

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, *Secretary*
Dominick Calsolaro
Robert Schofield
Jahkeen Hoke

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

To: Tracy Metzger
Darius Shahinfar
Susan Pedo
Robert Schofield
Lee Eck
Dominick Calsolaro
Jahkeen Hoke

Sarah Reginelli
William Kelly
Joe Scott
Mark Opalka
Joe Landy
Andy Corcione
Alison Matthews

Date: June 15, 2018

IDA REGULAR MEETING AGENDA

A Regular Meeting of the City of Albany Industrial Development Agency Board of Directors will be held on **Thursday, June 21st at 12:15 PM** at 21 Lodge Street, Albany, NY 12207 (Large Conf. Room)

Roll Call

Reading of Minutes of the Board Meeting of May 17, 2018

Approval of Minutes of the Board Meeting of May 17, 2018

Report of Chief Financial Officer

A. Financial Report

Unfinished Business

- A. Albany Mid-Town Hotel, LLC
- PILOT Deviation Approving Resolution

New Business

- A. West Mall Office Center, LLC
- Public Hearing Resolution

Other Business

- A. NYS Comptroller Audit – Update
B. Liberty Park Update

Adjournment

The next regularly scheduled Board Meeting will be held **Thursday, July 19, 2018** at 21 Lodge Street, Albany, NY. Please check the website www.albanyida.com for updated meeting information.

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IDA MINUTES OF REGULAR MEETING Thursday, May 17, 2018

Attending: Tracy Metzger, Dominick Calsolaro, Jahkeen Hoke, Robert Schofield, and Darius Shahinfar

Absent: Susan Pedo and Lee Eck

Also Present: Sarah Reginelli, Marissa Franchini, Mark Opalka, Joe Landy, Andy Corcione, Joseph Scott, Ashley Mohl, Mike Bohne and Alie Matthews

Chair Tracy Metzger called the Regular Meeting of the IDA to order at 12:16 p.m.

Roll Call

Chair Tracy Metzger reported that all Board members, with the exception of Susan Pedo and Lee Eck, were present.

Reading of Minutes of the April 19, 2018 Board Meeting

Since the minutes of the April 19, 2018 meeting had been distributed to Board members in advance for review, Chair Tracy Metzger made a proposal to dispense with the reading of the minutes.

Approval of Minutes of the April 19, 2018 Board Meeting

Chair Tracy Metzger made a proposal to approve the minutes of the Board Meeting of April 19, 2018, as presented. A motion to accept the minutes, as presented, was made by Darius Shahinfar and seconded by Dominick Calsolaro. A vote being taken, the minutes were accepted unanimously.

Reports of the Chief Financial Officer

Staff reviewed the monthly financial report that was provided in advance for review.

Unfinished Business

351 Diamond Development, LLC

Staff and the developers from 351 Diamond Development, LLC updated the Board on the current status of the 351 Diamond Development LLC project that was brought before the Board in December 2017. The developers went over any changes that have been made to the project since meeting with the Board last. Staff presented the SEQR Resolution, the Commercial/Retail Findings Resolution and the Approving Resolution to the Board. Robert Schofield stated that although there was no formal “conflict” under NYS Law, he would abstain from all votes related to the project due to his firm having a legal relationship with applicants. Before the vote on the offered motion, Chair Metzger disclosed to the board and for entry into the IDA minutes that her firm has a business relationship with the project applicant as her firm has provided professional services to the project applicant. The Chair noted that her firm does not have an ownership interest in the proposed Project or the project applicant. After

consultation with Agency special counsel and local counsel, counsel determined that there was no formal “conflict” under NYS law. Further, counsel noted that the typical certificates that are delivered at the time of the closing on any IDA project, including certificates specifically addressing any conflicts, would be delivered on this matter. The Chair then stated that even though there is no conflict on this matter that she would abstain on the resolution.

A motion to adopt SEOR Resolution was made by Susan Pedo and seconded by Darius Shahinfar. A vote being taken, the resolution passed. A motion to adopt the Commercial/Retail Findings Resolution was made by Susan Pedo and seconded by Darius Shahinfar. A vote being taken, the resolution passed. A motion to adopt the Approving Resolution was made by Darius Shahinfar and seconded by Dominick Calsolaro. A vote being taken, the resolution passed. Chair Metzger and Robert Schofield abstained from all votes.

New Business

Living Resources Corporation

Staff presented the Resolution Approving Tenant Sublease for Living Resources Corporation. A motion to approve the resolution was made by Darius Shahinfar and seconded by Dominick Calsolaro. A vote being taken, the resolution passed.

Other Business

NYS Comptroller Audit and Liberty Park

There were no further updates regarding the NYS Comptroller Audit and the Liberty Park project.

There being no further business, Chair Tracy Metzger adjourned the meeting at 12:36 p.m.

Respectfully submitted,

Lee Eck, Secretary

City of Albany IDA
2018 Monthly Cash Position
May 2018

	<i>Actual</i>					<i>Projected</i>							<i>YTD Total</i>
	January	February	March	April	May	June	July	August	September	October	November	December	
Beginning Balance	\$ 1,874,123	\$ 2,075,438	\$ 1,990,547	\$ 2,022,036	\$ 2,187,837	\$ 2,328,732	\$ 2,396,769	\$ 2,531,105	\$ 2,553,482	\$ 2,443,743	\$ 2,443,471	\$ 2,414,936	\$ 1,874,123
Revenue													
Fee Revenue													
Application Fee	\$ -	\$ -	\$ -	\$ -	\$ 3,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000
Agency Fee	51,835	-	166,500	-	185,000	365,664	162,890	50,875	-	28,262	-	-	\$ 1,011,026
Administrative Fee	500	-	-	500	-	500	-	-	-	-	-	-	1,500
Modification Fee	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - Fee Revenue	\$ 52,335	\$ -	\$ 166,500	\$ 500	\$ 188,000	\$ 366,164	\$ 162,890	\$ 50,875	\$ -	\$ 28,262	\$ -	\$ -	\$ 1,015,526
Other Revenue													
Project Benefit Agreement	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
9% LIHTC Fee	-	-	-	10,000	-	-	-	-	-	-	-	-	10,000
Interest Income	844	751	800	836	875	966	994	1,050	1,060	1,014	1,014	1,002	11,207
CRC	50,778	-	-	-	-	-	-	-	-	-	-	-	50,778
NYS BIC	-	-	-	-	-	-	-	-	-	-	-	-	-
Misc	-	-	-	188,294	-	-	-	-	-	-	-	-	188,294
Subtotal - Other Revenue	\$ 151,622	\$ 751	\$ 800	\$ 199,131	\$ 875	\$ 966	\$ 994	\$ 1,050	\$ 1,060	\$ 1,014	\$ 1,014	\$ 1,002	\$ 360,279
Total - Revenue	\$ 203,957	\$ 751	\$ 167,300	\$ 199,631	\$ 188,875	\$ 367,130	\$ 163,884	\$ 51,925	\$ 1,060	\$ 29,276	\$ 1,014	\$ 1,002	\$ 1,375,805
Expenditures													
Management Contract	\$ -	\$ 29,049	\$ 58,097	\$ 29,049	\$ 29,049	\$ 29,049	\$ 29,048	\$ 29,049	\$ 29,049	\$ 29,048	\$ 29,049	\$ 29,048	\$ 348,582
Consulting Fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Strategic Activities	-	-	1,000	-	-	-	-	-	-	-	-	-	1,000
Audits	2,500	-	-	4,500	-	-	-	-	-	-	-	-	7,000
Agency Counsel	-	42,000	-	-	-	-	-	-	-	-	-	42,000	84,000
ED Support	-	-	62,500	-	-	62,500	-	-	62,500	-	-	62,500	250,000
Sub-lease AHCC	-	14,593	-	-	17,120	18,750	-	-	18,750	-	-	18,750	87,963
NYS BIC	-	-	-	-	-	-	-	-	-	-	-	-	-
D & O Insurance	-	-	-	-	1,564	-	-	-	-	-	-	-	1,564
Misc.	-	-	-	-	-	188,294	-	-	-	-	-	-	188,294
Legal Expenses	-	-	13,370	-	-	-	-	-	-	-	-	20,000	33,370
Other Expenses	142	-	843	282	247	500	500	500	500	500	500	500	5,014
Total - Expenditures	\$ 2,642	\$ 85,642	\$ 135,811	\$ 33,830	\$ 47,980	\$ 299,093	\$ 29,548	\$ 29,549	\$ 110,799	\$ 29,548	\$ 29,549	\$ 172,798	\$ 1,006,788
Ending Balance	\$ 2,075,438	\$ 1,990,547	\$ 2,022,036	\$ 2,187,837	\$ 2,328,732	\$ 2,396,769	\$ 2,531,105	\$ 2,553,482	\$ 2,443,743	\$ 2,443,471	\$ 2,414,936	\$ 2,243,140	\$ 2,243,140

City of Albany IDA

Fee Detail by Month

May 2018

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>January</i>	Reckde LLC	\$ -	\$ 51,835	\$ -	\$ -	\$ 51,835
	At Hudson Park, LLC	-	-	500	-	500
	TOTAL	\$ -	\$ 51,835	\$ 500	\$ -	\$ 52,335
<i>February</i>		\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>March</i>	960 Broadway, LLC	\$ -	\$ 30,000	\$ -	\$ -	\$ 30,000
	Nipper Apartments, LLC	-	65,000	-	-	65,000
	At Hudson Park	-	71,500	-	-	71,500
		-	-	-	-	-
	TOTAL	\$ -	\$ 166,500	\$ -	\$ -	\$ 166,500
<i>April</i>	67 Howard Street	\$ -	\$ -	\$ 500	\$ -	\$ 500
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ 500	\$ -	\$ 500
<i>May</i>	760 Broadway LLC		\$ 185,000	\$ -	\$ -	\$ 185,000
	Morris Place, LLC	1,500		-	-	1,500
	4 Central Realty, LLC	1,500				
	TOTAL	\$ 3,000	\$ 185,000	\$ -	\$ -	\$ 188,000
<i>June</i>	Home Leasing	\$ -	\$ 358,787	\$ -	\$ -	\$ 358,787
	420 Broadway, LLC		\$ 6,877			
	144 State Street, LLC			500		
	TOTAL	\$ -	\$ 365,664	\$ 500	\$ -	\$ 366,164

City of Albany IDA

Fee Detail by Month

May 2018

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>July</i>	360 Ontario Street, LLC	\$ -	\$ 162,890	\$ -	\$ -	\$ 162,890
	TOTAL	\$ -	\$ 162,890	\$ -	\$ -	\$ 162,890
<i>August</i>	351 Diamond Devopment LLC	\$ -	\$ 50,875	\$ -	\$ -	\$ 50,875
	TOTAL	\$ -	\$ 50,875	\$ -	\$ -	\$ 50,875
<i>September</i>		\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>October</i>	191 North Pearl, LLC	\$ -	\$ 28,262	\$ -	\$ -	\$ 28,262
	TOTAL	\$ -	\$ 28,262	\$ -	\$ -	\$ 28,262
<i>November</i>		\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>December</i>		\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
	2018 TOTAL	\$ 3,000	\$ 1,011,026	\$ 1,500	\$ -	\$ 1,015,526

**PUBLIC HEARING RESOLUTION
WEST MALL OFFICE CENTER LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on June 21, 2018 at 12:15 o’clock p.m., local time.

The meeting was called to order by the (Vice) Chair of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Tracy L. Metzger	Chair
Susan Pedo	Vice Chair
Lee Eck	Secretary
Hon. Darius Shahinfar	Treasurer
Dominick Calsolaro	Member
Jahkeen Hoke	Member
Robert T. Schofield	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Mark Opalka	Chief Financial Officer
Ashley Mohl	Senior Economic Developer II, Capitalize Albany Corporation
Joseph Landy	Senior Economic Developer II, Capitalize Albany Corporation
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Michael Bohne	Communications & Marketing, Capitalize Albany Corporation
Alie Matthews	Executive Assistant, Capitalize Albany Corporation
William G. Kelly, Jr., Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 0618-__

RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF WEST MALL OFFICE CENTER LLC.

WHEREAS, City of Albany Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 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 1974 Laws of New York, as amended, constituting Section 903-a of said 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 and 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 acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, West Mall Office Center LLC, a Delaware limited liability company (the “Company”), has submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in an approximately one (1) acre parcel of land located at 4 Central Avenue in the City of Albany, Albany County, New York (tax map number 65.80-2-24) the “Land”), together with an existing approximately 41,893 square foot building located thereon (the “Facility”), (2) the reconstruction and renovation of the Facility and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (the “Equipment”) (the Land, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company and operated as a multi-use facility including retail space and approximately 36 - one bedroom apartments and any other directly and indirectly related activities and uses; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to Section 859-a of the Act, prior to the Agency providing any “financial assistance” (as defined in the Act) of more than \$100,000 to any project, the Agency, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project; and

WHEREAS, the Agency desires to provide for compliance with the provisions of Section 859-a of the Act with respect to the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby authorizes the Chief Executive Officer of the Agency, after consultation with the members of the Agency and Agency Counsel, (A) to establish the time, date and place for a public hearing of the Agency to hear all persons interested in the Project (the “Public Hearing”); (B) to cause the Public Hearing to be held in a city, town or village where the Project Facility is or is to be located, and to cause notice of such Public Hearing to be given to the public by publishing a notice or notices of such Public Hearing in a newspaper of general circulation available to the residents of the governmental units where the Project Facility is or is to be located, such notice or notices to comply with the requirements of Section 859-a of the Act; (C) to cause notice of the Public Hearing to be given to the chief executive officer of the county and of each city, town, village and school district in which the Project Facility is or is to be located to comply with the requirements of Section 859-a of the Act; (D) to conduct such Public Hearing; (E) to cause a report of the Public Hearing fairly summarizing the views

presented at such Public Hearing (the "Report") to be prepared; and (F) to cause a copy of the Report to be made available to the members of the Agency.

Section 2. The Chair, Vice Chair and/or Chief Executive Officer of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 3. All action taken by the Chief Executive Officer of the Agency in connection with the Public Hearing with respect to the Project prior to the date of this Resolution is hereby ratified and confirmed.

Section 4. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Tracy L. Metzger	VOTING	_____
Susan Pedo	VOTING	_____
Lee Eck	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Jahkeen Hoke	VOTING	_____
Robert T. Schofield	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ALBANY)

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on June 21, 2018 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 21st day of June, 2018.

(Assistant) Secretary

(SEAL)

**PILOT DEVIATION APPROVAL RESOLUTION
ALBANY MID-TOWN HOTEL, LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on June 21, 2018 at 12:15 o’clock p.m., local time.

The meeting was called to order by the (Vice) Chair of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

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Susan Pedo	Vice Chair
Lee Eck	Secretary
Hon. Darius Shahinfar	Treasurer
Dominick Calsolaro	Member
Jahkeen Hoke	Member
Robert T. Schofield	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Mark Opalka	Chief Financial Officer
Ashley Mohl	Senior Economic Developer II, Capitalize Albany Corporation
Joseph Landy	Senior Economic Developer II, Capitalize Albany Corporation
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Michael Bohne	Communications & Marketing, Capitalize Albany Corporation
Alison Matthews	Executive Assistant, Capitalize Albany Corporation
William G. Kelly, Jr., Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 0618-__

RESOLUTION AUTHORIZING A DEVIATION FROM THE AGENCY’S UNIFORM TAX EXEMPTION POLICY IN CONNECTION WITH THE PROPOSED PAYMENT IN LIEU OF TAX AGREEMENT TO BE ENTERED INTO BY THE AGENCY IN CONNECTION WITH THE PROJECT FOR ALBANY MID-TOWN HOTEL, LLC (THE “COMPANY”).

WHEREAS, City of Albany Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 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 1974 Laws of New York, as amended, constituting Section 903-a of said 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 commercial, manufacturing and 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 acquire, construct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Albany Mid-Town Hotel, LLC, a New York limited liability company (the “Company”) has previously completed a project (the “Project”) consisting of the following: (A) (1) the acquisition of an interest in certain real estate containing approximately 2.06 acres located at the intersection of New Scotland Avenue and Holland Avenue in the City of Albany, Albany County, New York (the “Land”); (2) the construction of an approximately 98,000 square foot, seven (7) story building (the “Facility”); and (3) the acquisition and installation thereon and therein of certain machinery and equipment located therein and thereon (the “Equipment”) (the Land, the Facility, and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to constitute a hotel facility to be occupied and operated by Hilton Garden Inn; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, consisting of potential exemptions from certain sales taxes and mortgage recording taxes and real property taxes (the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, in connection with the undertaking of the Project, the Agency and the Company entered into a payment in lieu of tax agreement dated as of November 1, 2006 (the “PILOT Agreement”), which provided for the obligation of the Company to make certain payments in lieu of taxes with respect to the Project Facility; and

WHEREAS, subsequently, a dispute arose between the Company and the City of Albany (the “City”) relating to the PILOT Agreement (the “PILOT Dispute”) and the Company and the City are involved in litigation with respect to such dispute; and

WHEREAS, the Company and the City have since resolved the PILOT Dispute and a Judgement/Order and Stipulation of Settlement dated June 29, 2017 (the “Settlement”) has been issued by the Supreme Court; and

WHEREAS, in order to implement the Settlement, the Agency and the Company must the amend of the PILOT Agreement to provide for the extension of the term of the PILOT Agreement and for a freezing of the assessed value of the Project Facility; and

WHEREAS, the extension of the term of the PILOT Agreement and the freezing of the assessed value of the Project Facility would constitute a deviation from the Agency’s Uniform Tax Exemption Policy; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR

Part 617, as amended (the “Regulations” and collectively with the SEQR Act, “SEQRA”), the Agency must satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the execution and delivery of an amendment to the PILOT Agreement; and

WHEREAS, in connection with the Project, the Company has requested that the Agency deviate from its uniform tax exemption policy with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility, which proposed deviation is outlined in the letter dated June 15, 2018 (the “Pilot Deviation Letter”), a copy of which Pilot Deviation Letter is attached hereto as Exhibit A; and

WHEREAS, pursuant to Section 874(4) of the Act, prior to taking final action on such request for a deviation from the Agency’s uniform tax exemption policy, the Agency must give the chief executive officers of the City and each city, town, village and school district in which the Project Facility is located (collectively, the “Affected Tax Jurisdictions”) written notice of the proposed deviation from the Agency’s uniform tax exemption policy and the reasons therefor prior to the meeting of the Agency at which the members of the Agency shall consider whether to approve such proposed deviation; and

WHEREAS, on June 15, 2018, the Chief Executive Officer of the Agency caused a copy of the Pilot Deviation Letter to be sent to the Affected Tax Jurisdictions to notify the Affected Tax Jurisdictions of the proposed deviation from the Agency’s uniform tax exemption policy in connection with the Project; and

WHEREAS, through the Pilot Deviation Letter, the Chief Executive Officer of the Agency notified the chief executive officers of the Affected Tax Jurisdictions of the proposed deviation from the Agency’s uniform tax exemption policy and further notified said chief executive officers that the members of the Agency would consider whether to approve such proposed deviation at this meeting;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby finds and determines as follows:

(A) Pursuant to SEQRA, the approval of the proposed deviation is not an “Action” under SEQRA and therefore is not subject to SEQRA review by the Agency.

(B) The proposed deviation provides for the implementation of the Settlement agreed to by the City of Albany, Albany County and the City of Albany City School District.

(C) The Agency has considered any and all responses from the Affected Tax Jurisdictions to the Pilot Deviation Letter.

(D) The Agency has reviewed and responded to all written comments received from any Affected Tax Jurisdiction with respect to the proposed deviation.

(E) The Agency has given all representatives from an Affected Tax Jurisdictions in attendance at this meeting the opportunity to address the members of the Agency regarding the proposed deviation.

Section 2. Based upon (A) the findings and determinations in Section 1 above, (B) any comments received at the Public Hearing, (C) input received at this meeting from the Affected Tax Jurisdictions with respect to the proposed deviation, (D) the Agency’s knowledge of the Project, (E) the

recommendations of Agency staff, and (F) such further investigation of the Project and the effect of the proposed deviation as the Agency has deemed appropriate, the Agency hereby determines to deviate from the Agency's uniform tax exemption policy with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility for the reasons set forth in the Pilot Deviation Letter. Based upon the aforementioned, the Agency hereby approves a deviation from the Agency's uniform tax exemption policy, the terms of the approved deviation to be as described in the attached Pilot Deviation Letter.

Section 3. Upon preparation by special counsel to the Agency of a payment in lieu of tax agreement with respect to the Project Facility reflecting the terms of this resolution (the "Payment in Lieu of Tax Agreement") and approval of same by the Chair (or Vice Chair) of the Agency, the Chair (or Vice Chair) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Payment in Lieu of Tax Agreement, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in such form as is approved by the Chair (or Vice Chair), the execution thereof by the Chair (or Vice Chair) to constitute conclusive evidence of such approval.

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Payment in Lieu of Tax Agreement, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Payment in Lieu of Tax Agreement binding upon the Agency.

Section 5. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Tracy L. Metzger	VOTING	_____
Susan Pedo	VOTING	_____
Lee Eck	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Jahkeen Hoke	VOTING	_____
Robert T. Schofield	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ALBANY)

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on June 21, 2018 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this ___ day of June, 2018.

(Assistant) Secretary

(SEAL)

EXHIBIT A
PILOT DEVIATION LETTER

- SEE ATTACHED -

CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY

21 Lodge Street
Albany, New York 12207
Tel: 518-434-2532 ext. 19
Fax: 518-434-9846

June 15, 2018

Hon. Daniel P. McCoy, Albany County Executive
Albany County Office Building
112 State Street, Room 900
Albany, New York 12207

Kaweeda G. Adams, Superintendent
Albany City School District
1 Academy Park
Albany, New York 12207

Hon. Kathy M. Sheehan, Mayor
City of Albany
City Hall
24 Eagle Street, Room 102
Albany, New York 12207

Sue Adler, Board President
Albany City School District
1 Academy Park
Albany, New York 12207

RE: City of Albany Industrial Development Agency
Proposed Deviation from Uniform Tax Exemption Policy
Albany Mid-Town Hotel, LLC Project

Dear Ladies and Gentlemen:

This letter is delivered to you pursuant to Section 874(4)(c) of the General Municipal Law.

In November, 2006, the City of Albany Industrial Development Agency (the "Agency") undertook a certain project (the "Project") on behalf of Albany Mid-Town Hotel, LLC (the "Company"), said Project to consist of the following: (A) (1) the acquisition of an interest in certain real estate containing approximately 2.06 acres located at the intersection of New Scotland Avenue and Holland Avenue in the City of Albany, Albany County, New York (the "Land"); (2) the construction of an approximately 98,000 square foot, seven (7) story building (the "Facility"); and (3) the acquisition and installation thereon and therein of certain machinery and equipment located therein and thereon (the "Equipment") (the Land, the Facility, and the Equipment hereinafter collectively referred to as the "Project Facility"), all of the foregoing to constitute a hotel facility to be occupied and operated by Hilton Garden Inn; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency.

In connection with the undertaking of the Project, the Agency and the Company entered into a payment in lieu of tax agreement dated as of November 1, 2006 (the "PILOT Agreement"), which provided for the obligation of the Company to make certain payments in lieu of taxes with respect to the Project Facility.

We understand that subsequently, a dispute arose between the Company and the City of Albany (the "City") relating to the PILOT Agreement (the "PILOT Dispute") and that the Company and the City became involved in litigation with respect to such dispute. The Company and the City have since

resolved the PILOT Dispute and a Judgement/Order and Stipulation of Settlement dated June 29, 2017 (the "Settlement") has been issued by the Supreme Court. A copy of the Settlement is attached.

In order to implement the Settlement, the Agency and the Company must amend the PILOT Agreement to provide for the extension of the term of the PILOT Agreement and for a freezing of the assessed value of the Project Facility. The Company has requested that the Agency provide for such extension (the "Pilot Request"). We note further that the City, Albany County (the "County") and the City of Albany City School District (the "School District") have approved the terms of the Pilot Request. The extension of the term of the PILOT Agreement and the freezing of the assessed value of the Project Facility would constitute a deviation from the Agency's Uniform Tax Exemption Policy.

The purpose of this letter is to inform you of such Pilot Request and that the Agency is considering whether to grant the Pilot Request and to approve a Proposed Pilot Agreement conforming to the terms of the Pilot Request. The Agency expects to consider the terms of the Proposed Pilot Agreement at its meeting scheduled for June 21, 2018 at 12:15 p.m., local time at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York (the "Meeting"). As described later in this letter, during the meeting on June 21, 2018, the Agency will review the terms of the Pilot Request.

This letter is forwarded to you for purposes of complying with Section 874 of the General Municipal Law of the State of New York, which requires written notice prior to the Agency taking final action with respect to the Proposed Pilot Agreement (if said Proposed Pilot Agreement may deviate from the provisions of the Agency's Policy).

In connection with a typical proposed deviation from the Agency's Policy, the Agency considers a number of factors in considering the proposed deviation. However, in this case, the affected taxing jurisdictions (i.e., the City, the County and the School District) have already approved the Pilot Request and pursuant to the Settlement, the Agency is simply being requested to implement the terms of the Pilot Request. Accordingly, the Agency is sending you this letter solely for purposes of complying with its Policy and applicable law.

The Agency will consider the Proposed Pilot Agreement (and the proposed deviation from the Agency's Uniform Tax Exemption Policy) at the Meeting. The Agency would welcome any written comments that you might have on this proposed deviation from the Agency's Uniform Tax Exemption Policy. In accordance with Section 874(4)(c) of the General Municipal Law, prior to taking final action at the Meeting, the Agency will review and respond to any written comments received from any affected tax jurisdiction with respect to the proposed deviation. The Agency will also allow any representative of any affected tax jurisdiction present at the Meeting to address the Agency regarding the proposed deviation.

If you have any questions or comments regarding the foregoing, please do not hesitate to contact me at the above telephone number.

CITY OF ALBANY INDUSTRIAL DEVELOPMENT
AGENCY

By: s/Sarah Reginelli
Chief Executive Officer