referred to as the “Indirect Effects” of the change in final demand.

Finally, the widget manufacturer has employees who will naturally spend their wages. As with the Indirect Effects, the wages spent will either be for local goods and services or will “leak” out of the economy. The purchases of local goods and services will then stimulate other local economic activity; such effects are referred to as the “Induced Effects” of the change in final demand.

Therefore, the total economic impact resulting from the new widget manufacturer is the initial \$1 million of new money (i.e. Direct Effects) flowing in the US economy, plus the Indirect Effects and the Induced Effects. The ratio between Direct Effects and Total Effects (the sum of Indirect and Induced Effects) is called the “multiplier effect” and is often reported as a dollar-of-impact per dollar-of-change. Therefore, a multiplier of 2.4 means that for every dollar (\$1) of change in final demand, an additional \$1.40 of indirect and induced economic activity occurs for a total of \$2.40.

Key information for the reader to retain is that this type of analysis requires rigorous and careful consideration of the geography selected (i.e. how the “local economy” is defined) and the implications of the geography on the computation of the change in final demand. If this analysis wanted to consider the impact of the widget manufacturer on the entire North American continent, it would have to conclude that the change in final demand is zero and therefore the economic impact is zero. This is because the \$1 million of widgets being purchased by Canadians is not causing total North American demand to increase by \$1 million. Presumably, those Canadian purchasers will have \$1 million less to spend on other items and the effects of additional widget production will be cancelled out by a commensurate reduction in the purchases of other goods and services.

Changes in final demand, and therefore Direct Effects, can occur in a number of circumstances. The above example is easiest to understand: the effect of a manufacturer producing locally but selling globally. If, however, 100% of domestic demand for a good is being met by foreign suppliers (say, DVD players being imported into the US from Korea and Japan), locating a manufacturer of DVD players in the US will cause a change in final demand because all of those dollars currently leaving the US economy will instead remain. A situation can be envisioned whereby a producer is serving both local and foreign demand, and an impact analysis would have to be careful in calculating how many “new” dollars the producer would be causing to occur domestically.



# Columbia Development Companies

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November 7, 2013

Via Email to [BChevalier@capitalizealbany.com](mailto:BChevalier@capitalizealbany.com)

Mr. Brad Chevalier  
City of Albany Industrial Development Agency  
c/o Capitalize Albany Corporation  
21 Lodge Street  
Albany, New York 12207

Re: Columbia Harriman 455 LLC ("Company") with  
City of Albany Industrial Development Agency ("Agency")  
Project Location: 455 Patroon Creek Boulevard, Albany, NY

Dear Brad:

The Company is in the process of obtaining an additional \$1,000,000 mortgage loan from First Niagara Bank. As a result of the existing PILOT Agreement from the Agency we require the Agency to execute the mortgage agreement in connection with the loan. We are not requesting any additional financial assistance from the Agency.

Please let me know what else you require in order to proceed. Thank you.

Very truly yours,

COLUMBIA DEVELOPMENT COMPANIES



Debra J. Lambek  
Counsel

DJL\mml

cc: A Joseph Scott, Esq. (Via Email to [ascott@hodgsonruss.com](mailto:ascott@hodgsonruss.com))