

# City of Albany Industrial Development Agency

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

Tracy Metzger, *Chair*  
Susan Pedo, *Vice Chair*  
Darius Shahinfar, *Treasurer*  
Lee Eck, *Assistant Secretary*  
Dominick Calsolaro  
Robert Schofield

Sarah Reginelli, *Chief Executive Officer*  
Mark Opalka, *Chief Financial Officer*  
William Kelly, *Agency Counsel*

To: Darius Shahinfar      Cc: Robert Schofield      Sarah Reginelli      Date: December 8, 2017  
Lee Eck  
Susan Pedo  
Tracy Metzger  
Dominick Calsolaro  
Mark Opalka  
William Kelly  
Joe Scott  
Joe Landy  
Andy Corcione  
Chantel Burnash

## IDA FINANCE COMMITTEE AGENDA

**A meeting of the Finance Committee of the City of Albany Industrial Development Agency will be held on Wednesday, December 13th at 12:00 PM at 21 Lodge Street, Albany, NY 12207 (Large Conference Room).**

### Roll Call

### Reading of Minutes of the Finance Committee Meeting of November 16, 2017

### Approval of Minutes of the Finance Committee Meeting of November 16, 2017

### Unfinished Business

- A. Home Leasing, LLC – Clinton Avenue Apartments
  - Positive/Negative Recommendation for Approving Resolutions
- B. 351 Diamond Development, LLC
  - Positive/Negative Recommendation for Approving Resolutions
- C. 420 Broadway Albany, LLC
  - Positive/Negative Recommendation for Approving Resolutions
- D. 760 Broadway, LLC
  - Project update - Possible Positive/Negative Recommendation for Public Hearing Resolution

### New Business

- E. Playdium
  - Project Introduction
- F. 2018 Professional Services Agreement
  - Legal Services – General Counsel
  - Legal Services – Bond/Special Counsel
  - Professional Services
  - Contract for Services – Economic Development
  - Contract for Services – CRC
- G. Finance Committee Self Evaluation
- H. Review Statement of Intent and Financing Guidelines Regarding Debt

### Other Business

- A. Agency Update
- B. Project Update - ValueSpace

### Adjournment

**The next regularly scheduled Finance Committee meeting will be held Wednesday, January 10, 2018 at 21 Lodge Street, Albany, NY. Please check the website [www.albanyida.com](http://www.albanyida.com) for updated meeting information.**

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## IDA MINUTES OF FINANCE COMMITTEE MEETING

Thursday, November 16, 2017

Attending: Darius Shahinfar, Susan Pedo, Tracy Metzger, Dominick Calsolaro and Lee Eck

Also Present: Joseph Scott, Bill Kelly, Sarah Reginelli, Mark Opalka, Joe Landy, Andy Corcione, Mike Bohne and Chantel Burnash

Chair Darius Shahinfar called the Finance Committee meeting of the IDA to order at 12:01 PM.

### Roll Call

Chair Darius Shahinfar reported that all Committee members were present, with the exception of Lee Eck. Lee Eck arrived during the discussion of Home Leasing, LLC – Clinton Avenue Apartments.

### Reading of Minutes of the October 11, 2017 Finance Committee Meeting

Since the minutes of the previous meeting had been distributed to Committee members in advance for review, Chair Darius Shahinfar made a proposal to dispense with the reading of the minutes.

### Approval of Minutes of the October 11, 2017 Finance Committee Meeting

Chair Darius Shahinfar proposed to approve the minutes of the Finance Committee meeting of October 11, 2017. Susan Pedo moved, seconded by Tracy Metzger, to accept the minutes as presented. The Members voted unanimously in favor and the motion carried.

### Reading of Minutes of the November 8, 2017 Finance Committee Meeting

Since the minutes of the previous meeting had been distributed to Committee members in advance for review, Chair Darius Shahinfar made a proposal to dispense with the reading of the minutes.

### Approval of Minutes of the November 8, 2017 Finance Committee Meeting

Chair Darius Shahinfar proposed to approve the minutes of the Finance Committee meeting of November 8, 2017. Susan Pedo moved, seconded by Tracy Metzger, to accept the minutes as presented. The Members voted unanimously in favor and the motion carried.

### Unfinished Business

#### Home Leasing, LLC – Clinton Avenue Apartments

Staff summarized the application received from Home Leasing, LLC. Staff discussed the Project Evaluation and Assistance Framework staff analysis for this project.

No action was taken.

## **New Business**

### Nipper Apartments, LLC – Extension of Approval

Staff advised the Committee that The Nipper at 991 Broadway is requesting an extension to the Approval Resolution due to a lack of financing in the allotted timeframe.

The Applicant was present to discuss his request for an extension to the Approval Resolution and answer questions from the Committee.

A motion to move the extension of the Approval Resolution to the full Board with a positive recommendation for consideration was made by Tracy Metzger and seconded by Darius Shahinfar. A vote being taken the motion passed unanimously.

### 351 Diamond Development, LLC – Project Introduction

Staff summarized the application from 351 Diamond Development, LLC seeking sales and compensating use tax and mortgage recording taxes exemptions.

The Applicant was present to provide an introduction of the proposed project. The proposed +/- \$10 million project will consist of a combination of renovation and new construction for a mix of uses including but not limited to renovation of an existing building which will house a +/- 30,000 square foot gym, the addition of a +/- 62,400 square foot newly constructed hotel, and renovation and construction of additional commercial out buildings. The Applicant discussed significant public infrastructure improvements that will be included at the Applicant's expense including the creation of a new public roadway through the site, the addition of two CDTA bus stops within the site, new sidewalks in and around the site, the installation of a new traffic light and various storm water and sewer upgrades.

The Applicant responded to various questions posed by members of the Committee.

A motion to move the project to the next full Board meeting with positive recommendation for consideration of a public hearing resolution was made by Susan Pedo and seconded by Lee Eck. Tracy Metzger abstained. A vote being taken, the motion passed.

### 420 Broadway – Project Introduction

Staff summarized the application from 420 Broadway Albany, LLC seeking sales and compensating use tax and mortgage recording taxes exemptions.

The Applicant was present to provide an introduction of the proposed project. The proposed +/- \$1.3 million project involves the renovation of 420 Broadway. The project will create +/- seven one-bedroom apartments while maintaining the current commercial business located on the first floor. This proposed project intends to maintain the building's rich historic integrity.

A motion to move the project to the next full Board meeting with positive recommendation for consideration of a public hearing resolution was made by Susan Pedo and seconded by Lee Eck. Tracy Metzger abstained. A vote being taken, the motion passed.

## **Other Business**

### Agency Update

Staff gave an update on the audit by the NYS Office of the State Comptroller. Staff, Counsel Scott and Counsel Kelly met with the assigned auditor. During this meeting, they were notified that the scope of the audit had shifted. Staff will continue to work diligently with the auditors and will continue to provide updates to the Board.

Staff gave the Committee an update on various projects within the City and on the operations of the Agency. Staff and the Committee discussed the progress with the project at 40-48 South Pearl Street. Staff reported to the Committee that the sound that accompanies the new LED screen at the Times Union Center will be adjusted as to not disturb surrounding neighbors.

There being no further business, the meeting was adjourned at 12:49 PM.

Respectfully submitted,

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Lee Eck, Secretary

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

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

**RE:** Clinton Avenue Apartments Housing Development Fund Corporation - IDA Application Summary

**DATE:** November 10, 2017

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**Applicant:** Clinton Avenue Apartments Housing Development Fund Corporation

**Managing Members (% of Ownership):** Deborah Leenhouts (27.9630%), Jeffrey Leenhouts (26.2963%), Catherine Sperrick (21.11%), Megan Houppert (6.11%), Sarah Hunt (6.11%)

**Project Location:** Clinton Avenue & Ten Broeck Street – 70 row homes – see attached list

**Project Description:** The project involves the revitalization of approximately 210 units in approximately 70 row houses and 2 vacant parcels. Approximately half of the units are vacant. 8 buildings are condemned. The project will be Mixed Income and Affordable: Approximately 10-15% of units will be middle income at 60 to 90% of the Capital Region Area Median Income (AMI) and 85-90% of units will be affordable at 50 or 60% AMI. The rehabilitation of the properties will be comprehensive and will be guided by the State Historic Preservation Office as we will utilize historic tax credits.

**Estimated Project Cost:** \$47,838,223

**Type of Financing:** Straight Lease

**Amount of Bonds Requested:** None

**Estimated Total Purchases Exempt from Sales Tax:** n/a

**Estimated Total Mortgage Amount:** \$18,401,726

**Current Total Assessment:** \$3,286,786 (purchase price 09/06/2017); \$7,956,200 (2017 tax roll)

**Estimated Improved Total Assessment:** \$6,750,000 (\$32,142.86) per unit

**Requested PILOT:** The proposal entails the Applicant entering into a 5% Shelter Rent, 30 year PILOT agreement with the IDA.

**Estimated Value of Total PILOT Payments:**

- Total PILOT Payments: \$2,562,320 (properties have not generated any tax revenue for the last 11 years)

**Estimated Value of Tax Exemptions:**

- NYS Sales and Compensating Use Tax: n/a HFA/HDFC

- Mortgage Recording Taxes: n/a HFA/HDFC
- Real Property Taxes: \$8,055,361
- Other: N/A

**Employment Impact:**

- Projected Permanent: 2 FTE retained; 5 new FTE
- Projected Construction: 65 jobs

**Strategic Initiatives:**

- Albany 2030
  - Increase job opportunities for all residents.
  - Encourage investment in urban land and historic buildings for employment and housing.
  - Provide a variety of housing types to meet the varied needs of Albany's households, including market, moderate and low income housing.
  - Encourage diverse intergenerational housing. Diverse housing includes options for residents throughout different stages of life (e.g. students, couples, families with children, seniors) in the same neighborhood.
- Impact Downtown Albany, Clinton Square DRI Plan, Arbor Hill Neighborhood Plan, and Sheridan Hollow Neighborhood Plan
  - Revitalization and diversification of downtown - adaptive reuse of underutilized or vacant buildings.
  - Establish a greater critical mass of housing downtown.

**Planning Board Actions:**

- The applicant is renovating more than 50% of the buildings and will not require site plan review at this time.

**Estimated IDA Fee**

- Fee amount: \$365,500 (0.75% of total project cost)

**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.

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

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

**RE:** 351 Diamond Development LLC - IDA Application Summary

**DATE:** November 3, 2017

**Applicant:** 351 Diamond Development, LLC

**Managing Members (% of Ownership):** Jeffrey Weiss (18%), Kevin Parisi (18%), Rich Sulkow (14.85%), John Rawnsen (6.5%), and Dave Masseroni (33%).

**Project Location:** 351 Southern Boulevard

**Project Description:** The project consists of an existing building which will house a 30,000 SF gym. An existing building 16,880 SF will be available to retailers. A 62,400 newly constructed building will be a hotel. A newly constructed 17,889 SF building will be a retail strip. A smaller, newly constructed 2,344 SF building will also be a retail building. Finally, a new 9,026 SF retail pad will be available for a car wash, convenience store.

**Estimated Project Cost:** \$10,175,000

**Type of Financing:** Straight Lease

**Amount of Bonds Requested:** None

**Estimated Total Purchases Exempt from Sales Tax:** \$5,625,000

**Estimated Total Mortgage Amount:** \$8,000,000

**Requested PILOT:** N/A (Applicant is seeking as-of-right 485b through the City of Albany.)

**Estimated Value of Total PILOT Payments:**

- Total PILOT Payments: N/A

**Estimated Value of Tax Exemptions:**

- NYS Sales and Compensating Use Tax: \$450,000
- Mortgage Recording Taxes: \$80,000
- Real Property Taxes: N/A
- Other: N/A

**Employment Impact:**

- Projected Permanent: 30 jobs
- Projected Retained: 0 jobs
- Projected Construction: 30 jobs

**Strategic Initiatives:**

- Albany 2030
  - Increase job opportunities for all residents.
  - Encourage investment in urban land and buildings for employment and housing.

**Planning Board Actions:**

- Applicant appeared before the Planning Board on October 19, 2017.

**Estimated IDA Fee**

- Fee amount: \$50,875

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

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

**RE:** 420 Broadway Albany LLC - IDA Application Summary

**DATE:** November 3, 2017

**Applicant:** 420 Broadway Albany, LLC

**Managing Members (% of Ownership):** Chris Maddalone (70%) and Seth Meltzer (30%).

**Project Location:** 420 Broadway

**Project Description:** The project involves the renovation of 420 Broadway. The project will take what is currently a mostly vacant building and create seven one-bedroom apartments, while maintaining the current commercial business located on the first floor. This project will breathe new life into this beautiful building, while also maintaining the building's rich historic integrity. During the renovation, we will preserve the 19<sup>th</sup> Century graffiti currently decorating the walls, and use them to adorn the completed product to showcase the building's vintage charm.

**Estimated Project Cost:** \$1,375,553

**Type of Financing:** Straight Lease

**Amount of Bonds Requested:** None

**Estimated Total Purchases Exempt from Sales Tax:** \$215,000

**Estimated Total Mortgage Amount:** \$979,500

**Requested PILOT:** N/A (Applicant is seeking as-of-right 485a through the City of Albany.)

**Estimated Value of Total PILOT Payments:**

- Total PILOT Payments: N/A

**Estimated Value of Tax Exemptions:**

- NYS Sales and Compensating Use Tax: \$17,200
- Mortgage Recording Taxes: \$9,795
- Real Property Taxes: N/A
- Other: N/A

**Employment Impact:**

- Projected Permanent: 1 job
- Projected Retained: 1 job
- Projected Construction: 5 jobs

**Strategic Initiatives:**

- Albany 2030
  - Increase job opportunities for all residents.
  - Encourage investment in urban land and buildings for employment and housing.

**Planning Board Actions:**

- Requires site plan approval and necessary variances.

**Estimated IDA Fee**

- Fee amount: \$6,877

**Mission**

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**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 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.  
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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: 760 BROADWAY LLC

APPLICANT'S ADDRESS: PO BOX 6515

CITY: ALBANY STATE: NY ZIP CODE: 12206

PHONE NO.: (518) 512-3693 FAX NO.: (518) 472-1227 E-MAIL: DSARRAF@FAIRABNKPROPERTIES.COM

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

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

NAME OF ATTORNEY: MARC GOLDBERG, PHILLIPS LYTLE LLP

ATTORNEY'S ADDRESS: 30 SOUTH PEARL STREET

CITY: ALBANY STATE: NY ZIP CODE: 12207

PHONE NO.: (518) 472-1224 FAX NO.: (518) 472-1227 E-MAIL: MGOLDBERG@PHILLIPSLYTLE.COM

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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 one (1) copy 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/special 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.**
10. The Agency has also established an administrative fee equal to (A) one percent (1%) of the cost of the Project in the case of an Agency Straight Lease Transaction, and (B) one percent (1%) of the aggregate principal amount of the

bonds to be issued by the Agency in the case of an Agency Bond Transaction. The Agency has also established an administrative fee for the issuance of refunding bonds for Agency Bond Transactions. The formula for the calculation of the administrative fee for the issuance of refunding bonds is outlined in the Agency's Policy Manual. THESE FEES ARE PAYABLE ON THE CLOSING DATE.

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: 760 BROADWAY LLC

Contact Person: DAVID SARRAF

Phone Number: (518) 512-3693

Occupant: 760 BROADWAY LLC

Project Location: 776 (AKA 760) BROADWAY, NEW YORK

Approximate Size of Project Site: 130,000 SF

Description of Project: 5.5 STORY, 88 NEW CONSTRUCTION APARTMENTS CONSISTING OF STUDIOS, 1 BEDROOMS AND 2 BEDROOMS.

Type of Project: [ ] Manufacturing [ ] Warehouse/Distribution [ ] Commercial [ ] Not-For-Profit [X] Other-Specify MULTI FAMILY RESIDENTIAL

Employment Impact: Existing Jobs New Jobs 2

Project Cost: \$ 18,500,000.00

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

Amount of Bonds Requested: \$

Estimated Value of Tax-Exemptions:

N.Y.S. Sales and Compensating Use Tax: \$ 385,000.00 (EST) Mortgage Recording Taxes: \$ 130,000.00 (EST) Real Property Tax Exemptions: \$ 6,003,665 (EST)\* Other (please specify): \$

Provide estimates for the following:

Number of Full Time Employees at the Project Site before IDA Status: 0 Estimate of Jobs to be Created: 2 Estimate of Jobs to be Retained: N/A Average Estimated Annual Salary of Jobs to be Created: \$35,000.00

\*This number is based on the "greater than" scenerio

Annualized Salary Range of Jobs to be Created:  
Estimated Average Annual Salary of Jobs to be Retained:

\$25,000.00 - \$45,000.00  
                                  N/A



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

A. Identity of Company:

1. Company Name: 760 BROADWAY LLC

Present Address: PO BOX 6515

Zip Code: 12206

Employer's ID No.: 47-4027113

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

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. X Limited liability company,  
Date created? MAY 2015 (in New York State)

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:

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
DAVID SARRAF	MEMBER	FAIRBANK PROPERTIES LLC
HARRIS SARRAF	MEMBER	FAIRBANK PROPERTIES LLC

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
DAVID SARRAF	PO BOX 6515 ALBANY, NY 12206	50%
HARRIS SARRAF	PO BOX 6515 ALBANY, NY 12206	50%

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



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:
  - a. If the Company owns project site, indicate date of purchase: JANUARY, 20 16; Purchase price: \$ 750,000.00.
  - 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:  
C-3 and R-3B
  - 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:  
1 Building +/- 125,000 sf
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:

88 RESIDENTIAL APARTMENTS

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:

HEATING SYSTEMS, ELECTRICAL SYSTEMS, SPRINKLER SYSTEMS, ELEVATOR SYSTEMS AND FURNISHINGS CONSISTENT WITH ANS 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 provide detail:

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

SUPPORT MULTI FAMILY OCCUPANCY

F. Project Use:

1. What are the principal products to be produced at the Project?

Apartments

2. What are the principal activities to be conducted at the Project?

MULTI FAMILY ACTIVITIES

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: Apartments & possibly Retail

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? 100%

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:

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

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:

d. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonably 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: \_\_\_\_\_  
THE PROJECT IS LOCATED IN CENSUS TRACT 11 AND IS CONTIGUOUS TO A DISTRESSED CENSUS TRACT ACCORDING TO THE AMERICAN COMMUNITY SURVEY

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:  
THE DEVELOPMENT OF THIS PROJECT WILL LEAD TO THE CREATION OF PRIVATE SECTOR JOBS WITH THE ADDITION OF 88 NEW APARTMENTS THAT WILL NEED TO BE MANAGED AND MAINTAINED

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:

a. Is the Project reasonably necessary to preserve the competitive position of the Company or 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.

CITY OF ALBANY PLANING BOARD

CITY OF ALBANY DEPARTMENT OF REGULATORY COMPLIANCE

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

**AMENDED SITE PLAN APPROVAL (12/2017 or 1/2018) - ALBANY DEPARTMENT OF DEVELOPMENT & PLANNING**

**AMENDED BUILDING PERMIT APPROVAL - ALBANY DEPARTMENT OF BUILDINGS & REGULATORY COMPLIANCE**

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: \$1,800,000 (approx)

3. Please indicate the date the applicant estimates the Project will be completed:  
Summer 2019

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 \_\_\_\_; No X.

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: RESIDENTIAL TENANTS  
Present Address: N/A  
City: N/A State: N/A Zip: N/A  
Employer's ID No.: N/A  
Sublessee is: \_\_\_\_ Corporation: \_\_\_\_ Partnership: \_\_\_\_ Sole Proprietorship  
Relationship to Company: N/A  
Percentage of Project to be leased or subleased: 100%  
Use of Project intended by Sublessee: RESIDENTIAL  
Date of lease or sublease to Sublessee: TBD  
Term of lease or sublease to Sublessee: 1 YEAR LEASES  
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.

2. Sublessee name: TBD



Present Address: N/A  
City:       N/A       State:       N/A       Zip:       N/A      

Employer's ID No.: N/A

Sublessee is:

       Corporation:        Partnership:        Sole Proprietorship

Relationship to Company: N/A

Percentage of Project to be leased or subleased: 100%

Use of Project intended by Sublessee: TBD

Date of lease or sublease to Sublessee: TBD

Term of lease or sublease to Sublessee: TBD

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 X; 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. TBD

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 the number of people presently employed at the Project site and the **additional** number that will be employed at the Project site at the end of the first and second years after the Project has been completed, using the tables below for (1) employees of the Applicant, (2) independent contractors, and (3) employees of independent contractors. (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.

<b>TYPE OF EMPLOYMENT</b>					
<b>Employees of Applicant</b>					
	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled	Totals
Present Full Time					
Present Part Time					
Present Seasonal					
First Year Full Time	1		1		2
First Year Part Time					
First Year Seasonal					
Second Year Full Time	1		1		2
Second Year Part Time					
Second Year Seasonal					

<b>TYPE OF EMPLOYMENT</b> N/A					
<b>Independent Contractors</b>					
	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled	Totals
Present Full Time					
Present Part Time					
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>TYPE OF EMPLOYMENT</b> N/A					
<b>Employees of Independent Contractors</b>					
	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled	Totals
Present Full Time					
Present Part Time					
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. Indicate below (1) the estimated salary and fringe benefit averages or ranges and (2) the estimated number of employees residing in the Capital Region Economic Development Region for all the jobs at the Project site, both retained and created, listed in the tables described in subsection A above for each of the categories of positions listed in the chart below.

<b>RELATED EMPLOYMENT INFORMATION</b>				
	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled
Estimated Salary and Fringe Benefit Averages or Ranges	\$45,000		\$25,000.00	
Estimated Number of Employees Residing in the Capital Region Economic Development Region <sup>1</sup>	1		1	

C. Please describe the projected timeframe for the creation of any new jobs with respect to the undertaking of the Project:

THE COMPLETION OF THIS PROJECT WILL RESULT IN THE EMPLOYMENT OF A PROPERTY MANAGER AND MAINTANANCE PERSON WHO WHILL OVERSEE THE DAILY OPERATION OF THE BUILDING.

<sup>1</sup> The Capital Region Economic Development Region consists of the following counties: Albany, Schenectady, Rensselaer, Greene, Columbia, Saratoga, Warren and Washington.

D. 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 and Financing Sources

A. Anticipated Project Costs. State the costs reasonably necessary for the acquisition of the Project site, the construction of the proposed buildings and 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>750,000.00</u>
Buildings	\$ <u>15,125,000 (EST)</u>
Machinery and equipment costs	\$ _____
Utilities, roads and appurtenant costs	\$ _____
Architects and engineering fees	\$ <u>450,000.00 (EST)</u>
Costs of Bond Issue (legal, financial and printing)	\$ _____
Construction loan fees and interest (if applicable)	\$ <u>700,000.00 (EST)</u>
Other (specify)	
<u>OTHER SOFT COSTS</u>	\$ <u>1,475,000.00 (EST)</u>
_____	\$ _____
_____	\$ _____
<b>TOTAL PROJECT COSTS</b>	\$ <u>18,500,000.00</u>

B. Anticipated Project Financing Sources. State the sources reasonably necessary for the financing of the Project site, the construction of the proposed buildings and 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:

#### IV. EMPLOYMENT IMPACT

D. Description of types of employment upon completion of the project:

Property Manager – Responsibilities include leasing and tenant services

Maintenance Person – Responsibilities include daily monitoring of property, cleaning, minor repairs where necessary

<u>Description of Sources</u>	<u>Amount</u>
Private Sector Financing	\$ _____
Public Sector	
Federal Programs	\$ _____
State Programs	\$ _____
Local Programs	\$ _____
Applicant Equity	\$ <u>5,500,000 (EST)</u>
Other (specify, e.g., tax credits)	
<u>COMMUNITY PRESERVATION CORPORATION</u>	\$ <u>13,000,000.00 (EST)</u>
_____	\$ _____
_____	\$ _____
<b>TOTAL AMOUNT OF PROJECT FINANCING SOURCES</b>	\$ <u>18,500,000.00 (EST)</u>

C. Have any of the above expenditures already been made by the applicant? Yes X; No \_\_\_\_\_. If yes, indicate particulars.

\$750,000.00 - ACQUISITION

\$ 345,000.00 - ARCHITECTURAL & ENGINEERING

\$ 20,000.00 - SOFT COSTS

\$ 685,000.00 - SITE WORK

D. Amount of loan requested: \$ 13,000,000.00 \_\_\_\_\_;

Maturity requested: 2 years.

E. Has a commitment for financing been received as of this application date, and if so, from whom?

Yes \_\_\_\_\_; No X. Institution Name: COMMUNITY PRESERATION CORPORATION

Provide name and telephone number of the person we may contact.

Name: MICHAEL SKREBUTENAS Phone: (518) 859-2468

F. The percentage of Project costs to be financed from public sector sources is estimated to equal the following: 0 %

- G. The total amount estimated to be borrowed to finance the Project is equal to the following: \$ 13,000,000.00

VI. 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? 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 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.
5. Is the Project located in the City's federally designated Enterprise Zone? Yes \_\_\_\_; No \_\_\_\_ N/A
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? \$ 13,000,000.00.



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? \$ \$4,812,500.00.

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>385,000.00</u>
b.	Mortgage Recording Taxes:	\$ <u>130,000.00</u>
c.	Real Property Tax Exemptions:	\$ <u>6,003,665.00</u>
d.	Other (please specify):	\$ _____
	_____	
	_____	

5. Are any of the tax-exemptions being sought in connection with the Project inconsistent with the Agency's Uniform Tax Exemption Policy? Yes X; No \_\_\_\_\_. If yes, please explain.

THE TAX EXEMPTIONS BEING SOUGHT ARE A DEVIATION FROM THE AGENCY'S UNIFORM EXEMPTION POLICY

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.).

VII. 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"), as replaced by the Workforce Investment Act of 1998 (Public Law 105-220), 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 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 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.

E. 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, including (1) the NYS-45 – Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return – for the quarter ending December 31 (the “NYS-45”), and (2) the US Dept. of Labor BLS 3020 Multiple Worksite report if applicable. The applicant also agrees, whenever requested by the Agency, to provide and certify or cause to be provided and certified such information concerning the participation of individuals from minority groups as employees or applicants for employment with regard to the project.

F. Local Labor Information. The applicant is aware of and understands the provisions of Part 24 of the Policy Manual of the Agency. Pursuant to Part 24 of the Policy Manual of the Agency, the applicant agrees to provide information, in form and substance satisfactory to the Agency, relating to construction activities for projects; specifically: (i) the Company’s contact person responsible and accountable for providing information about the bidding for and awarding of construction contracts relative to this Application and the Project, (ii) the nature of construction jobs created by the Project, including the number, type, and duration of construction positions; and (iii) submit to the Agency a “Construction Completion Report” listing the names and business locations of prime contractors, subcontractors, and vendors who were engaged in the construction phase of the Project.

G. Additional Fee for Low Income Housing/Tax Credit (9% only) Projects. An annual administrative fee equal to \$10,000 shall be payable annually by the applicant on each January 1 for a term equal to ten (10) years. This annual administrative fee is in addition to the standard administrative fee for Agency Straight Lease Transactions and Agency Bond Transactions and is applicable to Projects which provide for low income housing/tax credit (9% only) projects.

H. Project Benefits Agreement. The applicant agrees to enter into a project benefits agreement with the Agency where the applicant agrees that (1) the amount of Financial Assistance to be received shall be contingent upon, and shall bear a direct relationship to the success or lack of success of such project in delivering certain described public benefits (the “Public Benefits”) and (2) the Agency will be entitled to recapture some or all of the Financial Assistance granted to the applicant if the project is unsuccessful in whole or in part in delivering the promised Public Benefits.

I. Assignment of Agency Abatements. In connection with any Agency Straight Lease Transaction or Agency Bond Transaction, the Agency may grant to the applicant certain exemptions from mortgage recording taxes, sales and use taxes and real property taxes. The

applicant understands that the grant of such exemptions by the Agency is intended to benefit the applicant. Subsequently, if the applicant determines to convey the Project and, in connection with such conveyance to assign such exemptions to the purchaser, the applicant understand that any such assignment is subject to review and consent by the Agency, together with the satisfaction of any conditions that may be imposed by the Agency.

J. Post Closing Cost Verification. The applicant agrees (1) the scope of the Project will not vary significantly from the description in the public hearing resolution for the project and (2) to deliver to the Agency within sixty (60) days following the completion date of a project an affidavit providing the total costs of the project. In the event that the amount of the total project costs described in the affidavit at the completion date exceeds the amount described in an affidavit provided by the applicant on the closing date of the project, the applicant agrees to adjust the amounts payable by the applicant to the Agency by such larger amount and to pay to the Agency such additional amounts. In the event that the amount described is less, there shall not be any adjustment to the Agency fees.

K. Representation of Financial Information. Neither this Application nor any other agreement, document, certificate, project financials, or written statement furnished to the Agency or by or on behalf of the applicant in connection with the project contemplated by this Application contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading. There is no fact within the special knowledge of any of the officers of the applicant which has not been disclosed herein or in writing by them to the Agency and which materially adversely affects or in the future in their opinion may, insofar as they can now reasonably foresee, materially adversely affect the business, properties, assets or condition, financial or otherwise, of the applicant.

L. Agency Financial Assistance Required for Project. The Project would not be undertaken but for the Financial Assistance provided by the Agency or, if the Project could be undertaken without the Financial Assistance provided by the Agency, then the Project should be undertaken by the Agency for the following reasons: N/A

M. Compliance with Article 18-A of the General Municipal Law: The Project, as of the date of this Application, is in substantial compliance with all provisions of article 18-A of the General Municipal including, but not limited to, the provisions of Section 859-a and subdivision one of Section 862; and the provisions of subdivision one of Section 862 of the General Municipal Law will not be violated if Financial Assistance is provided for the Project.

N. Compliance with Federal, State, and Local Laws. The applicant is in substantial compliance with applicable local, state, and federal tax, worker protection, and environmental laws, rules, and regulations.

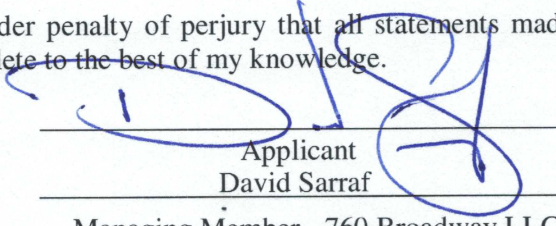
O. False or Misleading Information. The applicant understands that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemptions claimed by reason of Agency involvement in the Project.

P. Absence of Conflicts of Interest. The applicant acknowledges that the members, officers and employees of the Agency are listed on the Agency's website. 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: NONE

Q.

Additional Information. Additional information regarding the requirements noted in this Application and other requirements of the Agency is included the Agency's Policy Manual which can be accessed at [www.albanyida.com](http://www.albanyida.com).

I affirm under penalty of perjury that all statements made on this application are true, accurate and complete to the best of my knowledge.

  
\_\_\_\_\_  
Applicant  
By: David Sarraf  
\_\_\_\_\_  
Title: Managing Member - 760 Broadway LLC

-----  
NOTE: APPLICANT MUST ALSO COMPLETE THE APPROPRIATE VERIFICATION  
APPEARING ON PAGES 26 THROUGH 29 HEREOF BEFORE A NOTARY PUBLIC AND MUST  
SIGN AND ACKNOWLEDGE THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 30  
-----

VERIFICATION

(If Applicant is a Corporation)

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

\_\_\_\_\_deposes and says that he is the  
(Name of chief executive of applicant)

\_\_\_\_\_of \_\_\_\_\_,  
(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.

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

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

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

VERIFICATION

(If applicant is sole proprietor)

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

\_\_\_\_\_, deposes and says

(Name of Individual)

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.

\_\_\_\_\_

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

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





VERIFICATION

(If applicant is partnership)

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 AGENCY UNLESS THE HOLD  
HARMLESS AGREEMENT APPEARING ON PAGE 30 IS SIGNED BY THE APPLICANT.  
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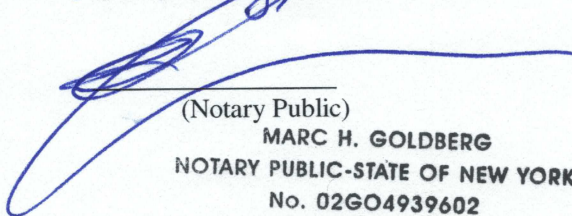
HOLD HARMLESS AGREEMENT

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.

(Applicant)

BY: 

Sworn to before me this  
20<sup>th</sup> day of May, 2016

  
(Notary Public)  
**MARC H. GOLDBERG**  
NOTARY PUBLIC-STATE OF NEW YORK  
No. 02GO4939602  
Qualified In Saratoga County  
Commission Expires July 05, 2016

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.

This Questionnaire must 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"):	760 BROADWAY LLC
2. Brief Identification of the Project:	
3. Estimated Amount of Project Benefits Sought:	
A. Amount of Bonds Sought:	\$ <u>N/A</u>
B. Value of Sales Tax Exemption Sought	\$ <u>385,000.00 (EST)</u>
C. Value of Real Property Tax Exemption Sought	\$ <u>6,003,665 (EST)</u>
D. Value of Mortgage Recording Tax Exemption Sought	\$ <u>130,000.00 (EST)</u>
4. Likelihood of accomplishing the Project in a timely fashion (please explain):	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Applicant has ownership of property; Applicant will be receiving planning approval on 9.15.16 Applicant will have a financing commitment upon approval of PILOT Program Applicant is in the process of drawing construction documents

**PROJECTED PROJECT INVESTMENT**

<b>A. Land-Related Costs</b>	
1. Land acquisition	\$ <u>750,000.00</u>
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	\$ <u>10,700,000.00 (EST)</u>
4. Electrical systems	\$ <u>1,350,000.00 (EST)</u>
5. Heating, ventilation and air conditioning	\$ <u>800,000.00 (EST)</u>
6. Plumbing	\$ <u>700,000.00 (EST)</u>
7. Other building-related costs (describe)	\$ _____

C.	Machinery and Equipment Costs	
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	\$ 450,000.00 (EST) _____
2.	Accounting/legal	\$ 50,000.00 (EST) _____
3.	Other service-related costs (describe)	\$ 1,875,000.00 (EST) _____
G.	Other Costs	
1.	<u>PILOT COSTS</u>	\$ 185,000.00 (EST) _____
2.	<u>RE TAXES</u>	\$ 80,000.00 (EST) _____
H.	Summary of Expenditures	
1.	Total Land-Related Costs	\$ 750,000.00 _____
2.	Total Building-Related Costs	\$ 15,125,000.00 (EST) _____
3.	Total Machinery and Equipment Costs	\$ _____
4.	Total Furniture and Fixture Costs	\$ _____
5.	Total Working Capital Costs	\$ _____
6.	Total Professional Service Costs	\$ 2,375,000.00 (EST) _____
7.	Total Other Costs	\$ 250,000.00 (EST) _____

**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	\$ <u>-65,000.00 (EST)</u>	\$ <u>210,000.00 (EST)</u>
2	\$ <u>-46,000.00 (EST)</u>	\$ <u>234,000.00 (EST)</u>
3	\$ <u>-27,000.00 (EST)</u>	\$ <u>259,000.00 (EST)</u>
4	\$ <u>- 7,000.00 (EST)</u>	\$ <u>285,000.00 (EST)</u>
5	\$ <u>12,000.00 (EST)</u>	\$ <u>311,000.00 (EST)</u>

**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	30 (EST)	\$ 1,500,000.00 INCLUDING BENEFITS (EST)	\$ 100,000.00 (EST)
Year 1	70 (EST)	\$ 3,500,000.00 INCLUDING BENEFITS (EST)	\$ 230,000.00 (EST)
Year 2		\$ _____	\$ _____
Year 3		\$ _____	\$ _____
Year 4		\$ _____	\$ _____
Year 5		\$ _____	\$ _____

**PROJECTED PERMANENT EMPLOYMENT IMPACT**

I. Estimates of the total number of existing permanent jobs to be preserved or retained as a result of the Project are described in the tables in Section IV of the Application. N/A

II. Estimates of the total new permanent jobs to be created at the Project are described in the tables in Section IV of the Application.

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:  
50%

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

Local contractors who will be used during the construction of this project will be asked about their employment of City of Albany Residents

**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>10,000.00 (EST)</u>
Additional Sales Tax Paid on Additional Purchases	\$ <u>800.00 (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"):

See attached PILOT Payments

Year	Existing Real Property Taxes (Without IDA involvement)	New Pilot * Payments (With IDA)	Total (Difference)
Current Year	38,000.00 (EST)	38,000.00 (EST)	0.00 (EST)
Year 1	38,500.00 (EST)	38,500.00 (EST)	0.00 (EST)
Year 2	370,000.00 (EST)	39,000.00 (EST)	331,000.00 (EST)
Year 3	380,000.00 (EST)	40,000.00 (EST)	340,000.00 (EST)
Year 4	395,000.00 (EST)	40,500.00 (EST)	354,500.00 (EST)
Year 5	400,000.00 (EST)	41,500.00 (EST)	358,500.00 (EST)
Year 6	410,000.00 (EST)	42,500.00 (EST)	367,000.00 (EST)
Year 7	420,000.00 (EST)	43,500.00 (EST)	376,500.00 (EST)
Year 8	425,000.00 (EST)	44,000.00 (EST)	381,000.00 (EST)
Year 9	435,000.00 (EST)	68,000.00 (EST)	367,000.00 (EST)

III. Please provide a detailed description for the impact of other economic benefits and all anticipated community benefits expected to be produced as a result of the Project (attach additional pages as needed for a complete and detailed response):

See attached.

\* The total real property tax exemption based on the "greater than" scenerio is \$5,220,484.62 and the respective PILOT payments total \$2,408,011.64. The total real property tax exemption based on the "percentage" scenerio is \$5,474,885.63 and the respective PILOT payments total \$2,153,610.63

## PROJECTED OPERATING IMPACT III.

776 (aka 760) Broadway is currently a vacant lot in Albany, NY. The construction of a 5.5 story, 88 unit apartment building on this property will have a significant economic impact on the downtown area.

Over the next 2 years, there will be approximately 50-75 short-term jobs directly created by the construction of this building. Once completed, this project will make a significant contribution to the economic revitalization of Downtown Albany by increasing the number of permanent jobs as it will expedite the progress of commercial and retail markets trying to gain momentum. Additionally, while the residential market in Downtown Albany has progressed positively in recent years, the lack of comparable projects have made new construction too risky for Developers and Financiers. The challenge has been finding those willing to invest in something that hasn't been done. Its completion will hopefully lead others to follow suit., which in turn would lead to more economic activity.

Another impact that these 88 new residential units and an indoor parking garage will have is the connection of 3 neighborhoods of downtown Albany that have struggled to gain momentum in their efforts to create thriving commercial and retail markets.

760 Broadway is located right in the middle of three Downtown neighborhoods:

*To the North, the Warehouse District* – an area that has long been industrial, but recently shown signs of residential life with the opening of restaurants and bars and apartment proposals in the pipeline.

*To the south, Downtown Proper* – once a thriving business district, over the last two decades it has experienced a significant economic slowdown with an increase in commercial and retail vacancy rates. It has now gained considerable momentum with offices beginning to return, and a residential market that is showing signs of strength which will hopefully provide a foundation for a thriving retail market.

*To the West, the North Pearl Street Historic District* – a residential neighborhood with a very limited inventory of quality apartments and a lack in foot traffic that suggests undesirable pedestrian conditions.

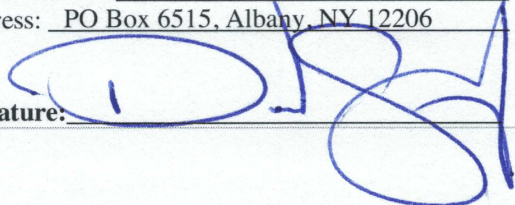
The significant addition of residences to this site will add immediate population and foot traffic to the economic landscape of 3 downtown neighborhoods simultaneously. The development of this lot will act as a tremendous catalyst to the future economic development of Downtown Albany.

### 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.

I affirm under penalty of perjury that all statements made on this application are true, accurate and complete to the best of my knowledge.

<b>Date Signed:</b> <u>August 24</u> , 20 <u>16</u> .	<b>Name of Person Completing Project Questionnaire on behalf of the Company.</b>  Name: <u>David Sarraf</u> Title: <u>Member</u> Phone Number: <u>(518) 512-3693</u> Address: <u>PO Box 6515, Albany, NY 12206</u>  <b>Signature:</b> 
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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	Range of Salary and Benefits
Property Manager	1	\$25/ hr with benefits (est)
Maintenance Person	1	\$20/ hr with benefits (est)

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

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

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

**RE:** 760 Broadway, LLC - IDA Application Summary

**DATE:** November 21, 2017

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*Staff Notes:*

*This project summary is an update regarding the project approved by the Board at the October 20, 2016 meeting. An Extension of Approval was granted at the September 21, 2017 Board meeting. An updated application has been submitted and the Project Summary reflects the updated application.*

*This project summary will continue to be updated as the project progresses through staff review and Agency consideration.*

**Applicant:** 760 Broadway, LLC

**Managing Members (% of Ownership):** David Sarraf, (50.00%) and Harris Sarraf, (50.00%)

**Project Location:** 766 Broadway

**Project Description:** The project consists of the acquisition of a 1.4-acre parking lot at 766 Broadway and the construction of an approx. 5-story +/- 125,000 SF market rate apartment building. The building will be comprised of 88 rental units with up to 110 interior garage parking spaces on the ground floor. The anticipated unit breakdown is as follows: 20 studio apartments (600 to 650 SF per unit), 56 one-bedroom apartments (850 SF per unit) and 12 two-bedroom apartments (1,100 to 1,200 SF per unit). Additionally, there will be one retail space (500 – 1,250 SF) on the ground floor with frontage on Broadway.

**Estimated Project Cost:** \$18,500,000

**Type of Financing:** Straight Lease

**Amount of Bonds Requested:** None

**Estimated Total Purchases Exempt from Sales Tax:** \$4,812,500

**Estimated Total Mortgage Amount:** \$15,000,000

**Current Total Assessment:** \$572,200 (Per City of Albany 2016 Assessment Roll); \$300,000 (Per City of Albany 2017 Assessment Roll).

**Estimated Improved Total Assessment:** \$7,300,000 (Per City of Albany Commissioner of Assessment and Taxation)

**Requested PILOT:**

The proposal entails the Applicant entering into a 20 year PILOT agreement with the IDA.

- For Years 1-12, 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 “base” assessment of \$750,000 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. As an important side note, the base assessment value is \$177,800 more than the property’s current assessed value of \$572,200, and \$450,000 more than the property’s 2015 assessed value of \$300,000, which will equate to a net gain for the taxing jurisdictions starting in the first year of the PILOT.
- For Years 13-20, annual payments in lieu of taxes will be calculated by the greater of:
  - 1) Adding a) an amount equal to one hundred percent (100%) of the Normal Tax due with respect to 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.
  - 2) Multiplying eleven and a half (11.5%) of gross rental revenue.

Please see attached PILOT Analysis for specifics.

**Estimated Value of Total PILOT Payments:** \$2,186,502

**Estimated Value of Tax Exemptions:**

- NYS Sales and Compensating Use Tax: \$385,000
- Mortgage Recording Taxes: \$150,000
- Real Property Taxes: \$6,003,665
- Other: N/A

**Employment Impact:**

- Projected Permanent: 2 new FTEs
- Projected Construction: 100 jobs

**Strategic Initiatives:**

- Albany 2030
  - Increase job opportunities for all residents.
  - Encourage investment in urban land and historic buildings for employment and housing.
  - Provide a variety of housing types to meet the varied needs of Albany’s households, including market, moderate and low income housing.
  - Encourage diverse intergenerational housing. Diverse housing includes options for residents throughout different stages of life (e.g. students, couples, families with children, seniors) in the same neighborhood.
  - Provide a foundation for economic activity and increase economic diversity.
- Impact Downtown Albany
  - Establish a greater critical mass of housing along Broadway.
  - Encourage development proposals along Broadway compatible with a mixed-use, pedestrian oriented setting.
  - Recruit retail and office tenants/developers for whom the Warehouse District’s large, flexible sites offer opportunities not available downtown.

- Support ongoing reinvestment opportunities such as new construction, particularly within two blocks of the intersection of North Ferry Street and Broadway or along Erie Boulevard/Centre Street between Thatcher and Colonie Streets.

**Planning Board Actions:**

- Applicant is scheduled to appear before the Planning/Zoning Board on September 15, 2016.

**Estimated IDA Fee**

- Fee amount: \$185,000

**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.

**PILOT Analysis – 760 Broadway LLC – November 2017 - PREVIOUS PILOT**

PILOT Year	School Tax Year	City & County Tax Year	Tax Rate <sup>(6)</sup>	2015 Taxable Assessment Prior to Purchase by Applicant	Status Quo		Proposed Project												
					2016 Taxable Assessment <sup>(7)</sup>	Estimated Allocated Total Taxes <sup>(8)</sup>	PILOT Base Assessment <sup>(9)</sup>	Normal Tax			Revised PILOT								
								Estimated Total Improved Assessment <sup>(10)</sup>	Estimated Total Taxes w/o PILOT <sup>(11)</sup>	Estimated Total Taxes w/o PILOT Per Unit <sup>(12)</sup>	PILOT Payments to be the Greater of <sup>(13)</sup>		Estimated Abatement <sup>(16)</sup>	Estimated PILOT Payments Per Unit <sup>(17)</sup>	Estimated Abatement Per Unit <sup>(18)</sup>	% Abatement on Total Assessment <sup>(19)</sup>	% of Abatement on Improved Assessment <sup>(20)</sup>		
											Estimated PILOT Payments <sup>(14)</sup>	Estimated PILOT Payments <sup>(15)</sup>							
Interim <sup>(1)</sup>	2017/2018	2018	\$45.27		\$572,200	\$25,903	-	-	-	-	-	-	-	-	-	-	-	-	-
1 <sup>(2)</sup>	2018/2019	2019	\$46.18	\$300,000.00	\$572,200	\$26,422	\$750,000	\$7,300,000	\$337,080	\$3,830.46	\$34,632	Not applicable	\$302,449	\$394	\$3,437	89.73%	100.00%		
2	2019/2020	2020	\$47.10	\$300,000.00	\$572,200	\$26,950	\$750,000	\$7,300,000	\$343,822	\$3,907.07	\$35,324	Not applicable	\$308,498	\$401	\$3,506	89.73%	100.00%		
3	2020/2021	2021	\$48.04	\$300,000.00	\$572,200	\$27,489	\$750,000	\$7,300,000	\$350,698	\$3,985.21	\$36,031	Not applicable	\$314,668	\$409	\$3,576	89.73%	100.00%		
4	2021/2022	2022	\$49.00	\$300,000.00	\$572,200	\$28,039	\$750,000	\$7,300,000	\$357,712	\$4,064.91	\$36,751	Not applicable	\$320,961	\$418	\$3,647	89.73%	100.00%		
5	2022/2023	2023	\$49.98	\$300,000.00	\$572,200	\$28,600	\$750,000	\$7,300,000	\$364,867	\$4,146.21	\$37,486	Not applicable	\$327,380	\$426	\$3,720	89.73%	100.00%		
6	2023/2024	2024	\$50.98	\$300,000.00	\$572,200	\$29,172	\$750,000	\$7,300,000	\$372,164	\$4,229.14	\$38,236	Not applicable	\$333,928	\$435	\$3,795	89.73%	100.00%		
7	2024/2025	2025	\$52.00	\$300,000.00	\$572,200	\$29,755	\$750,000	\$7,300,000	\$379,607	\$4,313.72	\$39,001	Not applicable	\$340,607	\$443	\$3,871	89.73%	100.00%		
8	2025/2026	2026	\$53.04	\$300,000.00	\$572,200	\$30,350	\$750,000	\$7,300,000	\$387,199	\$4,399.99	\$39,781	Not applicable	\$347,419	\$452	\$3,948	89.73%	100.00%		
9	2026/2027	2027	\$54.10	\$300,000.00	\$572,200	\$30,957	\$750,000	\$7,300,000	\$394,943	\$4,487.99	\$40,576	Not applicable	\$354,367	\$461	\$4,027	89.73%	100.00%		
10	2027/2028	2028	\$55.18	\$300,000.00	\$572,200	\$31,576	\$750,000	\$7,300,000	\$402,842	\$4,577.75	\$59,461	Not applicable	\$343,382	\$676	\$3,902	85.24%	95.00%		
11	2028/2029	2029	\$56.29	\$300,000.00	\$572,200	\$32,208	\$750,000	\$7,300,000	\$410,899	\$4,669.31	\$60,650	Not applicable	\$350,249	\$689	\$3,980	85.24%	95.00%		
12	2029/2030	2030	\$57.41	\$300,000.00	\$572,200	\$32,852	\$750,000	\$7,300,000	\$419,117	\$4,762.69	\$80,666	Not applicable	\$338,451	\$917	\$3,846	80.75%	90.00%		
13 <sup>(3)</sup>	2030/2031	2031	\$58.56	\$300,000.00	\$572,200	\$33,509	\$750,000	\$7,300,000	\$427,499	\$4,857.95	\$178,174	11.5% of Project Gross Revenue	\$249,326	\$2,025	\$2,833	58.32%	65.00%		
14	2031/2032	2032	\$59.73	\$300,000.00	\$572,200	\$34,179	\$750,000	\$7,300,000	\$436,049	\$4,955.11	\$185,650	11.5% of Project Gross Revenue	\$250,400	\$2,110	\$2,845	57.42%	64.00%		
15	2032/2033	2033	\$60.93	\$300,000.00	\$572,200	\$34,863	\$750,000	\$7,300,000	\$444,770	\$5,054.21	\$193,353	11.5% of Project Gross Revenue	\$251,417	\$2,197	\$2,857	56.53%	63.00%		
16	2033/2034	2034	\$62.15	\$300,000.00	\$572,200	\$35,560	\$750,000	\$7,300,000	\$453,666	\$5,155.29	\$201,291	11.5% of Project Gross Revenue	\$252,375	\$2,287	\$2,868	55.63%	62.00%		
17	2034/2035	2035	\$63.39	\$300,000.00	\$572,200	\$36,271	\$750,000	\$7,300,000	\$462,739	\$5,258.40	\$209,469	11.5% of Project Gross Revenue	\$253,270	\$2,380	\$2,878	54.73%	61.00%		
18	2035/2036	2036	\$64.66	\$300,000.00	\$572,200	\$36,997	\$750,000	\$7,300,000	\$471,994	\$5,363.57	\$217,893	11.5% of Project Gross Revenue	\$254,101	\$2,476	\$2,888	53.84%	60.00%		
19	2036/2037	2037	\$65.95	\$300,000.00	\$572,200	\$37,736	\$750,000	\$7,300,000	\$481,434	\$5,470.84	\$226,571	11.5% of Project Gross Revenue	\$254,863	\$2,575	\$2,896	52.94%	59.00%		
20 <sup>(4)</sup>	2037/2038	2038	\$67.27	\$300,000.00	\$572,200	\$38,491	\$750,000	\$7,300,000	\$491,063	\$5,580.26	\$235,508	11.5% of Project Gross Revenue	\$255,554	\$2,676	\$2,904	52.04%	58.00%		
Permanent <sup>(5)</sup>	2038/2039	2039	\$68.61	\$300,000.00	\$572,200	\$39,261	\$750,000	\$7,300,000	\$500,884	\$5,691.86	-	-	-	-	-	-	-	-	
<b>Estimated Total<sup>(21)</sup></b>						<b>\$641,975</b>						<b>\$2,186,502</b>		<b>\$6,003,665</b>					

Notes:

(1) Property will likely be taxable until March 1st, 2019.

(2) Estimated start of PILOT abatement schedule.

(3) Beginning of PILOT Payments to be the Greater of Scenario.

(4) Estimated end of PILOT abatement schedule.

(5) Property returns to taxable status anticipated.

(6) Estimated non homestead tax rate (does not include any special ad valorem taxes that are still payable under PILOT) based on City and County 2016 tax year and School 2016/2017 tax year with, per Applicant, estimated escalation of 2.0% thereafter. Does not include library taxes that are still payable.

(7) Per Commissioner of Department of Assessment & Taxation Current Assessment Value.

(8) Estimated taxes if proposed project did not occur (i.e. left status quo). Does not include library taxes that are still payable. Note increase in Assessed Value from \$300,000 in 2015 to \$572,200 in 2016 following the purchase of the property by the Applicant.

(9) Base assessment per purchase price. An increase of \$400,000 above 2015 taxable assessment which when calculated as part of PILOT payment will result in an increase of revenues from the property.

(10) Per Commissioner of Department of Assessment & Taxation based on estimate of \$82,954 per unit (inc. land and improved assessment value). Assessment value is not fixed.

(11) Estimated taxes if proposed project occurred without PILOT assistance. Does not include library taxes that are still payable.

(12) Estimated taxes Per Unit if proposed project occurred without PILOT assistance. Does not include library taxes that are still payable.

(13) PILOT Payments in Years 1-12 will be calculated by the schedule listed for Percent Abatement on Improved Assessment. Starting in Year 13 the PILOT Payments will be calculated as the greater of the Percent Abatement on Improved Assessment or 11.5% of Project Gross Revenue.

(14) Estimated PILOT Payments assuming PILOT using % of Abatement on Improved Assessment. Does not include library taxes that are still payable.

(15) Estimated PILOT Payments assuming PILOT using 11.5% of Project Gross Revenue.

(16) Difference of Estimated PILOT Payments from Estimated Total Taxes w/o PILOT assuming PILOT.

(17) Estimated PILOT Payments Per Unit assuming PILOT. Does not include library taxes that are still payable.

(18) Difference of Estimated PILOT Payments Per Unit from Estimated Total Taxes w/o PILOT Per Unit assuming PILOT.

(19) Percent Abatement on Total Assessment via PILOT assuming PILOT.

(20) Percent Abatement on Improved Assessment via PILOT assuming PILOT.

(21) Totals for comparison and analysis during PILOT agreement period only. NOT NET PRESENT VALUE.

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



CITY OF ALBANY  
DEPARTMENT OF ASSESSMENT  
24 EAGLE STREET-ROOM 302  
ALBANY, NEW YORK 12207  
TELEPHONE (518) 434-5155

KATHY SHEEHAN  
MAYOR

TREY KINGSTON  
ACTING CITY ASSESSOR

November 20, 2017

Joseph Landy  
21 Lodge Street  
Albany, New York 12207

**Re: 760 Broadway, Albany**

Dear Mr. Landy:

At your request, we have reviewed the pro-forma and other spreadsheet data provided by the Applicant with respect to the above referenced project. The following are the salient features of the project:

- An 88-unit apartment complex consisting of 56-1 Bedroom units (845 average square feet), 12-2 Bedroom units (1,166 average square feet) and 20 Studio units (620 average square feet).

Based on the above and consistent with the income capitalization methodology utilized by this office for other apartment complex properties throughout the City, we are projecting the current total assessed value for the subject property, consistent with the assumption that the property was in an "as-stabilized" condition as of March 1, 2017 and its value estimate was as of July 1, 2016, to be:

**\$7,300,000**

For greater clarity, it must be noted that the above total assessed value estimate is provided under the extraordinary assumptions that the improvements are completed as of the pro-forma projected date of completion and are leased to a stabilized occupancy at projected rents at the above date of valuation corresponding to the end of the projected absorption period after the projected date of completion.

As such, all such financial information provided by the Applicant is assumed to be true, correct and reliable and the total assessed value set forth above was predicated, in large measure, based on such data. However, it should be noted that this value may not be valid in other time periods or as conditions change. If new information of significance is brought to this office, the above total assessed value would be subject to change, consistent with such new information.

We trust that the foregoing is sufficient for the IDA's needs. If you have any questions and/or require additional clarification, please do not hesitate to contact us.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Trey Kingston', with a long horizontal flourish extending to the right.

Trey Kingston, Esq.  
Acting Assessor

Cc: David Sarraf  
25 Western Ave  
Albany NY 12203

**363 ONTARIO ST LLC  
PO BOX 1366  
GUILDERLAND, NY 12084**

December 1, 2017

Tracy Metzger, Chair  
City of Albany Industrial Development Agency  
21 Lodge Street  
Albany, New York 12207

Re: Request for IDA Assistance for 363 Ontario St LLC Project

Dear Ms. Metzger:

Attached is a completed application, as well as the appropriate supplementary material required by the City of Albany Industrial Development Agency for consideration of financial assistance associated with the 363 Ontario St LLC Project.

The Project consists of the acquisition of a +/- 1.8 acre parcel of land, construction on the land of +/- 109 residential apartment units (with tenant amenities) +/- 99 underground and 44 surface parking spaces and 5,000 +/- square feet of retail space, and acquisition of various personal property and furniture, fixtures and equipment. The Project will be constructed in three (3) phases, starting in January, 2018 and ending in January, 2020.

However, without the Agency's financial assistance, this Project is not viable. Therefore, as detailed in the Application, the Applicant is requesting exemptions from New York State sales and use taxes relating to the construction and fit up of the Project and mortgage recording taxes in connection with the financing of the Project and a payment in lieu of tax agreement. The Applicant requests the payment in lieu of tax agreement be implemented in three (3) phases to coincide with the three (3) phases of the Project.

We are in receipt of the City of Albany Industrial Development Agency Project Evaluation and Assistance Framework and have reviewed the Summary of Baseline Eligibility Requirements and Community Benefits Metrics. We believe the Project satisfies all the Baseline Requirements and ten (10) of the Community Benefit Metrics. The ten (10) Community Benefit Metrics are as follows: (i) Distressed Census Tract, (ii) Neighborhood Plan, (iii) Community Catalyst, (iv) Conversion to Residential, (v) Financial Commitment between 10.1 M – 17.5M (satisfies two items), (vi) Community Commitment of Regional Labor, (vii) Community Commitment City of Albany Labor, (viii) 3-40 permanent jobs, (ix) 3-40 retained jobs and (x) 81-160 construction jobs (satisfies two items).

The Project is located at 363 Ontario Street which is the site of an existing bowling alley, laundromat and convenience store. The buildings are run down and located within a residential area. The Applicant seeks to enhance the existing area by creating additional residential opportunities with new and improved retail facilities to serve the project residents as well as residents in the community. The Applicant has met with the existing community and is working



with them to ensure the project will enhance the neighborhood and provide the City with an additional source of apartments and investment into the neighborhood.

The Project will generate additional sales tax and property tax revenue for the City of Albany. The construction of additional residential housing in the City will have an indirect positive impact on jobs and businesses in the surrounding area. The Applicant is requesting assistance from the Agency in order to be able to provide housing in the City which is consistent with current trends to attract young professionals, graduate students, and empty-nesters to the City.

Please do not hesitate to contact me if you should have any questions or find additional information is needed. I look forward to working with the Agency on this Project.

Sincerely,

363 Ontario St LLC

Ryan Jankow  
Member

Enclosure

**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 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.  
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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: 363 Ontario St LLC

APPLICANT'S ADDRESS: PO Box 1366

CITY: Guilderland STATE: NY ZIP CODE: 12084

PHONE NO.: (631) 793-8737 FAX NO.: \_\_\_\_\_ E-MAIL: ryan.jankow@gmail.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: Debra J. Lambek, Esq.

ATTORNEY'S ADDRESS: 302 Washington Avenue Extension

CITY: Albany STATE: NY ZIP CODE: 12203

PHONE NO.: (518) 491-1628 FAX NO.: \_\_\_\_\_ E-MAIL: dlambek@lambeklaw.com

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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 one (1) copy 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/special 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.**
10. The Agency has also established an administrative fee equal to (A) one percent (1%) of the cost of the Project in the case of an Agency Straight Lease Transaction, and (B) one percent (1%) of the aggregate principal amount of the

bonds to be issued by the Agency in the case of an Agency Bond Transaction. The Agency has also established an administrative fee for the issuance of refunding bonds for Agency Bond Transactions. The formula for the calculation of the administrative fee for the issuance of refunding bonds is outlined in the Agency's Policy Manual. THESE FEES ARE PAYABLE ON THE CLOSING DATE.

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: 363 Ontario St LLC

Contact Person: Ryan Jankow

Phone Number: (631)793-8537

Occupant: n/a

Project Location: 363 Ontario Street, Albany, NY

Approximate Size of Project Site:

Description of Project: Acquisition of a +/- 1.8 acre parcel of land, construction of +/- 109 residential apartment units (with tenant amenities i.e. clubhouse) with +/- 99 underground and 44 surface parking spaces and 5,000 +/- sq. ft. of retail space.

Type of Project: [ ] Manufacturing [ ] Warehouse/Distribution [x] Commercial [ ] Not-For-Profit [x] Other-Specify - residential apartment units

Employment Impact: Existing Jobs 3 New Jobs +/- 7

Project Cost: \$ 16,289,000.00

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 Type and Amount. Rows include N.Y.S. Sales and Compensating Use Tax (\$ 696,000.00), Mortgage Recording Taxes (\$ 138,312.00), Real Property Tax Exemptions (\$ 6,897,590.00), and Other (please specify) (\$).

Provide estimates for the following:

Table with 2 columns: Metric and Value. Rows include Number of Full Time Employees at the Project Site before IDA Status (3), Estimate of Jobs to be Created (7), Estimate of Jobs to be Retained (3), and Average Estimated Annual Salary of Jobs to be Created (\$15,000 - \$50,000).

Annualized Salary Range of Jobs to be Created:  
Estimated Average Annual Salary of Jobs to be Retained:

\$35,000  
\$35,000 \_\_\_\_\_

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

A. Identity of Company:

1. Company Name: 363 Ontario St LLC

Present Address: PO Box 1366, Guilderland, NY

Zip Code: 12084

Employer's ID No.: 82-3136607

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

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? 10-13-2017.

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:

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
Ryan Jankow Tom Lynch	President/Member Member	real estate development projects real estate development projects

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. n/a

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
Tom Lynch, Member Ryan Jankow, Member	20 Oak Road, Katonah, NY PO Box 1366, Guilderland, NY	25% 75%

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

II. DATA REGARDING PROPOSED PROJECT

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

Acquisition of a +/- 1.8 acre parcel of land, construction of +/- 109 residential apartment units (with tenant amenities i.e. clubhouse) with +/- 99 underground and 44 surface parking spaces and 5,000 +/- sq. ft. of retail space.

B. Location of Proposed Project:

- |    |                |                    |
|----|----------------|--------------------|
| 1. | Street Address | 363 Ontario 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: +/- 1.8 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: Building - 140,000 sf
  - b. Are existing buildings in operation? Yes ; No .  
If yes, describe present use of present buildings:  
bowling alley, laundry mart and market
  - c. Are existing buildings abandoned? Yes ; No . About to be abandoned? Yes ; No . If yes, describe: demolished
  - d. Attach photograph of present buildings.

3. Utilities serving project site:  
 Water-Municipal: municipal  
     Other (describe)  
 Sewer-Municipal: municipal  
     Other (describe)  
 Electric-Utility: National Grid  
     Other (describe)  
 Heat-Utility: National Grid  
     Other (describe)
4. Present legal owner of project site: 660 Park Ave. Realty LLC
- a. If the Company owns project site, indicate date of purchase: \_\_\_\_\_, 20\_\_\_\_; Purchase price: \$ n/a \_\_\_\_\_.
- 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: Feb. 2, 2017; 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: MU-NC
- b. Are there any variances or special permits affecting the site? Yes X; No \_\_\_\_\_. If yes, list below and attach copies of all such variances or special permits: Height variance

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:  
 3 - 58,500 sf (including below grade parking garage)  
 175,500 total sf
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:  
 +/- 109 residential apartment units, 5,000 +/- sf retail space with 6,000 - 8,000 +/- sf tenant amenities and parking

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:  
apartment amenities i.e. appliances, retail tenant fit-up
  
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 provide detail:
  
3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed:  
apartment amenities i.e. appliances, retail tenant fit-up

F. Project Use:

1. What are the principal products to be produced at the Project? residential housing
  
2. What are the principal activities to be conducted at the Project? residential housing
  
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: residential housing
  
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? 100 %
  
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:
  - a. Will the Project be operated by a not-for-profit corporation? Yes \_\_\_\_; No X. 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\_\_\_\_; No X. If yes, please explain:

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:

d. Is the predominant purpose of the Project to make available goods<sup>X</sup> or services which would not, but for the Project, be reasonably 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: Lack of market rate apartment housing

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 X. 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: Project will create employment

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:

X  
Lack of market rate apartment housing

Project will create employment

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

a. Is the Project reasonably necessary to preserve the competitive position of the Company or 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.

City of Albany Planning and Zoning

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

site plan approval  
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:

\$300,000 - architecture, engineering, due diligence, permitting and approvals fees

3. Please indicate the date the applicant estimates the Project will be completed:  
January 2020.

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 \_\_\_\_; No X.

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: 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.

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? 0%



IV. Employment Impact

- A. Indicate the number of people presently employed at the Project site and the **additional** number that will be employed at the Project site at the end of the first and second years after the Project has been completed, using the tables below for (1) employees of the Applicant, (2) independent contractors, and (3) employees of independent contractors. (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.

<b>TYPE OF EMPLOYMENT Employees of Applicant</b>					
	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled	Totals
Present Full Time	0	0	3	0	3
Present Part Time	0	0	0	0	0
Present Seasonal	0	0	0	0	0
First Year Full Time	1	2	0	0	3
First Year Part Time	0	0	2	0	2
First Year Seasonal	0	0	0	0	0
Second Year Full Time	1	2	0	0	3
Second Year Part Time	0	0	4	0	4
Second Year Seasonal	0	0	0	0	0

<b>TYPE OF EMPLOYMENT Independent Contractors</b>					
	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled	Totals
Present Full Time	0	0	0	0	0
Present Part Time	0	0	0	0	0
Present Seasonal	0	0	0	0	0
First Year Full Time	0	0	0	0	0
First Year Part Time	0	0	0	0	0
First Year Seasonal	0	0	0	0	0
Second Year Full Time	0	0	0	0	0
Second Year Part Time	0	0	0	0	0
Second Year Seasonal	0	0	0	0	0

<b>TYPE OF EMPLOYMENT Employees of Independent Contractors</b>					
	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled	Totals
Present Full Time	0	0	0	0	0
Present Part Time	0	0	0	0	0
Present Seasonal	0	0	0	0	0

First Year Full Time	0	0	0	0	0
First Year Part Time	0	0	0	0	0
First Year Seasonal	0	0	0	0	0
Second Year Full Time	0	0	0	0	0
Second Year Part Time	0	0	0	0	0
Second Year Seasonal	0	0	0	0	0

B. Indicate below (1) the estimated salary and fringe benefit averages or ranges and (2) the estimated number of employees residing in the Capital Region Economic Development Region for all the jobs at the Project site, both retained and created, listed in the tables described in subsection A above for each of the categories of positions listed in the chart below.

<b>RELATED EMPLOYMENT INFORMATION</b>				
	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled
Estimated Salary and Fringe Benefit Averages or Ranges	35,000 - 50,000	25,000 - 35,000	15,000 - 25,000	
Estimated Number of Employees Residing in the Capital Region Economic Development Region <sup>1</sup>	1	2	2	

C. Please describe the projected timeframe for the creation of any new jobs with respect to the undertaking of the Project:

upon completion and lease up of the Project

<sup>1</sup> The Capital Region Economic Development Region consists of the following counties: Albany, Schenectady, Rensselaer, Greene, Columbia, Saratoga, Warren and Washington.

D. 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 and Financing Sources

A. Anticipated Project Costs. State the costs reasonably necessary for the acquisition of the Project site, the construction of the proposed buildings and 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>950,000.00</u>
Buildings	\$ <u>14,800,000.00</u>
Machinery and equipment costs	\$ _____
Utilities, roads and appurtenant costs	\$ _____
Architects and engineering fees	\$ <u>200,000.00</u>
Costs of Bond Issue (legal, financial and printing)	\$ _____
Construction loan fees and interest (if applicable)	\$ <u>339,000.00</u>
Other (specify)	
_____	\$ _____
_____	\$ _____
_____	\$ _____
<b>TOTAL PROJECT COSTS</b>	<b>\$ <u>16,289,000.00</u></b>

B. Anticipated Project Financing Sources. State the sources reasonably necessary for the financing of the Project site, the construction of the proposed buildings and 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:

owner equity and loan/bank financing

<u>Description of Sources</u>	<u>Amount</u>
Private Sector Financing	\$ 13,831,200.00
Public Sector	
Federal Programs	\$ n/a
State Programs	\$ n/a
Local Programs	\$ n/a
Applicant Equity	\$ 2,458,000.00
Other (specify, e.g., tax credits)	
_____	\$ _____
_____	\$ _____
_____	\$ _____
<b>TOTAL AMOUNT OF PROJECT FINANCING SOURCES</b>	<b>\$ 16,289,200.00</b>

C. Have any of the above expenditures already been made by the applicant? Yes ; No . If yes, indicate particulars.

equity \$300,000, and due diligence, architecture and engineering expenses

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D. Amount of loan requested: \$ 0 \_\_\_\_\_;

Maturity requested: n/a \_\_\_\_\_ years.

E. Has a commitment for financing been received as of this application date, and if so, from whom?

Yes ; No . Institution Name: Pioneer Savings Bank \_\_\_\_\_

Provide name and telephone number of the person we may contact.

Name: n/a \_\_\_\_\_ Phone: n/a \_\_\_\_\_

F. The percentage of Project costs to be financed from public sector sources is estimated to equal the following: \_\_\_\_\_ 0 %

- G. The total amount estimated to be borrowed to finance the Project is equal to the following: \$ 13,831,200.00

VI. 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 \_\_\_\_ 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:
  - a. retail food and beverage services: Yes \_\_\_\_; No \_\_\_\_ n/a
  - b. automobile sales or service: Yes \_\_\_\_; No \_\_\_\_ n/a
  - c. recreation or entertainment: Yes \_\_\_\_; No \_\_\_\_ n/a
  - d. golf course: Yes \_\_\_\_; No \_\_\_\_ n/a
  - e. country club: Yes \_\_\_\_; No \_\_\_\_ n/a
  - f. massage parlor: Yes \_\_\_\_; No \_\_\_\_ n/a
  - g. tennis club: Yes \_\_\_\_; No \_\_\_\_ n/a
  - h. skating facility (including roller skating, skateboard and ice skating): Yes \_\_\_\_; No \_\_\_\_ n/a
  - i. racquet sports facility (including handball and racquetball court): Yes \_\_\_\_; No \_\_\_\_ n/a
  - j. hot tub facility: Yes \_\_\_\_; No \_\_\_\_ n/a
  - k. suntan facility: Yes \_\_\_\_; No \_\_\_\_ n/a
  - l. racetrack: Yes \_\_\_\_; No \_\_\_\_ n/a
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? \$ 13,831,200.00.

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 ; 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? \$ 8,700,000.00.

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>696,000.00</u>
b.	Mortgage Recording Taxes:	\$ <u>138,312.00</u>
c.	Real Property Tax Exemptions:	\$ <u>6,897,590.00</u>
d.	Other (please specify):	\$ _____
	_____	\$ _____
	_____	\$ _____

5. Are any of the tax-exemptions being sought in connection with the Project inconsistent with the Agency’s Uniform Tax Exemption Policy? Yes \_\_\_\_; No . If yes, please explain.

6. Is the Project located in the City’s state designated Empire Zone? Yes \_\_\_\_; 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.).

VII. 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”), as replaced by the Workforce Investment Act of 1998 (Public Law 105-220), 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 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 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.

E. 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, including (1) the NYS-45 – Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return – for the quarter ending December 31 (the “NYS-45”), and (2) the US Dept. of Labor BLS 3020 Multiple Worksite report if applicable. The applicant also agrees, whenever requested by the Agency, to provide and certify or cause to be provided and certified such information concerning the participation of individuals from minority groups as employees or applicants for employment with regard to the project.

F. Local Labor Information. The applicant is aware of and understands the provisions of Part 24 of the Policy Manual of the Agency. Pursuant to Part 24 of the Policy Manual of the Agency, the applicant agrees to provide information, in form and substance satisfactory to the Agency, relating to construction activities for projects; specifically: (i) the Company’s contact person responsible and accountable for providing information about the bidding for and awarding of construction contracts relative to this Application and the Project, (ii) the nature of construction jobs created by the Project, including the number, type, and duration of construction positions; and (iii) submit to the Agency a “Construction Completion Report” listing the names and business locations of prime contractors, subcontractors, and vendors who were engaged in the construction phase of the Project.

G. Additional Fee for Low Income Housing/Tax Credit (9% only) Projects. An annual administrative fee equal to \$10,000 shall be payable annually by the applicant on each January 1 for a term equal to ten (10) years. This annual administrative fee is in addition to the standard administrative fee for Agency Straight Lease Transactions and Agency Bond Transactions and is applicable to Projects which provide for low income housing/tax credit (9% only) projects.

H. Project Benefits Agreement. The applicant agrees to enter into a project benefits agreement with the Agency where the applicant agrees that (1) the amount of Financial Assistance to be received shall be contingent upon, and shall bear a direct relationship to the success or lack of success of such project in delivering certain described public benefits (the “Public Benefits”) and (2) the Agency will be entitled to recapture some or all of the Financial Assistance granted to the applicant if the project is unsuccessful in whole or in part in delivering the promised Public Benefits.

I. Assignment of Agency Abatements. In connection with any Agency Straight Lease Transaction or Agency Bond Transaction, the Agency may grant to the applicant certain exemptions from mortgage recording taxes, sales and use taxes and real property taxes. The



applicant understands that the grant of such exemptions by the Agency is intended to benefit the applicant. Subsequently, if the applicant determines to convey the Project and, in connection with such conveyance to assign such exemptions to the purchaser, the applicant understand that any such assignment is subject to review and consent by the Agency, together with the satisfaction of any conditions that may be imposed by the Agency.

J. Post Closing Cost Verification. The applicant agrees (1) the scope of the Project will not vary significantly from the description in the public hearing resolution for the project and (2) to deliver to the Agency within sixty (60) days following the completion date of a project an affidavit providing the total costs of the project. In the event that the amount of the total project costs described in the affidavit at the completion date exceeds the amount described in an affidavit provided by the applicant on the closing date of the project, the applicant agrees to adjust the amounts payable by the applicant to the Agency by such larger amount and to pay to the Agency such additional amounts. In the event that the amount described is less, there shall not be any adjustment to the Agency fees.

K. Representation of Financial Information. Neither this Application nor any other agreement, document, certificate, project financials, or written statement furnished to the Agency or by or on behalf of the applicant in connection with the project contemplated by this Application contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading. There is no fact within the special knowledge of any of the officers of the applicant which has not been disclosed herein or in writing by them to the Agency and which materially adversely affects or in the future in their opinion may, insofar as they can now reasonably foresee, materially adversely affect the business, properties, assets or condition, financial or otherwise, of the applicant.

L. Agency Financial Assistance Required for Project. The Project would not be undertaken but for the Financial Assistance provided by the Agency or, if the Project could be undertaken without the Financial Assistance provided by the Agency, then the Project should be undertaken by the Agency for the following reasons:

M. Compliance with Article 18-A of the General Municipal Law: The Project, as of the date of this Application, is in substantial compliance with all provisions of article 18-A of the General Municipal including, but not limited to, the provisions of Section 859-a and subdivision one of Section 862; and the provisions of subdivision one of Section 862 of the General Municipal Law will not be violated if Financial Assistance is provided for the Project.

N. Compliance with Federal, State, and Local Laws. The applicant is in substantial compliance with applicable local, state, and federal tax, worker protection, and environmental laws, rules, and regulations.

O. False or Misleading Information. The applicant understands that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemptions claimed by reason of Agency involvement in the Project.

P. Absence of Conflicts of Interest. The applicant acknowledges that the members, officers and employees of the Agency are listed on the Agency's website. 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:

Q.

Additional Information. Additional information regarding the requirements noted in this Application and other requirements of the Agency is included the Agency's Policy Manual which can be accessed at [www.albanyida.com](http://www.albanyida.com).

I affirm under penalty of perjury that all statements made on this application are true, accurate and complete to the best of my knowledge.

363 Ontario St LLC

\_\_\_\_\_  
Applicant

By:

\_\_\_\_\_  
Ryan Jankow, Member

Title:

-----  
NOTE: APPLICANT MUST ALSO COMPLETE THE APPROPRIATE VERIFICATION  
APPEARING ON PAGES 26 THROUGH 29 HEREOF BEFORE A NOTARY PUBLIC AND MUST  
SIGN AND ACKNOWLEDGE THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 30  
-----

VERIFICATION

(If Applicant is a Corporation)

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

\_\_\_\_\_deposes and says that he is the  
(Name of chief executive of applicant)

\_\_\_\_\_of \_\_\_\_\_,  
(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.

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

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

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

VERIFICATION

(If applicant is sole proprietor)

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

\_\_\_\_\_, deposes and says  
(Name of Individual)

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.

\_\_\_\_\_

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

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

VERIFICATION

(If applicant is limited liability company)

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

Ryan Jankow, deposes and says  
(Name of Individual)  
that he is one of the members of the firm of 363 Ontario St LLC,  
(Limited Liability Company)

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. 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 limited liability company.

\_\_\_\_\_  
Ryan Jankow

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

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

VERIFICATION

(If applicant is partnership)

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 AGENCY UNLESS THE HOLD  
HARMLESS AGREEMENT APPEARING ON PAGE 30 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)  
363 Ontario St LLC

BY: \_\_\_\_\_  
Ryan Jankow, Member

Sworn to before me this  
\_\_\_ day of October, 2017

\_\_\_\_\_  
(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.

This Questionnaire must 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"):	363 Ontario St LLC
2. Brief Identification of the Project:	363 Ontario Street
3. Estimated Amount of Project Benefits Sought:	
A. Amount of Bonds Sought:	\$ _____ n/a
B. Value of Sales Tax Exemption Sought	\$ _____ 696,000.00
C. Value of Real Property Tax Exemption Sought	\$ _____ 6,897,590.00
D. Value of Mortgage Recording Tax Exemption Sought	\$ _____ 138,312.00
4. Likelihood of accomplishing the Project in a timely fashion (please explain):	Yes <input checked="" type="checkbox"/> No _____. We anticipate constructing the Project over a 2 year period in 3 phases. _____ _____

**PROJECTED PROJECT INVESTMENT**

<b>A. Land-Related Costs</b>	
1. Land acquisition	\$ _____ 950,000.00
2. Site preparation	\$ _____
3. Landscaping	\$ _____
4. Utilities and infrastructure development	\$ _____
5. Access roads and parking development	\$ _____
6. Other land-related costs (describe)	\$ _____
<b>B. Building-Related Costs</b>	
1. Acquisition of existing structures	\$ _____
2. Renovation of existing structures	\$ _____
3. New construction costs	\$ _____ 14,800,000.00
4. Electrical systems	\$ _____
5. Heating, ventilation and air conditioning	\$ _____
6. Plumbing	\$ _____
7. Other building-related costs (describe)	\$ _____

<b>C.</b>	<b>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.</b>	<b>Furniture and Fixture Costs</b>	
1.	Office furniture	\$ _____
2.	Office equipment	\$ _____
3.	Computers	\$ _____
4.	Other furniture-related costs (describe)	\$ _____
<b>E.</b>	<b>Working Capital Costs</b>	
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)	\$ _____
<b>F.</b>	<b>Professional Service Costs</b>	
1.	Architecture and engineering	\$ 200,000.00
2.	Accounting/legal	\$ _____
3.	Other service-related costs (describe)	\$ _____
<b>G.</b>	<b>Other Costs</b>	
1.	construction loan fees and interest	\$ 339,000.00
2.	_____	\$ _____
<b>H.</b>	<b>Summary of Expenditures</b>	
1.	Total Land-Related Costs	\$ 950,000.00
2.	Total Building-Related Costs	\$ 14,800,000.00
3.	Total Machinery and Equipment Costs	\$ _____
4.	Total Furniture and Fixture Costs	\$ _____
5.	Total Working Capital Costs	\$ _____
6.	Total Professional Service Costs	\$ 200,000.00
7.	Total Other Costs	\$ 339,000.00

**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	\$ (226,470)	\$ 284,165
2	\$ (220,436)	\$ 300,472
3	\$ (214,496)	\$ 316,832
4	\$ (208,724)	\$ 333,230
5	\$ (236,779)	\$ 349,654

**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	\$ 0
Year 1	100	\$ 2,500,000.00	\$ 375,000.00
Year 2	100	\$ 2,500,000.00	\$ 375,000.00
Year 3	0	\$	\$
Year 4	0	\$	\$
Year 5	0	\$	\$

**PROJECTED PERMANENT EMPLOYMENT IMPACT**

I. Estimates of the total number of existing permanent jobs to be preserved or retained as a result of the Project are described in the tables in Section IV of the Application. 2

II. Estimates of the total new permanent jobs to be created at the Project are described in the tables in Section IV of the Application. 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:  
50%

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

The Applicant will list positions with the local Job Development Authority to try and obtain any employees.

**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 Chart (\* see below)

Year	Existing Real Property Taxes (Without IDA involvement)	New Pilot Payments (With IDA)	Total (Difference)
Current Year	\$50,000		
Year 1			
Year 2			
Year 3			
Year 4			
Year 5			
Year 6			
Year 7			
Year 8			
Year 9			
Year 10			

III. Please provide a detailed description for the impact of other economic benefits and all anticipated community benefits expected to be produced as a result of the Project (attach additional pages as needed for a complete and detailed response): See cover letter. In addition, local retail and service industries will benefit from new people living in the City of Albany.

\*We have attached a Chart outlining the tax benefit with respect to a payment in lieu of tax agreement. The Company desires the PILOT benefits to be staggered to start in conjunction with each phase 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.

I affirm under penalty of perjury that all statements made on this application are true, accurate and complete to the best of my knowledge.

<b>Date Signed:</b> _____, 20 <u>17</u> .	<b>Name of Person Completing Project Questionnaire on behalf of the Company.</b>
	Name: <u>Ryan Jankow</u>
	Title: <u>Member</u>
	Phone Number: <u>(631) 793-8537</u>
	Address: <u>PO Box 1366, Guilderland NY 12084</u>
	<b>Signature:</b> _____

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	Range of Salary and Benefits
professional	1	\$35,000 - \$50,000
skilled	2	\$25,000 - \$35,000
semi-skilled	4	\$15,000 - \$25,000

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

January 18, 2018

City of Albany Industrial Development Agency  
21 Lodge Street  
Albany, New York 12207  
Attention: Tracy L. Metzger, Chair

Re: City of Albany Industrial Development Agency  
Legal Services - 2018

Dear Chair Metzger:

We are very pleased that the City of Albany Industrial Development Agency (the "Agency") has requested us (the "Firm") to perform certain legal services for the Agency as Bond Counsel and Special Counsel to the Agency. The scope of the work you have asked us to undertake is briefly described on Schedules A and B attached to this letter. A description of our policy with respect to certain administrative matters, including attorney representation conflicts and client communications is attached as Schedule D to this letter.

For each type of work described on a schedule attached hereto, we propose to bill for such work in the manner described on the respective schedule relating thereto. If such bill is sent to a party other than the Agency, a courtesy copy of such bill will be sent to the Agency upon request.

In connection with performing legal services, we will typically incur expenses, such as photocopying, shipping of documents, travel, long distance telephone calls and filing fees. Such expenses are not included as part of our fee for professional legal services, and periodic statements showing the amount of such disbursements will be rendered to the party responsible for paying for the legal services to which such expenses relate. Such out-of-pocket expenses are not included as part of our fee for professional legal services, and periodic statements showing the amount of such disbursements will be made available for review by the Applicant and/or the Agency upon request. For your information, we have attached hereto as Schedule C our policy with respect to the recovery of client disbursements. If such bill is sent to a party other than the Agency, a courtesy copy of such bill will be sent to the Agency upon request.

In the unlikely event that a dispute arises between us relating to our fees, you may have the right to arbitration of the dispute pursuant to Part 137 of the Rules of the Chief Administrator of the Courts, a copy of which will be provided to you upon request.

This agreement to provide legal services may be terminated by either party upon thirty (30) days prior written notice. Further, the Firm reserves the right to vary the services offered to the Agency from those illustrated above upon sixty (60) days prior written notice to the Agency.

Tracy L. Metzger, Chair  
January 18, 2018  
Page 2

Please acknowledge your agreement to the above by signing and returning a copy of this letter for our records.

We appreciate the opportunity to represent you.

Very truly yours,

HODGSON RUSS LLP

By: \_\_\_\_\_  
A. Joseph Scott, III

Agreed and Accepted as of this  
18<sup>th</sup> day of January, 2018

CITY OF ALBANY  
INDUSTRIAL DEVELOPMENT AGENCY

By: \_\_\_\_\_  
Chair



## SCHEDULE A

### **Applicant Projects**

#### **Services as Bond Counsel (or Special Counsel)**

Where an applicant (the “Applicant”) requests that the Agency undertake a particular project (an “Applicant Project”) and such Applicant Project will be financed out of proceeds of taxable or tax-exempt revenue bonds issued by the Agency (each separate issue of bonds being sometimes hereinafter referred to as the “Bonds”), we would anticipate acting as bond counsel to the Agency with respect to said transaction. We understand that the Agency has retained William G. Kelly, Jr., Esq., the Corporation Counsel of the City of Albany, as local counsel or Agency Counsel. We further understand that the Agency would retain the option of using other law firms as Bond Counsel to the Agency where our firm has a legal conflict, or where there are special circumstances. In our capacity as Bond Counsel to the Agency, we would work with Mr. Kelly on Applicant Projects.

As a matter of custom and prudence, both the issuers and purchasers of taxable and tax-exempt Bonds require an opinion of nationally recognized bond counsel. Such opinion ordinarily states that (1) the Bonds have been properly authorized and issued and are legal, valid and binding obligations of the Agency, (2) the legal documentation effectively provides the intended security for the Bonds, (3) interest on the Bonds is exempt from personal income taxes imposed by the State of New York, and (4), if the Bonds are intended to be issued as federally tax-exempt obligations, interest on the Bonds is excludable from gross income for federal income tax purposes. We anticipate rendering such opinions in connection with the issuance of each issue of the Bonds issued by the Agency during the period of our engagement.

Where the Applicant requests that the Agency undertake a Applicant Project and such project will not be financed out of proceeds of Bonds (a “Straight-Lease Transaction”), we would anticipate acting as special counsel to the Agency with respect to said transaction. As a matter of custom and prudence, the Agency and the Applicant require an opinion of counsel indicating that (1) the Straight-Lease Transaction has been properly authorized, and (2) the documents relating thereto have been properly executed by the Agency and are legal, valid and binding special obligations of the Agency. We anticipate rendering such opinions in connection with each Straight-Lease Transaction entered into by the Agency during the period of our engagement.

In order to establish the factual basis for the legal conclusions expressed in such opinion, we will prepare a record of proceedings (or transcript) for each issue of Bonds and each Straight Lease Transaction, which transcript will contain all documents and other materials necessary to assure that the form and substance of the transaction conform with the applicable requirements of the Internal Revenue Code of 1986, as amended (the “Code”), the New York Industrial Development Agency Act (Article 18-A of the New York General Municipal Law) (the “Act”) and other applicable New York laws. The record of proceedings for each such transaction will typically include the following, as appropriate: (A) a copy of the application made by the Applicant to the Agency with respect to the particular project (the “Applicant Project”), together with documents relating to the Agency’s actions accepting said application, holding a public hearing with respect thereto, and obtaining any required approvals with respect to the Applicant Project from the governing board or “chief elected official” of the municipality for whose benefit the Agency was created; (B) a transfer of the proposed project facility (the “Project Facility”) by

the Applicant (and/or any seller thereof) to the Agency; (C) an installment sale agreement or lease agreement, whereby (1) the Applicant agrees, as agent of the Agency, to undertake and complete the Applicant Project, (2), if the transaction includes Bonds, the Agency agrees to make the proceeds of the Bonds available to pay the costs of the Applicant Project, and (3) the Agency grants to the Applicant the right to occupy the Project Facility and agrees to transfer ownership of the Applicant Project to the Applicant for a nominal sum (upon repayment of any Bonds); (D) a uniform agency project agreement, which provides for the granting of the “financial assistance” and the enforcement of the conditions for the granting of such “financial assistance,” including any claw-back or other remedy provisions, (E) if the transaction includes Bonds and there are multiple holders of the Bonds, a trust indenture between the Agency and a corporate trustee acting as representative of the owners of the Bonds; (F), if the transaction includes Bonds and if required by the purchasers of the Bonds, a mortgage and/or security agreement from the Agency and the Applicant to the trustee (or the owner of the Bonds); (G), if the transaction includes Bonds, a guaranty of the Bonds from the Applicant to the trustee (or the owner of the Bonds); (H) various other security documents; (I), if the transaction includes Bonds and the Bonds are intended to be issued as federally tax-exempt bonds, various tax compliance documents; (J), if the transaction includes Bonds, a bond purchase agreement among the Agency, the Applicant and the initial purchaser of the Bonds; and (K), if the transaction includes Bonds and the Bonds are intended to be offered to multiple potential purchasers, various bond offering documents (including a preliminary and a final official statement or private placement memorandum relating to the Bonds). As Bond Counsel or Special Counsel, we typically draft all of such documents (excepting the bond offering documents, which are typically drafted by counsel to the initial purchaser of the Bonds, with input from us), as well as other documents which are customary and appropriate in such transactions. In addition, we assume responsibility for certain administrative matters, such as coordinating meetings, preparing bond forms, making arrangements for the closing and coordinating with counsel to the other parties to the transaction.

We typically assume no responsibility for any disclosure which may be required under state or federal securities law in connection with the issuance and sale of the Bonds (excepting only the description of the Bonds and the bond documents appearing in the bond offering documents) or for the accuracy, completeness or fairness of statements, representations, information or financial data supplied by the Applicant, or any of its affiliates.

Where we represent an industrial development agency on a regular basis, we typically provide certain pre-application services at no cost to the Agency (or the applicant) unless an application is subsequently filed with the Agency and the transaction subsequently moves beyond the inducement phase. Such pre-application services include providing advice to Agency staff as to whether a proposed transaction meets the requirements of Article 18-A of the New York General Municipal Law (the “Act”); attendance at pre-application meetings with prospective applicants whenever requested by Agency staff; and attendance at seminars and other marketing events organized by Agency staff.

Upon receipt from the Agency of an application and accompanying documentation relating to a particular project, we review the application to ascertain conformity of the proposed project with applicable state and federal laws affecting the Agency; prepare an opinion letter to the Agency regarding the legality of the proposed project; assuming said project appears legal, prepare the necessary documentation allowing the Agency to indicate preliminary acceptance of said application and allowing the Agency to conduct a public hearing relating to the transaction; assist the Agency in complying with the requirements of the New York State Environmental Conservation Law applicable to said application;

and, if the Agency determines to reject an application, advise the Agency on how best to accomplish said rejection. We typically request that our industrial development agency clients include as part of their application an indemnity agreement, whereby the Applicant agrees to pay all legal expenses incurred by the Agency, whether the transaction closes or not. Notwithstanding said indemnity agreement, we typically do not seek payment from either the Applicant or the Agency if the transaction does not proceed beyond the final inducement resolution.

Once the Agency has adopted a final inducement resolution with respect to the Applicant Project (and, if the transaction includes Bonds, we have received a draft commitment letter from the initial purchaser of the Bonds), we will prepare a first draft of the basic documents relating to the transaction. Upon receipt of comments from the relevant parties, we will finalize the basic documents and distribute drafts of the various supplemental documents to be delivered at closing for approval of the various parties. If the transaction includes Bonds and the Bonds are intended to be reoffered to multiple parties, once the documents are in good order, (A) the initial purchaser will circulate the preliminary official statement or preliminary private placement memorandum to judge market interest in the Bonds, (B) once the preliminary official statement or preliminary private placement memorandum has been circulated, the initial purchaser of the Bonds will “price” the Bonds (i.e., set the interest rates and other business terms of the Bonds), and (C), if the Applicant accepts the pricing on the Bonds, the various parties would then enter into the bond purchase agreement and the other documents relating to the sale of the Bonds, and the sale of the Bonds will be consummated.

Upon closing and delivery of our opinion, our responsibilities as Bond Counsel or Special Counsel will be concluded with respect to the transaction; specifically, but without implied limitation, we do not undertake (unless separately engaged) to provide continuing advice to the Agency or any other party relating to the transaction.

Once an application is filed with the Agency, if the Applicant requests that we begin drafting the basic documents for the transaction and for any reason thereafter the transaction does not close, we typically bill the Applicant for our legal fees on an hourly basis, based on our standard hourly billing rates, as well as our disbursements incurred in connection therewith.

For sale/leaseback transactions, we generally charge Applicants a fixed fee in the range of \$5,000-30,000, plus disbursements, depending on the size, timetable and complexity of the matter. The size of the fee may be greater for large, multi-million dollar capital projects (e.g., large co-generation projects, solid-waste projects and wind-farm projects).

With respect to taxable and/or tax-exempt bond transactions, once the structure of said transaction is decided upon, based on our understanding of the proposed structure of the transaction, the anticipated timing of the closing, our normal hourly rates and our educated guess as to the amount of time it will take us to conclude a particular transaction, we will discuss with the Agency and/or furnish to the Applicant an estimate of our anticipated fees for such transaction. For certain transactions where the amount of required legal services which are predictable, we will if requested furnish a fixed fee for such transaction. Our fees as bond counsel are generally in the range of \$10,000-\$75,000, plus disbursements, again, depending on the size, type, timetable and complexity of the bond financing.

Our statement for services for an applicant transaction will be rendered at closing. If the structure of the transaction changes significantly, or the closing of the transaction occurs beyond a reasonable period (3 months for a Straight-Lease Transaction or 6 months for a bond transaction), and such restructuring or delay results in an increase in the time that we must expend on the transaction, we reserve the right to renegotiate any fixed fee. Any fee estimate is based upon the foregoing assumptions and further assumes that there will be no extraordinary questions of law, that the structure of the transaction does not change significantly once the initial draft of the basic documents are prepared and that we will not need to prepare more than the normal 3 or 4 drafts of the documents prior to closing. It also assumes that our firm will not be called upon to perform additional services with regard to securities law disclosure or other aspects of the transaction falling outside the traditional responsibilities of Bond Counsel or Special Counsel outlined above. In the event that the facts do not bear out the foregoing assumptions, we expect to charge for our additional services on an hourly basis. In any event, we will discuss with the Agency any additional services to be performed by us prior to our performing them.

We recognize that the Agency will have more applicants and more repeat business if project beneficiaries feel that they have been fairly treated by the Agency and its staff, including legal counsel. In this regard, we feel almost as a partner with the Agency and often sacrifice short-term gain for the long term interests of the Agency. Accordingly, we take pains to ensure that the project beneficiary is advised early on in the process regarding what magnitude of legal bills to expect, and endeavor to enter into an engagement letter with the client spelling out both his and our expectations prior to performing significant work beyond the inducement stage. We also endeavor to ensure that our bills do not exceed comparable bills rendered by upstate firms on comparable transactions.

Sometimes, our client will advise us early on in a transaction that the transaction is “fee-sensitive”-i.e., that the applicant will only utilize the Agency in the transaction if total fees are kept below a certain ceiling. In these circumstances, we will advise our client whether it is possible to keep our fees below a ceiling, and if we agree that it is possible, we will thereafter ensure that our fees do not exceed the ceiling. Similarly, if we agree to include our disbursements in such a ceiling, we will ensure that our total bill does not exceed the ceiling.

If the Agency or the Applicant requests that we perform additional services beyond those described above, our fee for those additional services will be based on the time which we devote to said additional services. Our firm’s hourly rates presently range between \$210 and \$815 for lawyers and between \$110 and \$410 for legal assistants. The current hourly rate for A. Joseph Scott, III is \$460/hour. Periodic statements showing the current legal fee due will be made available for review by the Applicant and/or the Agency upon request.

In connection with the issuance of the Bonds or a Straight-Lease Transaction, we typically incur significant out-of-pocket expenses, such as photocopying, shipping of documents, travel, long distance telephone calls and filing fees. In addition, we compile a closing transcript after the Bonds are issued or the Straight-Lease Transaction is completed, which is distributed to each of the parties to the transaction and which involves additional photocopying costs and binding fees. Such out-of-pocket expenses are not included as part of our fee for professional legal services, and periodic statements showing the amount of such disbursements will be made available for review by the Applicant and/or the Agency upon request. For your information, we have attached hereto as Schedule C our policy with respect to the recovery of client disbursements. The actual amount of the disbursements may be minimized by shipping documents first class mail rather than by overnight courier and by limiting the number of drafts of documents. Upon request, we will discuss with the Applicant or the Agency in more detail the steps we can take to minimize disbursements.

In performing our services as Bond Counsel or Special Counsel, our primary client relationship will be with the Agency, although the transaction will be for the primary benefit of the Applicant. We assume that the Applicant and the other parties to the transaction will retain such counsel as they deem necessary and appropriate to represent their respective interests in the transaction.

## SCHEDULE B

### **Non-Applicant Projects**

#### General

Where the Agency proposes to undertake a transaction involving a project which does not involve an applicant (a “Non-Applicant Project”), we would anticipate acting as counsel to the Agency with respect to said transaction. Examples of Non-Applicant Projects undertaken by industrial development agencies around New York State include offices for the industrial development agency, incubator buildings, industrial parks, shortline rail facilities, community centers, an airport, a parking garage and similar examples of “economic development infrastructure”. Examples of transactions involving Non-Applicant Projects might include obtaining financing (in the form of grants and/or loans) with respect thereto; reviewing real estate title records and/or title reports relating thereto; reviewing acquisition and/or construction documentation relating thereto; documenting the leasing and/or sale thereof, in whole or in part; and handling other matters relating thereto. Other examples include the review of Agency policies and procedures, including policies relating to the Public Authorities Accountability Act of 2006, and the preparation of Application Forms and Policy Manuals.

Once we understand the scope of the work which the Agency desires us to undertake with respect to a particular transaction, we will discuss with the Agency an estimate of our anticipated fees for said transaction. We would expect to bill such matters at our normal hourly rates. Once we and the Agency reach an understanding as to the legal budget for said transaction, the source for payment thereof and the billing schedule related thereto, we will send a letter to the Agency memorializing said understanding. Periodic statements showing the current legal fee due will be made available for review by the Agency upon request.

#### Calendar Year 2018 Non-Applicant Projects

We understand that the Agency desires to retain the Firm for various administrative work for the 2018 calendar year. Such work shall include the following:

1. Review and revision of policies and procedures of the Agency
2. Continuing compliance with NYS law regulatory issues

We agree to bill such work at our normal hourly rates and we will deliver itemized bills to the Agency on a quarterly basis. We understand that the Agency has budgeted \$\_\_\_\_\_ for such work and we agree to perform such services within that cap.

## SCHEDULE C

### **Firm Policy With Respect to Client Disbursements**

In the course of providing legal services to its clients, the Firm will from time to time incur various expenses on their behalf. These expenses are generally invoiced to the client in addition to the fees for legal services rendered. It is the policy of the Firm to attempt to keep these charges as low as possible, consistent with the timely performance of high quality legal services. Further, the Firm reserves the right to adjust the various charges for client disbursements on an annual basis, in the course of the Firm's customary review of attorney hourly rates and charges. Any adjustments in such charges will be made available to the client at the client's request.

The client is entitled to establish certain parameters in an attempt to limit disbursement charges, but it must be recognized that certain charges may be inevitable due to the nature of the transaction or legal services involved. Clients who desire to establish parameters for disbursements should contact the attorney-in-charge of the specific matter.

Certain of the disbursements described below are increased by a multiplier to compensate the Firm for various costs not identifiable to a particular client.

Set forth below are summary descriptions of the categories of disbursements commonly incurred on behalf of our clients. This list is by no means exhaustive, and other charges not described below will be invoiced to the client in an appropriate manner. Furthermore, the charges for certain of the items described below are imposed by third parties and may be increased without notice to us or to our clients:

1. **BINDING:** The entire cost of binding transcripts for circulation to various financing participants is invoiced to the client. The total cost is a function on the number and size of the transcripts to be bound and the charges for photocopies (see below).
2. **COMPUTER TIME SHARING:** The actual cost of computer time sharing for access to legal and other data bases will be passed through to the client. These charges are generally incurred in the course of performing legal research.
3. **FILING AND RECORDING FEES AND CERTIFICATE CHARGES:** The cost of various filings and recordings with federal, state and local agencies is borne by the client. Charges for obtaining certified copies of documents from federal, state and local agencies are also invoiced to the client. Occasionally, due to the nature and timing of the transaction involved, filings or requests for certified copies will be handled through service companies which may charge a premium rate.
4. **PUBLICATION:** Certain transactions require the publication of legal notices. The charges for such publication are established by the respective newspaper or periodical, and it is the policy of the Firm to pay the vendor directly and then forward the invoice to the client for reimbursement of same to the Firm.
5. **STAFF OVERTIME:** When secretarial or other support staff are required to work overtime with respect to a specific transaction, the cost is invoiced to the client at the rate of \$32.00 per hour. In

addition, all employees who work 10.5 consecutive hours or more are entitled to receive either lunch or dinner at the Firm's expense. These meal costs will be charged to the client responsible for the overtime costs.

6. **PHOTOCOPIES:** Photocopies are charged at a rate of 10 cents per page. For large quantities of photocopying which do not require immediate turnaround, we will use a local photocopying service if it can provide copies at a lower rate.
7. **SHIPPING AND LOCAL DELIVERY:** The cost of shipment by Federal Express, United Parcel Service, Express Mail, U.S. Mail or other delivery service at the retail price charged for such service is invoiced directly to the client. The actual amount of the charges will depend upon the number, weight, and carrier of packages and letters sent. The client will also be charged for local delivery by outside couriers at their normal rates, and for our in-house courier (\$7.50 per delivery or package).
8. **TELEPHONE:** The Firm's telephone system allows for the attribution of long distance charges to the appropriate client and file. These charges include long distance charges for telecopies, as well as conference calls arranged through Soundpath Conferencing Services. Most of our long distance calls are placed through RCI Long Distance Service at rates approximately the same as AT&T rates.
9. **TELECOPY:** Telecopies are charged at 50 cents per page. The charge is designed to amortize the cost of acquiring and maintaining our telecopiers, as well as to cover the cost of administrative expenses associated with telecopy charges, the cost of collection and the time-value of money.
10. **TRAVEL:** The actual cost of travel, including charges for mileage for firm-owned or attorney-owned automobiles at 53.5 cents per mile, parking, plane or train fares, taxi, hotel, meals, etc., will be invoiced to the client.



## SCHEDULE D

### **Firm Policy With Respect to Various Administrative Matters**

#### General

For your information, Part 1215 of the Joint Rules of the Appellate Division requires that a letter of engagement be sent to any person or entity that is responsible for the payment of attorney's fees. Further, in the unlikely event that a dispute arises between us relating to our fees, you may have the right to arbitration of the dispute pursuant to Part 137 of the Rules of the Chief Administrator of the Courts, a copy of which will be provided to you upon request.

#### Attorney Representation Conflicts and Waivers

In performing our services to the Agency, we represent only the Agency. We assume that other parties to a transaction involving the Agency will retain such counsel as they deem necessary and appropriate to represent their interest in the transaction. As we have discussed, you are aware that we represent many other clients in numerous and diverse matters. It is possible that, during the time that we are representing the Agency, some of our past, present or future clients will have transactions with the Agency (i.e., as transactional conflict). The Agency agrees that we may continue to represent, or may undertake in the future to represent, existing or new clients in any matter that is not substantially related to our work with the Agency (even if the interests of such clients in those other matters is directly adverse to the interests of the Agency); however, we agree that your prospective consent to conflicting representation shall not apply in any instance where, as a result of our representation of the Agency, we have obtained proprietary or other confidential information of a non-public nature, that, if known to such other client, could be used in any such other matter by such client to your material disadvantage.

In certain circumstances, a past or present client of our Firm may ask us to represent that client directly in a transaction involving the Agency. In such situation, if the Agency obtains separate counsel to represent the Agency and if the Agency consents to our representation of such client in such transaction, we may represent such client in such transaction, even if the interests of such client in such transaction is directly adverse to the interests of the Agency; however, we agree that your prospective consent to such conflicting representation shall not apply in any instance where, as a result of our representation of the Agency, we have obtained proprietary or other confidential information of a non-public nature, that, if known to such other client, could be used in such transaction by such client to your material disadvantage.

Acceptance of this proposal further constitutes authorization by the Agency to permit the Chair or the Chief Executive Officer of the Agency to execute any writing required by our conflicts partner to resolve any such "potential" conflicts of interest that may arise in the future.

### Client Communications

As noted above, in performing our services as bond counsel to the Agency, our client is the Agency, and we represent its interests in connection with the particular matter. While the Agency takes formal action by resolution of its board (the “Agency Board”), the Chief Executive Officer typically has the day-to-day responsibility for the operations of the Agency and the undertaking of Applicant and Non-applicant Projects. Further, since the members of the Agency Board are appointed officials and not full-time employees of the Agency, we anticipate that the majority of our conversations and discussions will be with the Chair, the Vice Chair, the Chief Executive Officer, the Chief Financial Officer and other officers of the Agency.

Accordingly, when we need to communicate information to the Agency, you agree that communicating same to the Chair, the Vice Chair, the Chief Executive Officer, the Chief Financial Officer or any other official of the Agency shall be treated as if we had communicated such information to the full membership of the Agency. Further, if in our reasonable judgment we believe it necessary to communicate directly with the full membership of the Agency, we will be permitted to do so.

## CONTRACT FOR SERVICES

THIS AGREEMENT dated as of January XX, 2018 (the "Agreement") between **CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency"), a public benefit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 21 Lodge Street, Albany, New York, and **CAPITALIZE ALBANY CORPORATION** (the "CAC"), a not-for-profit-corporation organized and existing under the laws of the State of New York, having an office for the transaction of business located at 21 Lodge Street, Albany, New York;

### WITNESSETH:

WHEREAS, City of Albany Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 325 of the Laws of 1974 of the State of New York, as amended, codified as Section 903-a of the General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial or industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to promote, develop, and encourage one or more "projects" (as defined in the Act) and thereby advance the job opportunities, health, general prosperity and economic welfare of the people of the City of Albany and to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, pursuant to a professional services agreement dated January XX, 2018 (the "Services Agreement") by and between the Agency, the City of Albany Capital Resource Corporation ("the CACRC"), and the CAC, the Agency has contracted with the CAC for the administration of the Agency; and

WHEREAS, the CAC develops and implements economic development strategies within the City of Albany and, in connection with the development and implementation of such strategies, the CAC undertakes various economic development programs and projects (the "Economic Development Program"); and

WHEREAS, in order to assist the CAC in undertaking the Economic Development Program, the Agency proposes to enter into this Agreement under which the Agency will provide funds to the CAC to pay a portion of the costs associated with the Economic Development Program; and

WHEREAS, the Agency will provide funds to the CAC in multiple disbursements during the term of this Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Agency and the CAC agree as follows:

1. **Services and Program.** The Agency and the CAC agree as follows:
  - (a) That the Agency will make available to the CAC an aggregate amount equal to \$250,000.
  - (b) That the proceeds will be used for the express purpose of funding a portion of the costs, both capital and operating costs, of the Economic Development Program of the CAC, including, but not limited to the following: (i) implementation of the Capitalize Albany strategy, (ii) general business development, including Empire Zone administration, (iii) lending programs (including loan origination, loan capitalization, and loan servicing), (iv) Downtown Residential Program, and (v) coordination and fiscal support of neighborhood and riverfront re-development.
2. **Disbursement.** Proceeds shall be paid quarterly by the Agency to the CAC in an amount equal to \$62,500 on or about the last day of the quarter, commencing on March 31, 2018 and ending on December 31, 2018. Disbursement of proceeds under this agreement based upon available cash.
3. **Compliance with Law.** The CAC covenants that it will use the moneys disbursed under this Agreement only in the manner authorized by this Agreement.
4. **Repayment.** Nothing herein shall be construed to require the CAC to reimburse the Agency.
5. **Information.** The CAC agrees to furnish to the Agency, the following: (a) progress reports regarding the Economic Development Program, (b) upon request, a financial report indicating how the proceeds are allocated; and (c) such other information as the Agency may request. In addition, the CAC shall provide the Agency with an annual report regarding the Economic Development Program.
6. **Indemnification.**
  - a. To the fullest extent permitted by law, the CAC shall defend, indemnify and hold harmless the Agency and its agents and employees from and against claims, damages, losses and expenses, including, but not limited to reasonable attorneys' fees, arising out of or resulting from the negligence or willful misconduct of CAC in CAC's performance of the tasks detailed in this Agreement, except if such claims, damages, losses or expenses are caused by the Agency's negligence or willful misconduct.
  - b. To the fullest extent permitted by law, the Agency shall defend, indemnify and hold harmless the CAC and its agents and employees from and against claims, damages, losses and expenses, including, but not limited to reasonable attorneys' fees, arising out of or resulting from the negligence or willful misconduct of Agency related to Agency's obligations in this Agreement, except if such claims, damages, losses or expenses are caused by the CAC's negligence or willful misconduct.
7. **Notices.** (a) All notices and other communications hereunder shall be in writing and shall be deemed given when mailed by United States registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

- (1) To the Agency: at the address set forth in the initial paragraph of this Grant Agreement, with a copy to:

City of Albany  
City Hall  
Albany, New York 12207  
Attention: Corporation Counsel

- (2) To the CAC: at the address set forth in the initial paragraph of this Agreement.

(b) The Agency and the CAC may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates and other communications shall be sent.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the day and date first written above.

CITY OF ALBANY INDUSTRIAL  
DEVELOPMENT AGENCY

BY: \_\_\_\_\_  
Authorized Officer

CAPITALIZE ALBANY CORPORATION

BY: \_\_\_\_\_  
Authorized Officer

## CONTRACT FOR SERVICES

THIS AGREEMENT dated as of January XX, 2018 (the "Agreement") between **CITY OF ALBANY CAPITAL RESOURCE CORPORATION** (the "Corporation"), a not-for-profit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 21 Lodge Street, Albany, New York, and **CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency"), a public benefit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 21 Lodge Street, Albany, New York;

### WITNESSETH:

WHEREAS, the Corporation was created pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended (the "Enabling Act"), and pursuant to the provisions of the Enabling Act, Revenue Ruling 57-187, Private Letter Ruling 200936012, the Common Council of the City of Albany, New York (the "City") adopted a resolution on March 15, 2010 (the "Sponsor Resolution") (A) authorizing the incorporation of the Corporation under the Enabling Act and (B) appointing the initial members of the board of directors of the Corporation. In April, 2010, a certificate of incorporation was filed with the New York Secretary of State's Office (the "Certificate of Incorporation") creating the Corporation as a public instrumentality of the City; and

WHEREAS, the Corporation is authorized and empowered by the provisions of the Enabling Act to relieve and reduce unemployment, promote and provide for additional and maximum employment, better and maintain job opportunities, and lessen the burdens of government and act in the public interest, and in carrying out the aforesaid purposes and in exercising the powers conferred in the Enabling Act, the Enabling Act declares that the Corporation will be performing essential governmental functions; and

WHEREAS, to accomplish its stated purposes, the Corporation is authorized and empowered under the Enabling Act to acquire real and personal property; to borrow money and issue negotiable bonds, notes and other obligations therefore; to lease, sell, mortgage or otherwise dispose of or encumber any of its real or personal property upon such terms as it may determine; and otherwise to carry out its corporate purposes in the territory in which the operations of the Corporation are principally to be conducted; and

WHEREAS, pursuant to a professional services contract dated January XX, 2018 (the "Professional Services Agreement") by and among the Corporation, the Agency and Capitalize Albany Corporation (the "CAC"), the Corporation has contracted with the CAC for the management of the operations of the Corporation; and

WHEREAS, the CAC develops and implements the economic development strategy of the City of Albany and, in connection with the development and implementation of such strategy, the CAC undertakes various economic development programs and projects (the "Economic Development Program"); and

WHEREAS, in order to provide the Agency with funds to pay for the services to be delivered by CAC under the Professional Services Agreement, the Corporation proposes to enter into this Agreement under which the Corporation will provide funds to the Agency to pay a portion of the fees payable under the Professional Services Agreement; and

WHEREAS, the Corporation will provide funds to the Agency as a one-time disbursement during the term of this Agreement; and

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Corporation and the Agency agree as follows:

1. **Services and Program.** The Corporation and the Agency agree as follows:
  - (a) That the Corporation will make available to the Agency an aggregate amount not to exceed the current budgeted amount of \$40,086. Actual aggregate amount due will be based on the Corporation's percentage of total project fees collected of both the Agency and the Corporation in 2017.
  - (b) That the proceeds will be used for the express purpose of funding a portion of the costs of the amounts payable under the Professional Services Agreement.
2. **Disbursement.** Proceeds shall be paid by the Corporation to the Agency on or about the last day of 2018. Disbursement of proceeds is based upon available cash.
3. **Compliance with Law.** The Agency covenants that it is aware of the laws governing the Corporation and the use of moneys of the Corporation, and the Agency agrees to use the moneys disbursed under this Agreement only in the manner so allowed.
4. **Repayment.** Nothing herein shall be construed to require the Agency to reimburse the Corporation.
5. **Information.** The Agency agrees to furnish to the Corporation, the following: (a) a financial report indicating how the proceeds are being spent; and (b) such other information as the Corporation may request. In addition, the Agency shall provide the Corporation with a copy of an annual report regarding the Economic Development Program.
6. **Indemnification.** To the fullest extent permitted by law, the Agency shall defend, indemnify and hold harmless the Corporation and its agents and employees from and against claims, damages, losses and expenses, including, but not limited to reasonable attorneys' fees, arising out of or resulting from the negligence or willful misconduct of Agency related to Agency's obligations in this Agreement, except if such claims, damages, losses or expenses are caused by the Corporation's gross negligence or willful misconduct.



**7. Notices.** (a) All notices and other communications hereunder shall be in writing and shall be deemed given when mailed by United States registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

(1) To the Corporation: at the address set forth in the initial paragraph of this Grant Agreement, with a copy to:

City of Albany  
City Hall  
Albany, New York 12207  
Attention: Corporation Counsel

(2) To the Agency: at the address set forth in the initial paragraph of this Grant Agreement.

(b) The Corporation and the Agency may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates and other communications shall be sent.

IN WITNESS WHEREOF, the parties hereto have entered into this Grant Agreement as of the day and date first written above.

CITY OF ALBANY CAPITAL RESOURCE CORPORATION

BY: \_\_\_\_\_  
Authorized Officer

CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY

BY: \_\_\_\_\_  
Authorized Officer

**PROFESSIONAL SERVICES AGREEMENT**  
**Between**  
**CAPITALIZE ALBANY CORPORATION (CAC)**

**and**

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY (CAIDA)**

**and**

**CITY OF ALBANY CAPITAL RESOURCE CORPORATION (CACRC)**

This agreement, made this XX day of January, in the year Two Thousand and Eighteen between the City of Albany Industrial Development Agency (hereinafter referred to as the (“CAIDA”), the City of Albany Capital Resource Corporation (hereinafter referred to as the (“CACRC”), and the Capitalize Albany Corporation, a not for profit corporation having its principal place of business at 21 Lodge Street, Albany, New York 12207 (hereinafter referred to as the “CAC”):

**WITNESSETH:**

**WHEREAS**, the CAC has offered to provide professional economic development management and administrative support services to the CAIDA and the CACRC, and,

**WHEREAS**, the CAIDA and the CACRC has accepted the offer of the CAC for such professional services.

**NOW, THEREFORE, THE PARTIES HERETO DO MUTUALLY COVENANT AND AGREE AS FOLLOWS:**

**ARTICLE 1 -SERVICES TO BE PERFORMED**

The CAC shall perform the professional and administrative support services set forth under Article 2 entitled “SCOPE OF PROFESSIONAL SERVICES” during the period commencing on January 1, 2018 and continuing until December 31, 2018. In the performance and acceptance of the services herein, the parties understand, acknowledge and agree that the CAC is assuming no managerial role, nor undertaking any oversight responsibilities with

regard to the powers and duties of the CAIDA or the CACRC or the actions or non-actions of its Board of Directors. Nothing in this agreement should be construed to transfer governance, oversight or fiduciary responsibilities from the CAIDA or the CACRC to CAC.

## **ARTICLE 2 - SCOPE OF PROFESSIONAL SERVICES**

During the period of this agreement, the CAC agrees to provide staffing, office equipment, utilities, phone and computer networking to perform the administrative, managerial, accounting, marketing, compliance, and project development functions of the CAIDA and the CACRC. Additionally, CAC will provide support to assist the Chief Executive Officer and Chief Financial Officer of the CAIDA and the CACRC in the execution of their CAIDA and CACRC duties. CAC shall be responsible for the services described on Schedule A attached.

## **ARTICLE 3 - PROFESSIONAL SERVICES FEE**

In consideration of the terms and conditions of this agreement, the AIDA agrees to pay and the CAC agrees to accept, as full compensation for all services rendered under this agreement an amount not to exceed \$348,582. The CAC shall provide professional staff time towards fulfillment of this agreement, including all administrative clerical, secretarial, accounting, compliance, and information technology support as required.

## **ARTICLE 4 - METHOD OF PAYMENT**

The CAIDA will pay CAC its professional services fee referenced under Article 3 of this agreement in twelve (12) monthly installments due and payable no later than the fifteenth day of each month.

## **ARTICLE 5 - TERMINATION**

This agreement may be terminated at any time by any party for cause upon thirty (30) days written notice. In the event of termination, CAC shall be

entitled to compensation for all work performed pursuant to this agreement to the date of termination.

#### **ARTICLE 6 – MUTUAL INDEMNIFICATION**

a. CAC shall defend, indemnify and hold harmless CAIDA and CACRC and their agents and employees from and against claims, damages, losses and expenses, including, but not limited to reasonable attorneys' fees, arising out of or resulting from the negligence or willful misconduct of CAC in CAC's performance of the tasks detailed in this Agreement, except if such claims, damages, losses or expenses are caused by CAIDA's and/or CACRC's negligence or willful misconduct.

b. CAIDA shall defend, indemnify and hold harmless CAC and CACRC and their agents and employees from and against claims, damages, losses and expenses, including, but not limited to reasonable attorneys' fees, arising out of or resulting from the negligence or willful misconduct of CAIDA in CAIDA's performance of the tasks detailed in this Grant Agreement, except if such claims, damages, losses or expenses are caused by CAC's and/or CACRC's negligence or willful misconduct.

c. CACRC shall defend, indemnify and hold harmless CAIDA and CAC and their agents and employees from and against claims, damages, losses and expenses, including, but not limited to reasonable attorneys' fees, arising out of or resulting from the negligence or willful misconduct of CACRC in CACRC's performance of the tasks detailed in this Grant Agreement, except if such claims, damages, losses or expenses are caused by CAIDA's and/or CAC's negligence or willful misconduct.

#### **ARTICLE 7 - EQUAL EMPLOYMENT OPPORTUNITY**

CAC shall comply with all Federal, State, and Local equal employment opportunity laws, rules, and regulations relating, to all matters contained in this agreement.

**ARTICLE 8 - ACCOUNTING RECORDS**

Proper and full accounting records, including time sheets, shall be maintained by CAC for all services provided pursuant to this agreement. All applicable records shall be available for inspection or audit by the CAIDA if required.

**IN WITNESS WHEREOF**, the parties hereto have caused this agreement to be executed the day and year first above written.

**City of Albany Industrial Development Agency**

By: \_\_\_\_\_  
Chairman

**City of Albany Capital Resource Corporation**

By: \_\_\_\_\_  
Chairman

**Capitalize Albany Corporation**

By: \_\_\_\_\_  
Chairman

## **SCHEDULE A**

### **DESCRIPTION OF SERVICES**

#### A. City of Albany Industrial Development Agency:

1. Implementation, execution and compliance with the CAIDA Policy Manual that was adopted at the June 2016 AIDA Meeting.
2. Provide for the deposit and investment of the funds of CAIDA in accordance with Part 4 of the CAIDA Policy Manual.
3. Provide for the preparation of reports of the deposit and investment of the funds of CAIDA in accordance with Part 4 of the CAIDA Policy Manual.
4. Ensure that procurement of goods or services by CAIDA complies with Part 5 of the CAIDA Policy Manual.
5. Prepare an annual budget of CAIDA and the filing of such budget in accordance with Part 6 of the CAIDA Policy Manual.
6. Monitor the activities of Bond Counsel to CAIDA to ensure compliance with Part 7 of the AIDA Policy Manual.
7. Provide for the preparation of financial statements and reports of CAIDA and the filing of such materials with appropriate State offices in accordance with Part 8 of the CAIDA Policy Manual.
8. Provide for compliance with the provisions of Part 9 of the CAIDA Policy Manual.
9. Report on questions involving potential conflicts of interest under Part 10 of the CAIDA Policy Manual.
10. Provide for distribution of materials in accordance with Part 11 of the CAIDA Policy Manual.
11. Consult with CAIDA agency counsel regarding membership and proper appointment of members of CAIDA pursuant to Part 12 of the CAIDA Policy Manual.
12. Act as Records Access Officer with regard to any requests for information under the Freedom of Information Act in accordance with Part 13 of the CAIDA Policy Manual.
13. Consult with Agency Counsel to CAIDA regarding proper notice of CAIDA meetings under Part 14 of the AIDA Policy Manual.

14. Prepare, organize, and distribute minutes of each CAIDA meeting in accordance with Part 14 of the CAIDA Policy Manual.
15. Coordinate the scheduling and noticing of public hearings and the delivery of notification letters in accordance with Part 15 of the CAIDA Policy Manual.
16. Organize and maintain files relating to SEQRA compliance in accordance with Part 17 of the CAIDA Policy Manual.
17. Monitor and maintain files regarding the Uniform Tax Exemption Policy of CAIDA, including ensuring that any filings required under Part 18 of the CAIDA Policy Manual are made.
18. Provide for the preparation and distribution of Applications by applicants in accordance with Part 19 of the CAIDA Policy Manual.
19. Monitor and provide for the volume cap of CAIDA in accordance with Part 20 of the CAIDA Policy Manual.
20. Monitor and maintain files regarding the collection of administrative fees of CAIDA under Part 21 of the CAIDA Policy Manual.
21. Monitor compliance with Agency requirements relating to the exemptions from certain sales and use taxes, real property taxes, real property transfer taxes, mortgage recording taxes, job creation, job retention and job reporting in accordance with Part 22 of the CAIDA Policy Manual.
22. Provide guidance in connection with any proposed assignment of an existing PILOT agreement in accordance with Part 23 of the CAIDA Policy Manual.
23. Ensure that applicants are utilizing local labor in accordance with Part 24 of the CAIDA Policy Manual.
24. Monitor project applicants to ensure that the applicant is not subject to recapturing of benefits in accordance with Part 25 of the CAIDA manual.
25. Follows the media relations policy in accordance with Part 26 of the CAIDA manual.
26. Provide uniform criteria for the evaluation of projects in accordance with Part 27 of the CAIDA manual.
27. Review, organize, monitor and maintain policies and files relating to the requirements imposed on the CAIDA relating to the Public Authorities Accountability Act ("PAAA") and the Public Authorities Reform Act ("PARA"), including, but not limited to, working with CAIDA Agency Counsel and CAIDA Bond Counsel with respect to such policies.



B. City of Albany Capital Resource Corporation:

CAC will provide services similar to those described in Section A. above to CACRC.

City of Albany  
**Industrial Development Agency**

**21 Lodge Street  
Albany, New York 12207  
(p): 518.434.2532  
(f): 518.434.9846**

*Tracy Metzger, Chair  
Susan Pedo, Vice Chair  
Darius Shahinfar, Treasurer  
Lee Eck, Assistant Secretary  
Robert Schofield  
Dominick Calsolaro*

*Sarah Reginelli, Chief Executive Officer  
Mark Opalka, Chief Financial Officer  
William Kelly, Agency Counsel*

## **CAIDA Finance Committee 2017 Self Evaluation**

### **1. Meetings**

- During 2017, the Finance Committee met a minimum of ten (10) times (the charter requires the Committee to meet a minimum of 2 times per year, plus any additional meetings as needed).
- All meetings were properly noticed and open to the public as required, and all agendas, meeting materials and minutes were made available to the public in advance of each meeting on the Agency's website.
- Meeting materials were provided to board members in advance of each meeting.
- Minutes of each meeting were regularly prepared, distributed to board members and posted on the Agency's website.

### **2. 2017 Summary of Activities**

The following is a summary of the Finance Committee's activities and recommendations to the Board of Directors regarding Agency operations during 2017.

Actions taken:

- Reviewed and made recommendations, as necessary, to update the Finance Committee charter.
- Reviewed the Agency's investment and procurement policies.
- Reviewed and recommended to the Board the Agency's annual budget, including major proposed transactions.
- Reviewed quarterly financial reports.
- Reviewed the annual investment report of the Agency.
- Reviewed the Agency's financing guidelines.
- Met with and requested information from Agency staff, independent auditors and advisors or outside counsel, as necessary, to perform the duties of the Committee.
- Made recommendations concerning the appointment and compensation of bond and Agency counsel.
- Conducted a self-evaluation of Committee performance.
- Reported annually to the Agency's board about how it has discharged its duties and met its responsibilities.

Other Activities:

- Vetted project applications for financial assistance.
- Reviewed project financial information and recommended level of financial assistance to applicants.
- Reviewed and approved modifications to closing documents.
- Reviewed the annual property report of the Agency.
- Supported and provided input for strategic planning for the Agency.

**3. Compliance**

- During 2017, the Committee complied with NYS ABO and PAAA requirements.
- The Committee complied with its functions as regards to Board reporting and regulatory compliance.

## **MEMO**

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

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

**RE:** Financing Guidelines

**DATE:** December 8, 2017

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Pursuant to the Finance Committee Charter it is a requirement and best practice that the Committee review the Agency's financing guidelines annually.

## SCHEDULE L

### STATEMENT OF INTENT AND FINANCING GUIDELINES REGARDING DEBT

The City of Albany Industrial Development Agency (the “Agency”) is committed to supporting projects in the City of Albany, New York that create and/or retain jobs and/or promote private sector investment. It is the general policy of the Agency to support projects that it is permitted to support under applicable NYS law, through the issuance of debt, that meet the job and investment criteria of the preceding sentence after a comprehensive review of the applicable financing application and a finding that the project will provide a substantial benefit to the residents of the City of Albany.

Debt issued by the Agency is issued for the benefit of a conduit borrower and is a special obligation of the Agency, payable solely from the credit of the conduit borrower or revenues derived from the project for which the debt was issued. Regarding debt issued by the Agency to benefit conduit borrowers and which constitute special obligations of the Agency (i.e., limited obligations payable solely from the revenues derived from the project for which the debt was issued), the Agency shall permit the issuance of such debt, subject to the requirements of federal and state law.

Any debt to be issued by the Agency to finance the actions and operations of the Agency and that will be general obligations of the Agency will be subject to financing guidelines established and adopted by the Finance Committee at that time.

In any case, debt issued by the Agency shall not be an obligation of the City of Albany, New York or the State of New York.