

# 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: Darius Shahinfar      Cc: Robert Schofield      Sarah Reginelli      Date: December 7, 2018  
Lee Eck      Jahkeen Hoke      Mark Opalka  
Susan Pedo      William Kelly  
Tracy Metzger      Joe Scott  
Dominick Calsolaro      Joe Landy  
      Andy Corcione  
      Genevieve Zurowski

PLEASE NOTE THAT A PUBLIC HEARING CONCERNING THE FOLLOWING PROJECT(S) WILL BE HELD  
At 12:00pm on Wednesday, December 12th, 2018 at 21 Lodge St, Albany, NY 12207  
theRep, LLC

## IDA FINANCE COMMITTEE AGENDA

**A meeting of the Finance Committee of the City of Albany Industrial Development Agency will be held on Wednesday, December 12th at 12:15 PM at 21 Lodge Street, Albany, NY 12207 (Large Conference Room).**

### Roll Call

**Reading of Minutes of the Finance Committee Meeting of October 10, 2018**

**Approval of Minutes of the Finance Committee Meeting of October 10, 2018**

### Report of Chief Financial Officer

- None

### Unfinished Business

- A. theRep, LLC
  - Possible positive/negative recommendation for Approving Resolutions

### New Business

- A. FC 705 Broadway, LLC
  - Project Introduction
- B. 2018 Professional Services Agreement
  - Legal Services – General Counsel
  - Legal Services – Bond/Special Counsel
  - Professional Services
  - Contract for Services – Economic Development
  - Contract for Services – CRC
- C. Financing Guideline Review
- D. Finance Committee Self Evaluation

### Other Business

- A. Agency Update

### Adjournment

The next regularly scheduled Finance Committee meeting will be held Wednesday, January 9, 2019 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

Wednesday, November 7, 2018 at 12:15 pm

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

Absent: Susan Pedo

Also Present: Jahkeen Hoke, Bill Kelly, Joseph Scott, Sarah Reginelli, Joseph Landy, Mark Opalka, Genevieve Zurowski, and Mike Bohne

Chair Darius Shahinfar called the Finance Committee meeting of the IDA to order at 12:16 p.m.

### Roll Call

Chair Darius Shahinfar reported that all Committee members, with the exception of Susan Pedo, were present.

### Reading of Minutes of the October 10, 2018 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 10, 2018 Finance Committee Meeting

Chair Darius Shahinfar made a proposal to approve the minutes of the Finance Committee meeting of October 10, 2018. A motion to accept the minutes was made by Tracy Metzger, seconded by Lee Eck. The Members voted unanimously in favor and the motion carried.

### Report of Chief Financial Officer

None.

### Unfinished Business

#### The Loughlin Dawn

Staff reviewed the Loughlin Dawn, LLC project with the Committee. Staff provided a thorough overview of the potential construction of 252 residential apartment units in seven buildings on five tax parcels totaling 6.49 acres of land. The Committee discussed various aspects of the planned project, including the implications and appropriateness of the requested phased PILOT scenario for the project. The Committee discussed the additional analysis of the appropriateness of the requested abatement that has been completed by Camoin Associates. The Committee discussed the project after Staff provided a summary of the requested abatement, a summary of the potential benefit to local taxing jurisdictions, the draft Uniform Criteria summarizing the project benefit agreement, and the economic impact analysis. This project will create approximately seven full-time jobs.

A motion to move the Loughlin Dawn, LLC project to the full Board with a positive recommendation for Approving Resolutions was made by Tracy Metzger, and seconded by Lee Eck. A vote being taken, the resolution passed unanimously.

**New Business**

4-6 Sheridan of Albany, LLC

Representatives from 4-6 Sheridan of Albany, LLC were present and outlined their request for an Assignment of the PILOT Agreement. The applicant original project was the rehabilitation of a five story, 21,000 sq.ft. commercial building into a mixed-use structure. Staff reviewed with the Committee the formal application that had been prior submitted. Staff discussed that 2019 will begin year eighth year of the initial fifteen year PILOT with 100% abatement on the increased assessment value for the years 2019, 2020, and 2021. The abatement on the increased assessment value decreases for the remaining five years at 16.66% per year, at which time full assessment will be paid in 2027 and every year thereafter. The Committee discussed various aspects of the request including the project proforma and the “reasonableness” of the potential assignment. A motion to move the 4-6 Sheridan of Albany, LLC project with a positive recommendation for assignment to the full Board was made by Dominick Calsolaro and seconded by Lee Eck. A vote being taken, the resolution passed unanimously.

theRep, LLC

Staff reviewed theRep, LLC project with the Committee. The project will renovate a vacant structure at 251 North Pearl Street in Albany into a 300-seat theatre. When completed, this project will relocate existing jobs to the new location as well as create six new jobs at the project location. The project includes the use of Historic Tax Credits, requiring the tax-exempt entity to maintain the property in a private LLC for a compliance period. The request will allow the tax exempt entity to preserve the tax exempt status of the property during the initial years of financing the project. A motion to move the theRep, LLC project with a positive recommendation for aPublic Hearing Resolution made by Tracy Metzger and seconded by Lee Eck. A vote being taken, the resolution passed unanimously.

**Other Business**

Agency Update

None.

There being no further business, Chair Darius Shahinfar adjourned the meeting at 12:57 PM.

Respectfully submitted,

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Lee Eck, Assistant Secretary

**TO:** City of Albany Industrial Development Finance Committee  
**FROM:** City of Albany Industrial Development Agency Staff  
**RE:** theRep, LLC - IDA Application Summary  
**DATE:** December 7, 2018

**Applicant:** theRep, LLC  
**Managing Members (% of Ownership):** Capital Repertory Company (100%).  
**Project Location:** 251 North Pearl Street, Albany, NY

**Project Description:** Capital Repertory Company, by and through its for-profit subsidiary, theREP, LLC, will renovate a vacant structure at 251 North Pearl Street in Albany into a 300-seat theatre, equipped with a box office, café, 70-seat black box theatre, costume shop and administrative offices. Currently, the organization operates out of a distressed building at 111 North Pearl Street. When completed, this project will relocate those existing jobs to the new location as well as create six new jobs at the project location. Due to the requirements of historic tax credits (“HTCs”) which the Project may be eligible for, the entity owning the Project Site must be a for-profit entity. In the absence of such a requirement, the Project Site would otherwise be owned by Capital Repertory Company, which is a not-for-profit entity, and would be exempt from real property taxes under RPTL 420-a. Based on conversations with the City of Albany Assessor, it is anticipated the assessed value of this property will increase from \$273,200 to \$2,500,000.

**Estimated Project Real Property Benefit Summary (Seven Years):**

	Status Quo Taxes (no project) Homestead Rate	Project Impact (PILOT Payments)	Net Benefit
Revenue Gain to Taxing Jurisdictions	\$0	\$0	\$0

	Current Value	Anticipated Future Value*	Net Increase
Property Value Increase	\$273,200	\$2,500,000	\$2,226,800

*\*Project Impact Assessed Value based on conversations with the City of Albany Assessor*

**Estimated Investment:** \$9,504,458 (est)

**Community Benefits:** Please see the attached CAIDA Project Evaluation and Assistance Framework Staff Analysis for more detail on the Community Benefits metrics below.

- *Revitalization:* The project is located in a Targeted Geography within the City, notably Downtown and in a high vacancy census tract.
- *Job Creation:* The project is committing to the creation of six permanent, 25 retained, and 69 construction jobs.

- *Investment:* The project is anticipating a project cost of more than \$9 million.

**Employment Impact:**

- Projected Permanent: 6 jobs
- Projected Retained: 25 jobs
- Projected Construction: 69 jobs

**Type of Financing:** Straight Lease

**Amount of Bonds Requested:** None

**Estimated Total Purchases Exempt from Sales Tax:** \$3,125,000

**Estimated Total Mortgage Amount:** not to exceed \$8,500,000

**Requested PILOT:** The proposal entails the Applicant entering into a seven year PILOT agreement .

**Estimated Value of Tax Exemptions:**

- NYS Sales and Compensating Use Tax: \$250,000
- Mortgage Recording Taxes: \$85,000
- Real Property Taxes: \$894,663
- Other: N/A

**Baseline Requirements:**

- Application: Complete
- Meets NYS/CAIDA Requirements: Yes
- Albany 2030 Alignment:
  - Increase job opportunities for all residents.
  - Encourage investment in urban land and buildings for employment and housing.
- Planning Approval Status: Underway
- Meets Project Use Definition: Yes
- Meets “But For” Requirement: Yes, affidavit signed.

**Cost Benefit Analysis:** See attached Exhibit A: Description of The Project Evaluation and Expected Public Benefits.

**Estimated IDA Fee**

- Fee amount: \$95,044

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**CAIDA 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.

**EXHIBIT A**

**DESCRIPTION OF THE PROJECT EVALUATION AND EXPECTED PUBLIC BENEFITS**

theRep, LLC PROJECT

Pursuant to the City of Albany Industrial Development Agency’s (the “Agency”) Uniform Criteria for the Evaluation of Projects Policy, the following general uniform criteria were utilized by the “Agency” to evaluate and select the project for which the Agency can provide financial assistance. In the discussions had between the Project Beneficiary and the Agency with respect to the Project Beneficiary’s request for Financial Assistance from the Agency with respect to the Project, the Project Beneficiary has represented to the Agency that the Project is expected to provide the following benefits to the Agency and/or to the residents of City of Albany, Albany County, New York (the “Public Benefits”):

Description of Evaluation Criteria/Benefit		Applicable to Project (indicate Yes or No)		Criteria Assessment/ Expected Benefit
1.	Retention direct and indirect of existing jobs	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<p>Project will increase the level of activity Downtown, thereby promoting the retention of existing jobs.</p> <p>The Company expects that the Project will result in the retention and creation of employment in the retail, restaurant, entertainment and office operations located in the surrounding area.</p> <p>The project will retain 25 full time equivalent jobs.</p>
2.	Creation of direct and indirect new permanent jobs	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<p>Project will increase the level of activity Downtown, thereby promoting the creation of new permanent jobs.</p> <p>The Project will create six new full time equivalent jobs.</p> <p>The Company expects that the Project will result in the retention and creation of employment in the retail, restaurant, entertainment, service and office operations located in the surrounding area.</p>

3.	Estimated value of tax exemptions	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<p>The exemptions have been weighed against the cumulative benefits of the Project.</p> <p>NYS Sales and Compensating Use Tax Exemption: \$250,000  Mortgage Recording Tax Exemption: \$85,000  Real Property Tax Exemption: \$894,663</p>
4.	Private sector investment	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<p>Project applicant expects to invest over \$9.5 million of private investment in the Project.</p>
5.	Likelihood of Project being accomplished in a timely fashion	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<p>High likelihood that Project will be accomplished in a timely fashion.</p> <p>The Project has received a term sheet and letter of intent for Project Financing.</p> <p>The Applicant closed on the purchase of the property in 2017.</p>
6.	Extent of new revenue provided to local taxing jurisdictions.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<p>Project will not result in new revenue to local taxing jurisdictions under the proposed PILOT program through the City of Albany IDA.</p>
7.	Other:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<p>The Project will redevelop a vacant property.</p> <p>The Project will increase the consumer base to support local businesses and employers.</p> <p>The Project will have a positive revitalizing effect on the community by developing currently vacant parcel in a strategically identified neighborhood location.</p> <p>The Project meets the intent and furthers the implementation of the following City of Albany strategic initiatives: Albany 2030.</p>

**\*\*\*DRAFT - CAIDA Project Evaluation and Assistance Framework Staff Analysis**

Project:	theRep		
Total Score:	11		
*Qualifies for a PILOT Deviation?	YES	**Qualifies for Community Commitment Enhancement?	NO
Total Improved Assessed Value Estimate:	\$2,500,000	Units:	N/A
Notes/Applicable Program Restrictions:		Improved Assessed Value per Unit Estimate:	N/A

**COMMENTS**

<b>Revitalization</b>	<b>Target Geography</b>			
	Distressed Census Tract		Census tract 2 is contiguous to a distressed census tract	
	High Vacancy Census Tract	1	Census tract 2 is a high vacancy census tract	
	Downtown	1	The project is located Downtown	
	BID			
	Neighborhood Plan	1	The project is located within the Clinton Square DRI Plan & The Impact Downtown Strategy	
	<b>Identified Priority</b>			
	Downtown Residential			
	Tax Exempt/Vacant	1	The building is currently vacant	
	Identified Catalyst Site	1	Project site is identified directly in the Clinton Square DRI Plan	
	Historic Preservation	1	The building is listed individually on the National Register of Historic Places	
	Community Catalyst	1	The project strengthens cultural assets and workforce development efforts in Cliton Square	
	<b>Identified Growth Area</b>			
	Manufacturing / Distribution			
	Technology			
Hospitality				
Existing Cluster				
Conversion to Residential				
<i>Subtotal</i>	<b>7</b>			
<b>Job Creation</b>	<b>Permanent Jobs</b>			
	3 - 40	1	The project will create 6 FTE permanent jobs	
	41-80			
	81 - 120			
	121-180			
	>180			
	<b>Retained Jobs</b>			
	3 - 40	1	The project will retain 25 FTE permanent jobs	
	41-80			
	81 - 120			
	121-180			
	>180			
	<b>Construction Jobs</b>			
	6 - 80	1	project will create 69 construction jobs	
	81 - 160			
161 - 240				
> 241				
<i>Subtotal</i>	<b>3</b>			
<b>Investment</b>	<b>Financial Commitment</b>			
	2.5M - 10M	1	Total project cost is anticipated to be \$9.5 Million	
	10.1M-17.5M			
	17.6M-25M			
	25.1M-30M			
	<i>Subtotal</i>	<b>1</b>		
	<b>Community Commitment</b>			
	MWBE		Developer intends for at least 30% of the value of awarded construction of the proposed project will be performed by minority or woman-owned operators pursuant to requirements State Funding Awards	
	EEO Workforce Utilization			
	Inclusionary Housing			
	Regional Labor			
	City of Albany Labor			
	Apprenticeship Program		The project has a PLA and the developer intends that at least 50% of contractors/subcontractors will maintain a State certified apprenticeship program	
	<i>Subtotal</i>	<b>0</b>	<b>**Must achieve subtotal of 3 and threshold of 13 to qualify for Community Commitment enhancement</b>	
	<b>Total:</b>	<b>11</b>	<b>*Must achieve threshold of 10 to qualify for deviation</b>	

<b>Baseline Requirements</b>	Complete Application	1	
	Meets NYS/CAIDA Requirements	1	
	Albany 2030 Aligned	1	
	Planning Approval	1	
	Meet "Project Use" definition	1	
	"But For" Requirement	1	
<b>Total:</b>	<b>6</b>		

\*\*\*This analysis is prepared by staff for Board discussion purposes only. The potential scoring represented has not been vetted, agreed upon or in any way approved by the CAIDA Board of Directors



## theRep, LLC: PILOT Analysis

Calendar Year	Project Year	Tax Rate <sup>(2)</sup>	Status Quo		Proposed Project				
			Current Tax		Normal Tax		Requested PILOT		
			Current Assessment <sup>(3)</sup>	Current Tax <sup>(4)</sup>	Improved Assessment <sup>(5)</sup>	Tax w/o PILOT <sup>(6)</sup>	Requested PILOT Payment <sup>(7)</sup>	Abatement Savings <sup>(8)</sup>	% of Abatement on Improved Assessment <sup>(9)</sup>
2019	1	\$48.137166	\$273,200	\$0	\$2,500,000	\$120,343	\$0	\$120,343	100%
2020	2	\$49.099909	\$273,200	\$0	\$2,500,000	\$122,750	\$0	\$122,750	100%
2021	3	\$50.081908	\$273,200	\$0	\$2,500,000	\$125,205	\$0	\$125,205	100%
2022	4	\$51.083546	\$273,200	\$0	\$2,500,000	\$127,709	\$0	\$127,709	100%
2023	5	\$52.105217	\$273,200	\$0	\$2,500,000	\$130,263	\$0	\$130,263	100%
2024	6	\$53.147321	\$273,200	\$0	\$2,500,000	\$132,868	\$0	\$132,868	100%
2025	7	\$54.210267	\$273,200	\$0	\$2,500,000	\$135,526	\$0	\$135,526	100%
2026 <sup>(1)</sup>	8 <sup>(1)</sup>	\$55.294473	\$273,200	\$0	\$2,500,000	\$138,236	\$0	\$138,236	0%
Total				\$0		\$894,663	\$0	\$894,663	

**Notes:**

- (1) Project will most likely revert to non-profit status (End of Proposed PILOT)
- (2) Tax rate of \$48.137166 (does not include BID tax that is still payable under PILOT) in 2018 w/ estimated escalation of 2% thereafter
- (3) 2018 assessment as per City of Albany tax roll
- (4) Based on current tax exempt status
- (5) Improved assessment as per conversation with City of Albany Assessor
- (6) Improved assessment divided by 1,000 multiplied by appropriate tax rate
- (7) PILOT deviation requested - Seven years of 100% abatement
- (8) Difference of Requested PILOT Payment vs Real Property Taxes without a PILOT (if taxed)
- (9) Percent abatement on total assessment via PILOT requested by Applicant

WHITEMAN  
OSTERMAN  
& HANNA LLP

Attorneys at Law  
*www.woh.com*

Daniel T. Hubbell  
Associate  
518.487.7692 phone  
*dhubbell@woh.com*

One Commerce Plaza  
Albany, New York 12260  
518.487.7600 phone  
518.487.7777 fax

November 2, 2018

***VIA FIRST CLASS U.S. MAIL  
& ELECTRONIC MAIL***

City of Albany Industrial Development Agency  
c/o Department of Economic Development  
21 Lodge Street  
Albany, New York 12207  
Attn: Tracy Metzger, Chairperson

***Re: Capital Repertory Company – City of Albany IDA Application***

Dear Ms. Metzger:

As you know, this Firm represents the Capital Repertory Company and its related entity, the REP, LLC (collectively, the “Company”), relative to the enclosed IDA Application (the “Application”) submitted herewith to the City of Albany Industrial Development Agency (the “IDA”).

To provide some context, the subject of the Application is the first phase of a potentially four (4) phase project designed to redevelop a significant portion of the neighborhood in and around North Pearl Street, Livingston Avenue, Broadway and Colonie Street (the “Larger Project”). The first phase of the Larger Project, which is the subject of the Application, consists of the renovation of the vacant structure located at 251 North Pearl Street (SBL No. 65.75-2-25) (the “Project Site”) into a 300-seat theatre, equipped with a box office, café, 70-seat black box theatre, costume shop and administrative offices (the “Project”). Importantly, the Project is being developed in conjunction with the Albany Housing Authority (“AHA”) as a community resource for residents of the neighboring Ida Yarbrough Apartments.

The second phase is intended to consist of the redevelopment of a 1.5-acre vacant portion of 329 North Pearl Street (SBL No. 65.75-1-1) into a flat lot for patron parking. The third phase contemplates the renovation of the structure located at 275 North Pearl Street (SBL No. 65.75-2-27) into an outdoor performance venue and historic site. The fourth element being pursued is the redevelopment of a vacant parcel located at the corner of Livingston Avenue and Broadway (SBL Nos. 65.75-2-18 and 65.75-2-19) into a mixed-use property consisting of housing for

theatre artists and ground-floor commercial space. The Company holds fee title to the Project Site, as well as those lots comprising the fourth phase of the Larger Project. The Company is currently negotiating a ground lease for the lot comprising the second phase and a purchase agreement for the lot comprising the third phase.

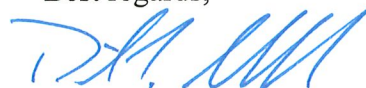
The Company anticipates applying for assistance from the IDA for all phases of the Larger Project. However, only the first phase of the Larger Project is the subject of the enclosed Application. Later phases of the Larger Project will be subject to new Applications for assistance as the Company obtains site control or finalizes its plans for such portions of the Larger Project.

As part of the assistance requested from the IDA, the Company is seeking a Payment in Lieu of Tax Agreement ("PILOT Agreement") for the Project Site. Due to the requirements of the historic and new market tax credits which the Project may be eligible for, the entity owning the Project Site must be a for-profit entity. In the absence of such a requirement, the Project Site would otherwise be owned by Capital Repertory Company, which is a not-for-profit entity, and would be exempt from real property taxes under RPTL 420-a. Given these circumstances, the Company is requesting a seven (7) year PILOT Agreement in which the Project Site would be fully exempt from real property taxes and no payments in lieu of taxes would be due. Additionally, given the not-for-profit status of Capital Repertory Company and the public benefits of the Project which will provide significant arts and education benefits to not only the City of Albany community at large, but also job training, employment, retail services and community service benefits to AHA residents, the Company is requesting a reduction in IDA fees for the transactions contemplated by the Application, as well as sales tax and mortgage recording tax exemptions.

Presently, the Company anticipates financing the Project through a mix of State grants and forgivable loans, historic tax credits, and private institutional lending. However, the Company is open to a discussion with the IDA regarding tax-exempt bond financing for the Project and whether such bonds should be issued upon the closing of each phase of the Larger Project or once all phases of the Larger Project are complete. Accordingly, the Company may include tax-exempt bond financing as part of the assistance requested from the IDA in a separate application to the City of Albany Capital Resource Corporation.

We appreciate your time and consideration and hope this letter is helpful in allowing this exciting Project to commence expediently. We are available to discuss this further at your convenience.

Best regards,



Daniel T. Hubbell

cc: Philip Morris (via email)  
A. Joseph Scott, III, Esq. (via email)

**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: Capital Repertory Company; theREP, LLC

APPLICANT'S ADDRESS: 432 State Street

CITY: Schenectady STATE: NY ZIP CODE: 12305

PHONE NO.: 518-382-3884 x182 FAX NO.: \_\_\_\_\_ E-MAIL: [jknudsen@proctors.org](mailto:jknudsen@proctors.org)

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

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

NAME OF ATTORNEY: Robert Gach - Whiteman, Osterman, Hanna, LLP

ATTORNEY'S ADDRESS: One Commerce Plaza – 19<sup>th</sup> Floor, 90 Washington Ave

CITY: Albany STATE: NY ZIP CODE: 12260

PHONE NO.: 518-487-7600 FAX NO.: \_\_\_\_\_ E-MAIL: [rgach@woh.org](mailto:rgach@woh.org)

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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: Capital Repertory Company; theREP LLC

Contact Person: Justin Knudsen, Grant Writer

Phone Number: 518-382-3884 x182

Occupant: theREP LLC

Project Location (include Tax Map ID): 251-255 N Pearl Street (65.75-2-25)

Approximate Size of Project Site: .23 acres

Description of Project: Capital Repertory Company, by and through its for-profit subsidiary, theREP, LLC, will renovate a vacant structure at 251 North Pearl Street in Albany into a 300-seat theatre, equipped with a box office, café, 70-seat black box theatre, costume shop and administrative offices. Currently, the organization operates out of a distressed building at 111 North Pearl Street. When completed, this project will relocate those existing jobs to the new location as well as create 6 new jobs at the project location. Due to the requirements of historic tax credits ("HTCs") which the Project may be eligible for, the entity owning the Project Site must be a for-profit entity. In the absence of such a requirement, the Project Site would otherwise be owned by Capital Repertory Company, which is a not-for-profit entity, and would be exempt from real property taxes under RPTL 420-a.

Type of Project:	<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Warehouse/Distribution
	<input type="checkbox"/> Commercial	<input checked="" type="checkbox"/> Not-For-Profit
	<input type="checkbox"/> Other-Specify	

Employment Impact: Existing Jobs: 7 FT, 11 PT, 20 seasonal (25 FTE)

New Jobs: 6

Project Cost: \$9,504,458

Type of Financing:	<input checked="" type="checkbox"/> Tax-Exempt	<input type="checkbox"/> Taxable	<input checked="" type="checkbox"/> Straight Lease
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Amount of Bonds Requested:

Estimated Value of Tax-Exemptions:

N.Y.S. Sales and Compensating Use Tax:	\$250,000
Mortgage Recording Taxes:	\$85,000
Real Property Tax Exemptions:	\$894,663
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:	6
Estimate of Jobs to be Retained:	25FTE



Average Estimated Annual Salary of Jobs to be Created:	\$29,000
Annualized Salary Range of Jobs to be Created:	\$25,000 - \$40,000
Estimated Average Annual Salary of Jobs to be Retained:	\$40,000

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

A. Identity of Company:

1. Company Name: theREP LLC

Present Address:

Administration:  
432 State Street, Schenectady, NY 12305

Zip Code: 12305

Employer's ID No.: 82-3743179

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

See organizational chart to document entities and affiliates, attached hereto as Exhibit A. Capital Repertory Company is a 501c3 not-for-profit entity, which is currently the 100% owner of theREP LLC. This ownership structure has been created specifically for the purposes of leveraging anticipated tax credits in support of this project. In the absence of such a requirement, the Project Site would otherwise be owned by Capital Repertory Company, which is a not-for-profit entity, and would be exempt from real property taxes under RPTL 420-a.

3. Indicate type of business organization of Company:

a. Corporation (If so, incorporated in what country? United States  
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. LLC  
Date created? 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:

theREP LLC, the owner of the property, is owned and operated by Capital Repertory Company, a 501c3 corporation and an affiliate of Arts Center and Theatre of Schenectady, Inc. See attached organizational chart at Exhibit A, which details the affiliate

organizations, their ownership structures and tax ID numbers. Due to the requirements of HTCs, which the Project may be eligible for, the entity owning the Project Site must be a for-profit entity. In the absence of such a requirement, the Project Site would otherwise be owned by Capital Repertory Company and would be exempt from real property taxes under RPTL 420-a.

B. Management of Company:

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

NAME (First, Middle, Last) HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
Philip Christos Morris 47 Schermerhorn Road Schenectady, NY 12305	President	CEO, Proctors and Capital Repertory Theatre

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
Capital Repertory Company	432 State Street Schenectady, NY 12305	100%

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.)

Capital Repertory Company will redevelop 251-255 North Pearl Street, a vacant commercial building, into a new home for Capital Repertory Theatre, the Capital Region's only resident, professional producing theatre and member of the League of Resident Theatres. Renovations include repair of masonry, roof replacement, and interior construction of a 300 seat theatre, 70 seat black box theatre, café/box office with a lobby, as well as administrative offices and an elevator. See project description in Exhibit B-1 and B-2 attached hereto.

B. Location of Proposed Project:

1. Street Address 251-255 North Pearl Street
2. City of Albany
3. Town of
4. Village of
5. County of Albany
6. Tax Map ID(s): Theatre: 65.75-2-25

C. Project Site:

1. Approximate size (in acres or square feet) of Project site: .23 acres  
Is a map, survey, or sketch of the project site attached? Yes X; No \_\_\_\_\_. See Exhibit B-1 and B-2.

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

a. If yes, indicate number and approximate size (in square feet) of each existing building:

One building, approx. 33,000 square feet at 251 N Pearl.

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

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

d. Attach photograph of present buildings.

See attached Exhibit B-1 and B-2.

3. Utilities serving project site:

Water- Municipal:  
Other (describe)

Sewer- Municipal:  
Other (describe)

Electric- Utility:  
Other (describe)

Heat- Utility:  
Other (describe)

4. Present legal owner of project site;

251-255 North Pearl Street is currently owned by theREP, LLC, a subsidiary of Capital Repertory Theatre. Due to the requirements of HTC's, which the Project may be eligible for, the entity owning the Project Site must be a for-profit entity. In the absence of such a requirement, the Project Site would otherwise be owned by Capital Repertory Company, which is a not-for-profit entity, and would be exempt from real property taxes under RPTL 420-a.

a. If the Company owns project site, indicate date of purchase:

September 8, 2017; Purchase price: \$350,000.

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: MU-CU

b. Are there any variances or special permits affecting the site? Yes \_\_\_; No X. If yes, list below and attach copies of all such variances or special permits:

D. Buildings:

1. Does part of the Project consist of a new building or buildings? Yes \_\_\_; No X. If yes, indicate number and size of new buildings:

2. Does part of the Project consist of additions and/or renovations to the existing buildings? Yes X; No \_\_\_. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation:

251 N Pearl St will be renovated into a 300-seat theatre for Capital Repertory Theatre, including lobby, café and box office space as well as a 70-seat black box theatre and administrative offices.

3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed, or expanded:

The primary use will be the regular production and presentation of professional theatre content. This content consists of plays and musicals produced throughout the year as part of an annual season of productions, as well as smaller community and special events including comedy, music and lectures.

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:

Installed equipment consists of special theatrical systems such as lighting, sound and stage rigging systems.

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

Some of the installed lighting and sound equipment will be used, in that it is already owned by Capital Repertory Theatre and in use at the current facility at 111 North Pearl Street.

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

To assist in the production of live theatrical content through the illumination of the stage for dramatic purposes and the reinforcement or reproduction of live or recorded sounds.

F. Project Use:

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

Capital Repertory Theatre produces a year-round season of plays and musicals. theREP is a member of the League of Resident Theatres (LORT) and produces its content under collective bargaining agreements as arranged with the Actors Equity Association and professional theatre craft unions.

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

The principal activities conducted are the presentation of the produced theatrical content, supplemented by the purchase/sales of tickets for these events. The facility will also include food service consisting of a café and lobby area open daily for coffee and light fare.

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:

The project includes a lobby and café area, which will sell tickets to shows as well as serve food and beverages to the general public and to event patrons. This service will also include a CDTA bus ticketing kiosk. With many low-income individuals located at Ida Yarbrough Homes across the street, this project provides a beneficial service and resource to nearby residents, with access to food and beverages, transportation, and cultural events.

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 X; No \_\_\_\_\_. If yes, please explain:

Capital Repertory Company is the 100% owner/operator of the theREP LLC, the entity which own the property. This LLC has been created for the purpose of leveraging possible tax credits as a funding source for the project. In the absence of such a requirement, the Project Site would otherwise be owned by Capital Repertory Company, which is a not-for-profit entity, and would be exempt from real property taxes under RPTL 420-a.

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

theREP annually attracts more than 35,000 visitors to downtown Albany each year. This project would allow the organization to serve an additional 10,000 members of the general public, including theatre enthusiasts from the Berkshires and lower Hudson areas. Project scope will not only ensure the continued operation of the theatre and its events, but also expand the number of events presented as well as increase the technical capacity of the organization. With increased range of lighting, sound and stage rigging, theREP's professional production team will gain a wider and more dynamic palette for its artistic creations.

- 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 X; No \_\_\_\_\_. If yes, please provide detail:

Capital Repertory Theatre is the only resident, professional producing theatre in the Capital Region and will provide locally constructed professional theatre content and a variety of arts and cultural events more than 200 days per year, throughout the year. The Arbor Hill Neighborhood Plan identifies this corridor and area of the neighborhood as lacking in cultural and commercial activities and prioritizes the development of such services.

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

The project is located in Census Tract 36001001100. According to 2010 census data, the poverty rate in this tract is 42.9%, with an unemployment rate of 5.2%. It is an area classified as Highly Distressed and lies within a designated Opportunity Zone. It is also within the boundaries of the City of Albany's Clinton Square Downtown Revitalization Initiative Proposal, and contributes to that plan.

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 construction of a new facility for Capital Repertory Theatre will preserve the jobs of 25 FTE employees of the organization. With a deteriorating current location and specific technical requirements needed for a future space, theREP will be forced to close without this project to relocate its operations.

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 X; No \_\_\_\_\_. If yes, please explain:

The current leased facility used by Capital Repertory Theatre at 111 North Pearl Street has deteriorated to the point where increasing maintenance and operating costs threaten the continued existence of the not-for-profit theatre. After years of attempting to gain ownership of the property, theREP is now forced to leave. Just a few blocks away from the current location, the project site at 251 N Pearl will provide an opportunity for the organization to not only survive, but also to grow both customer and revenue streams to reinvest into its community-based mission and programming.

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 X; No \_\_\_\_\_. If yes, please provide detail:

The current leased facility at 111 North Pearl Street will be vacated by the organization.

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 X; No \_\_\_\_\_. If yes, please provide detail:

Capital Repertory Theatre, as a resident producing theatre organization, requires a facility that meets specific technical standards and requirements in order to develop and produce its theatrical content. There are no other adequate facilities in the region that can accommodate these needs, as the process of producing a resident theatre show requires daily, year-round access to the facility in order to construct, rehearse, and perform approximately 200 shows per year.

- 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 X; No \_\_\_\_\_. If yes, please provide detail:

Without this new facility, theREP would cease to operate. Its patron and subscriber base is primarily located in the Capital Region; relocating to another area would not be feasible. The theatre's economic and artistic model is fundamentally connected to the community in which it is located.

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.

Funding sources for this project include NYS Homes and Community Renewal, Empire State Development, and Restore NY.

Required approvals include city building permits and city planning board approval.

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

NYS Homes and Community Renewal (HCR), as one of the funding sources for the project, will provide technical review of the project to ensure that construction and development conforms to HCR required standards.

Empire State Development does not review the project until completion, upon which time it will evaluate the resulting project against the intended use as described in the grant application that allocated funding for the project.



The City of Albany will evaluate scope of work to ensure that plans conform to relevant building codes and issue required construction permits. As the recipient of Restore NY funding for this project, the city will also evaluate documented cost expenditures in order to disburse Restore NY grant funding to the REP. The City of Albany Planning Board will evaluate the proposed project for conforming to zoning and usage policies. The planning board process is currently underway and the REP anticipates receiving approval for the project.

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:

To-date, the REP has expended \$1,016,000 on the project. These costs include property acquisition, fundraising feasibility analysis, architecture and design, construction management, legal fees, and consulting regarding tax credits. Environmental assessments and studies were conducted during the due diligence phase in acquiring the property, with portions of the environmental abatement scope (guano, asbestos and lead paint removal) now completed, in anticipation of a December 2018 construction start date.

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

March 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 \_\_\_; No X. If yes, please complete the following for each existing or proposed tenant or subtenant:

1. Sublessee name:  
Present Address:

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

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

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

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

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.

Relocated employees appear here as “year one” employees, while new jobs created as a result of this project appear as “year two” employees. Independent contractors, of approximately 70 per year, consist of performers, musicians and theatre artists that are hired for the multi-week productions of the plays and musicals that comprise the REP’s season of shows.

<b>TYPE OF EMPLOYMENT</b>					
<b>Employees of Applicant</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	3	4	0	0	7
First Year Part Time	0	4	6	1	11
First Year Seasonal	0	6	13	1	20
Second Year Full Time	5	5	3	0	13
Second Year Part Time	0	4	6	1	11
Second Year Seasonal	0	6	13	1	20

<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	70	0	0	70
First Year Full Time	0	0	0	0	0
First Year Part Time	0	0	0	0	0
First Year Seasonal	0	70	0	0	70
Second Year Full Time	0	0	0	0	0
Second Year Part Time	0	0	0	0	0
Second Year Seasonal	0	75	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.

RELATED EMPLOYMENT INFORMATION				
	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled
Estimated Salary and Fringe Benefit Averages or Ranges	Salary: \$36,000- \$90,000  Fringe: \$7,500- \$12,000	Salary: \$20,000- \$44,000  Fringe: \$7,500- \$12,000  Hourly: \$10.40 - \$20.00	Salary: \$25,000- \$30,000  Fringe: \$7,500- \$12,000  Hourly: \$25.00 - \$10.40	Hourly: \$10.40
Estimated Number of Employees Residing in the Capital Region Economic Development Region <sup>1</sup>	3	15	13	2

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

Six new jobs will be created over the course of the first year of operations of the REP at the new facility, from March 2020 onward. These jobs will be created as the REP shifts its production, offices and costume shops over to the new location, and as the box office/café ramps up its activities. The project team anticipates that it will take approximately six to ten months for operations to fully ramp up and transition to the new location, with created jobs occurring over the course of that time.

- 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.

(See attached Exhibit C-1 and C-2)

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	\$ 350,000
Buildings	\$ 5,844,708
Machinery and equipment costs	\$ 1,276,000
Utilities, roads and appurtenant costs	\$ _____
Architects and engineering fees	\$ 508,750
Costs of Bond Issue (legal, financial and printing)	\$ _____
Construction loan fees and interest (if applicable)	\$ 150,000
Other (specify)	
Contingency	\$700,000
Soft Costs (construction management, legal fees)	\$ 675,000
_____	\$ _____
<b>TOTAL PROJECT COSTS</b>	<b>\$ 9,504,458</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:

<u>Description of Sources</u>	<u>Amount</u>
Private Sector Financing	\$ 4,750,000
Public Sector	
Federal Programs	\$ _____
State Programs	\$ 4,750,000
Local Programs	\$ _____
Applicant Equity	\$ 4,458
Other (specify, e.g., tax credits)	
_____	\$ _____
_____	\$ _____
_____	\$ _____
<b>TOTAL AMOUNT OF PROJECT FINANCING SOURCES</b>	<b>\$ 9,504,458</b>

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

\$1,016,000 has been expended to date, consisting of property acquisition, feasibility analysis, design costs, construction management and legal fees.

D. Amount of loan requested: \$6,500,000 construction, \$4,750,000 permanent;  
 Maturity requested: 6 years.

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

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

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

Name: Theodore DeConno, Jr. Phone: 518-730-3920

F. The percentage of Project costs to be financed from public sector sources is estimated to equal the following: 47%

- G. The total amount estimated to be borrowed to finance the Project is equal to the following: \$8,500,000 construction; \$4,750,000 permanent.

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:
  - b. Maturity requested:
2. Is the interest on such bonds intended to be exempt from federal income taxation? 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:
  - a. retail food and beverage services: Yes X; No \_\_\_\_
  - b. automobile sales or service: Yes \_\_\_\_; No X
  - c. recreation or entertainment: Yes X; No \_\_\_\_
  - d. golf course: Yes \_\_\_\_; No X
  - e. country club: Yes \_\_\_\_; No X
  - f. massage parlor: Yes \_\_\_\_; No X
  - g. tennis club: Yes \_\_\_\_; No X
  - h. skating facility (including roller skating, skateboard and ice skating): Yes \_\_\_\_; No X
  - i. racquet sports facility (including handball and racquetball court): Yes \_\_\_\_; No X
  - j. hot tub facility: Yes \_\_\_\_; No X
  - k. suntan facility: Yes \_\_\_\_; No X
  - l. racetrack: Yes \_\_\_\_; No X
4. If the answer to any of the above questions contained in question 3 is yes, please furnish details on a separate attachment.

(See attached narrative on project activities in Exhibit B-1)

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?

Approximately \$8,500,000 construction financing and \$4,750,000 permanent financing.

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?

\$3,125,000

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

a.	N.Y.S. Sales and Compensating Use Taxes:	\$250,000
b.	Mortgage Recording Taxes:	\$85,000
c.	Real Property Tax Exemptions:	\$894,663
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.

theREP is seeking historic tax credits to finance a portion of the costs of the project. Due to requirements of these credits, the entity owning the project site must be a for-profit entity. In the absence of such a requirement, the project site would otherwise be owned by Capital Repertory Company, which is a not-for-profit entity, and would be exempt from real property taxes under RPTL 420-a. Given these circumstances, the project contemplates a seven (7) year PILOT Agreement in which the Project Site would be fully exempt from real property taxes and no payments in lieu of taxes would be due. Additionally, given the not-for-profit status of the Applicant and the public benefits of the project which will provide significant arts and education benefits to not only the City of Albany community at large, but also job training, employment, retail services and community services benefits to Albany Housing Authority residents, the project contemplates a reduction in Agency fees for the transactions contemplated by this Application, as well as sales tax and mortgage recording tax exemptions.

6. Does the Project involve a minimum investment of \$25 million dollars, a minimum of fifteen (15) acres, or a full-service hotel? Yes \_\_\_\_; No X. If yes, please provide detail and whether the applicant is seeking a real property tax abatement outside of the Agency's Project Evaluation and Assistance Framework.

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

C. Project Cost/Benefit Information. Complete the attached Cost/Benefit Analysis so that the Agency can perform a cost/benefit analysis of undertaking the Project. Such information should consist of a list and detailed description of the benefits of the Agency undertaking the Project (e.g., number of jobs created, types of jobs created, economic development in the area, community benefits (including community commitment as described in the Agency's Project Evaluation and Assistance Framework), 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: NA.

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.

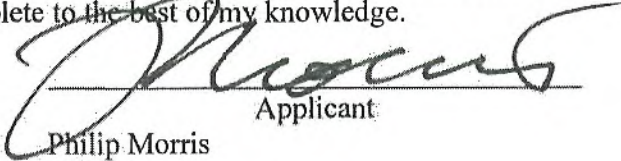
N. Compliance with Federal, State, and Local Laws. The applicant is in substantial compliance with applicable local, state, and federal tax, worker protection, and environmental laws, rules, and regulations.

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.



Applicant

By: Philip Morris  
Title: Chief Executive Officer

-----  
NOTE: APPLICANT MUST ALSO COMPLETE THE APPROPRIATE VERIFICATION APPEARING ON PAGES 27 THROUGH 30 HEREOF BEFORE A NOTARY PUBLIC AND MUST SIGN AND ACKNOWLEDGE THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 31.  
-----



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\_\_.

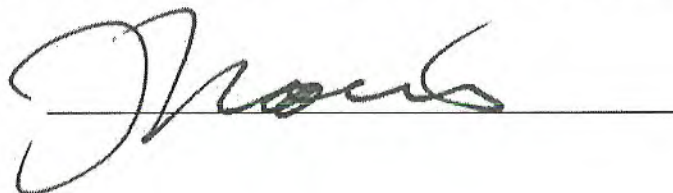
\_\_\_\_\_  
(Notary Public)

VERIFICATION


(If applicant is limited liability company)

STATE OF NEW YORK                    )  
  ) SS.;  
COUNTY OF SCHENECTADY         )

Philip Morris, deposes and says that he is the chief executive officer of Capital Repertory Corporation, the members of the firm of theREP, LLC, 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.



Sworn to before me this  
2<sup>nd</sup> day of November, 2018.

  
(Notary Public)



VERIFICATION

(If applicant is partnership)

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

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

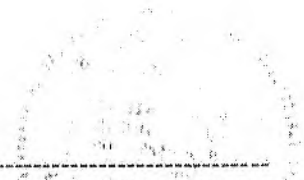
that he is one of the members of the firm of \_\_\_\_\_,  
(Partnership Name)

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 31 IS SIGNED BY THE APPLICANT.

HOLD HARMLESS AGREEMENT

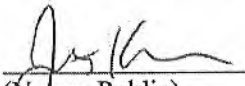
Applicant hereby releases City of Albany Industrial Development Agency and the members, officers, servants, agents and employees thereof (hereinafter collectively referred to as the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless 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)

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



Sworn to before me this  
2nd day of November, 2018.

  
(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"):                                      | theREP LLC  |
| 2. Brief Identification of the Project:  | theREP at Livingston Square   |
| 3. Estimated Amount of Project Benefits Sought:                                  |   |
| A. Amount of Bonds Sought:   | \$4,750,000   |
| B. Value of Sales Tax Exemption Sought   | \$250,000   |
| C. Value of Real Property Tax Exemption Sought                                   | \$894,663   |
| D. Value of Mortgage Recording Tax Exemption Sought                              | \$85,000  |
| 4. Likelihood of accomplishing the Project in a timely fashion (please explain): | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> theREP conducted feasibility analysis to craft capital campaign strategy and is conducting this campaign, which has already achieved 70% of project cost goals. Project drawings are 100% completed and is preparing for bidding and is negotiating construction financing with Pioneer Bank. |

**PROJECTED PROJECT INVESTMENT**

- |   |           |
|---|-----------|
| A. Land-Related Costs                       |           |
| 1. Land acquisition                         | \$350,000 |
| 2. Site preparation                         | 0         |
| 3. Landscaping                              | 0         |
| 4. Utilities and infrastructure development | \$        |
| 5. Access roads and parking development     | 0         |
| 6. Other land-related costs (describe)      | \$        |

B. Building-Related Costs		
1. Acquisition of existing structures		\$
2. Renovation of existing structures		\$3,801,456
3. New construction costs		\$
4. Electrical systems		\$913,252
5. Heating, ventilation and air conditioning		\$1,015,000
6. Plumbing		\$204,000
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) Theatre lighting, sound, curtain and stage rigging systems.		\$1,276,000
D. Furniture and Fixture Costs		
1. Office furniture		\$
2. Office equipment		\$
3. Computers		\$
4. Other furniture-related costs (describe) Box office/café casework, toilet accessories, cabinets		\$286,000
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		\$508,750
2. Accounting/legal		\$150,000
3. Other service-related costs (describe)		\$300,000
Construction Management		
G. Other Costs		
1. Contingency		\$700,000
2. _____		\$ _____

H.	Summary of Expenditures	
1.	Total Land-Related Costs	\$350,000
2.	Total Building-Related Costs	\$5,933,708
3.	Total Machinery and Equipment Costs	\$1,276,000
4.	Total Furniture and Fixture Costs	\$286,000
5.	Total Working Capital Costs	0
6.	Total Professional Service Costs	\$958,750
7.	Total Other Costs	\$700,000

**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	(\$116,875)	\$8,125
2	(\$43,837)	\$81,163
3	(\$51,621)	\$73,379
4	(\$63,087)	\$61,913
5	(\$62,361)	\$62,639

**PROJECTED CONSTRUCTION EMPLOYMENT IMPACT**

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

Year	Number of Construction Jobs	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax
Current Year		\$ _____	\$ _____
Year 1	69	\$4,904,557	\$294,273
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.

7 FT, 11 PT, 20 seasonal (25 FTE)

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.

6

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:

60%

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

Capital Repertory Theatre will recruit workforce from the City of Albany through advertising and outreach to Albany youth service programs, as well as partnering with Albany Housing Authority to create job training and apprenticeship programs to serve AHA residents and low-income residents in the Arbor Hill neighborhood.

**PROJECTED OPERATING IMPACT**

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

NA

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

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

Year	Existing Real Property Taxes (Without IDA involvement) based on not-for-profit ownership	New Pilot Payments (With IDA)	Total (Difference)
Current Year	\$12,654	\$12,654	\$0
Year 1	\$0	\$0	\$0
Year 2	\$0	\$0	\$0
Year 3	\$0	\$0	\$0
Year 4	\$0	\$0	\$0
Year 5	\$0	\$0	\$0
Year 6	\$0	\$0	\$0
Year 7	\$0	\$0	\$0
Year 8	\$	\$	\$
Year 9	\$	\$	\$
Year 10	\$	\$	\$

III. Please indicate which of the below described community commitments (as defined in the Agency's Project Evaluation and Assistance Framework) will be provided as a result of the Project, and please provide a detailed description of such commitments, together with any other economic benefits and community benefits expected to be produced as a result of the Project (attach additional pages as needed for a complete and detailed response):

- MWBE/DBE Participation
- EEO Workforce Utilization
- Inclusionary Housing
- Regional Labor
- City of Albany Labor
- Apprenticeship Program

(See attached Exhibit D)



## 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.

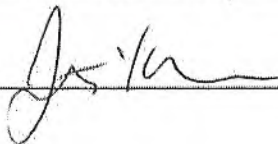
I affirm under penalty of perjury that all statements made on this application are true, accurate and complete to the best of my knowledge.

Date Signed: November 2, 2018

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

Name: Justin Knudsen  
Title: Grant Writer  
Phone Number: 518-382-3884 x182  
Address: 432 Stark St, Schenectady, NY

Signature: \_\_\_\_\_



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
Management of food service workers, culinary and hospitality management, development of menus, ordering and stocking of food items, catering and special event management	1	Salary: \$30,000-\$40,000 Fringe: \$7,500- \$12,000
Management of facilities and maintenance workers, operation of facilities systems, maintenance of facilities and organization of maintenance cycles	1	Salary: \$30,000-\$40,000 Fringe: \$7,500- \$12,000
Management of House activities including usher corps, rental clients, coordination with technical and artistic teams, patron safety, performance venue setups and breakdowns and other theatre operations	1	Salary: \$30,000-\$40,000 Fringe: \$7,500- \$12,000
Preparation of food items, operation of kitchen systems, catering and special event customer service, food counter customer service and sales	2	Salary: \$25,000-\$30,000 Fringe: \$7,500- \$12,000
Box office customer service, operation of ticket vending and management software and systems	1	Salary: \$25,000-\$30,000 Fringe: \$7,500- \$12,000

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

# EXHIBIT A

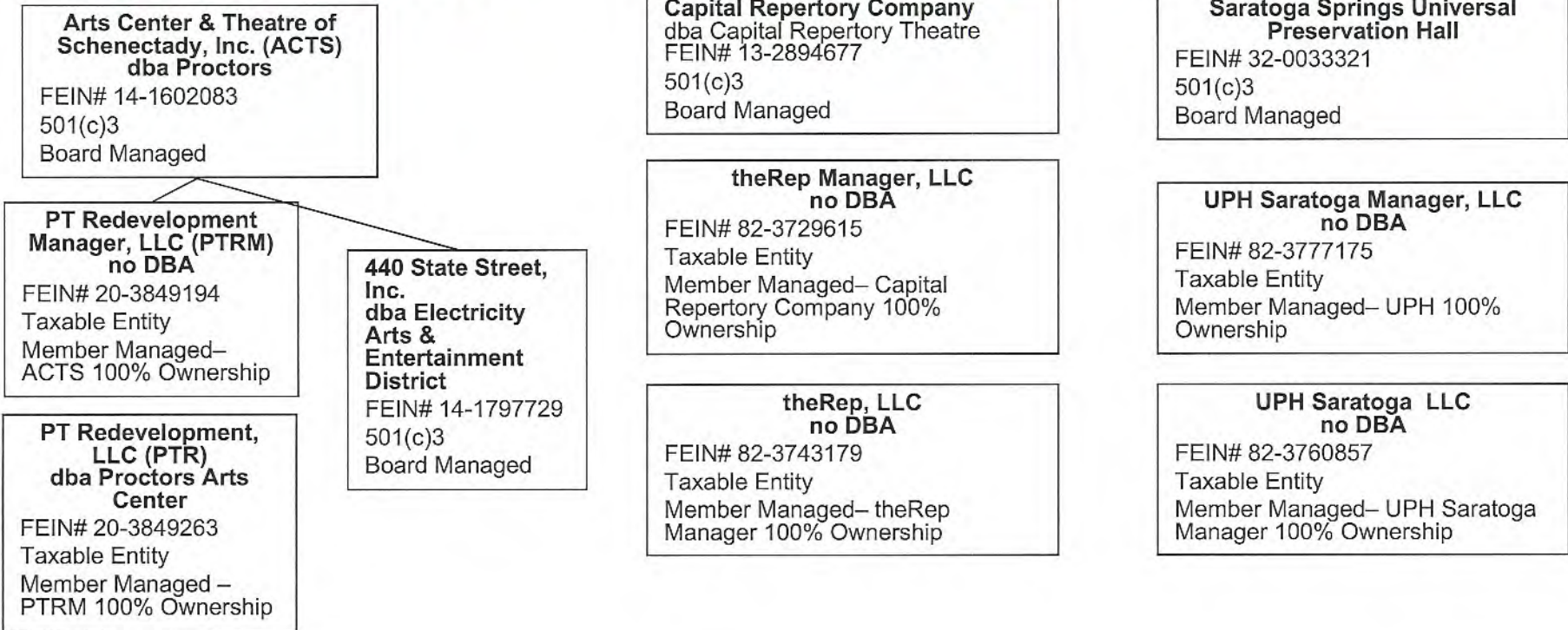
# Proctors Organizational Structure – Simple View

PROCTORS 

  
ARTS & ENTERTAINMENT DISTRICT







All above entities financials are consolidated at year end on the audit report

## Proctors Organizational Structure – Breakout View

As of February 2018

Entity Organizational Structure  
(simple summary)

**Saratoga Springs Universal Preservation Hall**  
Not For Profit 501 c3  
FEIN# 32-0033321

- Board Managed
- One Staff Member
- Revenue consists of donations/fundraising events
- Expenses consist of donor/fundraising activities

100% "owner" of UPH Saratoga Manager, LLC



**UPH Saratoga Manager, LLC**  
For Profit Entity  
FEIN# 82-3777175

- Two Officers (Philip M/Chris M)
- One Staff Member
- Managing entity of UPH Saratoga, LLC
- Expenses consist of single staff member

1% "owner" of UPH Saratoga, LLC



Partnership Investor  
99% owner of UPH Saratoga, LLC



**UPH Saratoga, LLC**  
For Profit Entity, tax exempt under IDA agreement  
FEIN# 82-3760857

- Member Managed
- Owns property/building improvements
- Expenses include normal operating activities (not fundraising)
- No staff



Entity Organizational Structure  
(simple summary)

**Capital Repertory Company dba Capital Repertory Theatre**  
Not For Profit 501 c3  
FEIN# 13-2894677

- Board Managed
- One Staff Member
- Revenue consists of donations/fundraising events
- Expenses consist of donor/fundraising activities

100% "owner" of theRep Manager, LLC

**theRep Manager, LLC**  
For Profit Entity  
FEIN# 82-3729615

- Two Officers (Philip M/Chris M)
- One Staff Member
- Managing entity of UPH Saratoga, LLC
- Expenses consist of single staff member

1% "owner" of theRep, LLC

Partnership Investor  
99% owner of theRep, LLC

**theRep, LLC**  
For Profit Entity, tax exempt under IDA agreement  
FEIN# 82-3743179

- Member Managed
- Owns property/building improvements
- Expenses include normal operating activities (not fundraising)
- No staff



# EXHIBIT B-1



## *theREP at Livingston Square*

### *Project Scope*

The structure at 251 North Pearl Street will be fully renovated by Capital Repertory Company (theREP). The building's two stories and basement will be utilized for operations. With a passenger elevator serving all floors, it will be ADA compliant and include wheelchair-accessible spaces and seating.

theREP will construct a 300-seat theatre on the first floor of this structure, equipped with new LED lighting systems for state of the art control and energy efficiency, along with sound and scenery infrastructure that will provide the theatre with new technical capabilities. These modern amenities will allow theREP to produce theatre content of even greater quality while reducing operating costs. The current roster of technical equipment is inefficient and expensive to maintain, lacking modern programmable functions.

Administrative offices, a meeting space, a costume shop, and a 70-seat black box theatre will occupy the second floor. This space will be used throughout the year for education programs, film presentations, rehearsals and a variety of community meetings and events. Currently, theREP does not have enough space to accommodate all of its education programs. The new facility will allow the theatre to grow existing programs and develop new community engagement and arts programming to serve the needs of the neighborhood.

On the first floor, in addition to the theatre, theREP will feature a full-time café serving breakfast, lunch and dinner. This space doubles as pre-show lobby, box office, restaurant and neighborhood resource center. As a box office, it will be an outlet for Ticket Me, the regional ticketing system operated by Proctors that serves more than a dozen venues throughout the region. As a café, it will provide daily entrees, coffee and light fare. The café will generate approximately \$75,000 per year in additional revenue.

### *A Community Resource*

As a neighborhood resource, the café space will be a place to eat, socialize and more. The café will be an official CDTA ticketing outlet and allow bus riders to purchase fare, renew stored value cards, and get information on routes and schedules. The nearest CDTA outlet is two blocks away at the Palace Box Office, while the nearest bus stop is across the street. North Pearl is a major public transit corridor. The café will also be an access point for neighborhood information, brochures, promotional materials and maps for orienting visitors. Planned streetscape improvements, pedestrian corridors between central downtown Albany and the Warehouse District and between Arbor Hill and the Corning Preserve riverfront make theREP's location a literal crossroads for the revitalizing area. A free connector shuttle is now available as well.

theREP will work with Albany Housing Authority (AHA), Trinity Alliance and other service organizations to develop programs for workforce training and job placement at the café as well as for theatre operations and related jobs. theREP will work with other stakeholders on the block to expand the Downtown Ambassadors program. Based on a successful collaboration between Proctors and City Mission in Schenectady, the Ambassadors provide job entry training and income for persons transitioning out of poverty. They patrol the neighborhood, greet residents

and visitors, assist in wayfinding and parking and act as concierges for the area. Local businesses, residents and visitors alike will benefit from the friendly service and added safety they provide.

To better understand the needs of local residents, AHA is conducting a neighborhood survey to collect information on residents' desires for programming, interest in job training or arts activities, and preferences for café menus and other services. theREP already conducts surveys of its patrons and subscribers annually, and will use this method to evaluate project success.

### *Theatre Programming*

Capital Repertory Theatre is a professional, not-for-profit with a mission "to create meaningful theatre with an authentic connection to the community we serve." The theatre is committed to: 1) providing significant, high-quality, professional theatre for all people of the region; 2) ensuring that every local student experiences live theatre before high school graduation; 3) leading upstate New York in the generation of works that celebrate the heritage and history of the area; and 4) making Capital Repertory Theatre synonymous with quality in every aspect of the theatre - including artists, productions, educational programs, customer service and civic leadership.

This past year, Capital Rep's education programming reached more than 16,000 children (grades K-12). In addition to student matinee performances of all main stage shows, Capital Rep develops and tours new work for young audiences. It also operates an artist residency program at Albany High School, a summer intensive, young artist development initiatives and community engagement projects throughout the year.

### Land Information

#### *Historic Location*

Constructed in the late 1800s, the structure is a three-story timber construction with brick exterior, an elevator and a long awning that covers the sidewalk. It is a lot line building; there is no other land that comprises the property outside the boundaries of the structure. In the 1860s the property was a commercial bakery. The E.J. Larrabee Biscuit Company operated there for many decades, becoming one of the founding firms of Nabisco. In the 1960s, it was sold and went through a series of commercial uses.

For the past 33 years, the property at 251 North Pearl has been used as storage and offices for a local electrician, Joseph Gomez. theREP purchased the property for \$350,000 in September. It is zoned MU-CU (mixed-use, commercial urban) and the project adheres to this classification. Local approvals include planning board approval and construction permits.

theREP has undertaken a hazardous materials study as part of its due diligence. Based on the research already conducted, the project team does not anticipate any roadblocks regarding environmental conditions within the property. Studies have revealed lead paint and small amounts of asbestos that will be properly abated.

### Project Location and Market Information

*The only LORT within 14 counties*

Capital Rep is a League of Resident Theatres (LORT) class D. This collective bargaining agreement governs wages and standards for professional theatre productions. An intrinsic component of this model is the size of the venue and the availability of actor housing. Presenting theatres like Proctors in Schenectady host theatrical productions that tour the country. Resident theatres, on the other hand, produce their own work, hiring performers, designers and technicians and constructing sets, props and costumes. These artists reside in the neighborhood for more than six weeks while working at theREP.

In order to adhere to LORT-D contractual requirements, housing for performers must be within a specific radius. theREP rents multiple apartments to fulfill this stipulation. A future phase of this project will construct additional housing to eliminate these rental costs and save approximately \$80,000 per year, while adding street-level commercial space on two vacant lots that theREP owns on the block.

#### *Supportive of Local Redevelopment Plans*

251 North Pearl occupies the corner where Livingston and North Pearl intersect, a nearly abandoned block between downtown and the emerging Warehouse District. The area is a Regional Economic Development Council Opportunity Agenda Zone, and is included in the City of Albany's Downtown Revitalization Initiative proposal for 2017. Community engagement and planning meetings gathered neighborhood stakeholders and sought their input on a variety of issues related to this area, including desired aesthetics of streetscape improvements, parking challenges and community needs that could be served by redevelopment efforts.

Capitalize Albany Corporation's Downtown Playbook identifies key features that are specific and relevant to this project: 1) the renovation or relocation of theREP from its current facility at 111 North Pearl; 2) the opportunity for redeveloping the vacant Gomez Building at 251 North Pearl; 3) the need for pedestrian corridors to and from the Warehouse District, downtown Albany, Arbor Hill, and the Corning Riverfront Preserve.

Arbor Hill has long been a priority for redevelopment and revitalization strategy in the city of Albany. The project supports the City of Albany's Downtown Revitalization Initiative plan, which seeks DRI funding to develop streetscape, parking and other infrastructure improvements that leverage the success of theREP at Livingston Square.

The project supports the Arbor Hill Neighborhood Plan by adaptively reusing a historic building, relocating an arts organization to the neighborhood, promoting Arbor Hill as an arts and culture destination, strengthening the neighborhood's ties to city and regional arts organizations, increasing opportunities for youth and adults to participate in arts programming, and by impacting an area identified in the plan as a primary connector in need of developing commercial vitality. The City of Albany's Albany 2030 plan echoes these priorities as well, identifying the project area as underutilized and part of a Brownfield Opportunity Area for commercial development.

#### *Parking*

The area surrounding the block already has significant available street parking. These spaces are not enough to accommodate theatre patrons, however. To mitigate these challenges, AHA has offered to accommodate all theatre staff in its own parking spaces across the street. In addition,

patrons will be able to park for free at the Quackenbush Garage. For patrons with mobility limitations, a free shuttle to and from the garage will be provided for all shows. This initial phase of parking accommodations has been developed in collaboration with the Albany Parking Authority and CDTA. Additional parking options are also being pursued. theREP is discussing the purchase or long term lease of nearby property to construct surface lots – at a small lot across the street and at the former “Nine Dragons” lot at the corner of Colonie and Broadway.

### **Development Team/Ownership**

#### *Organizational Structure*

The facility will be owned by theREP LLC, a subsidiary of Capital Repertory Company, which is already a single-member 501c3 corporation, formally affiliated with Arts Center and Theatre of Schenectady, Inc (dba Proctors) as its single member.

Capital Repertory Company will retain full control over the property and its usage, and operate the theatre, café and education/job training programs. Proctors, per its affiliation and management partnership, will provide direct in-kind support consisting of general administrative functions, fundraising, marketing, finance, public relations, ticketing and café management.

Proctors is a national leader in performing arts venue management, serving more than 650,000 people in downtown Schenectady each year attending more than 1,700 events. It operates multiple theatre venues, a full time café and a low-carbon power plant that heats and cools more than one million square feet of Schenectady. Proctors and its staff bring national, award-winning experience in historic preservation, creative placemaking and arts-led revitalization.

#### *Project Team*

theREP is lead by Philip Morris, who will oversee the administration of this project as CEO of both Proctors and theREP. With more than 40 years of arts administration experience, Philip has learned firsthand how art and community co-evolve. In Jamestown, NY, he launched his first capital campaign to save the local Reg Lenna Civic Center. In 2002, he became CEO of Proctors. Armed with Philip’s model of collaboration for mutual benefit and a belief that “we are only as strong as our neighbors,” Proctors aggressively pursued unique partnerships within the struggling community and jumpstarted an abandoned block in downtown Schenectady.

Philip’s work has earned both local and national recognition. In 2013 the Theatre Historical Society of America awarded him the Creating Theatre History Award and in 2014 UAlbany granted him an honorary degree. He has served as a faculty member at UAlbany’s Rockefeller College of Public Affairs and Policy, an adjunct professor at New York University, and a member of the Capital Region Economic Development Council.

Steven T. Longo has led the Albany Housing Authority as its Executive Director for nearly 20 years. With innovative management, sensitivity to the resident clientele and a drive to improve Albany’s neighborhoods using mixed-finance development, Mr. Longo has made the Authority into the city’s preferred landlord and revitalization partner. In the past five years, AHA has completed \$94 million worth of community rehabilitation projects in the city of Albany, and has an additional \$46 million worth of projects in the pipeline.

Overseeing renovation of 251 North Pearl Street is construction manager Tony Ward. A 30-year veteran of regional construction management, Mr. Ward has extensive experience with historic preservation, adaptive reuse and performing arts facilities. He previously oversaw the \$40 million expansion of Proctors, construction of the Schenectady County Community College performing arts facility and the \$3 million construction of the Adeline Graham Theatrical Training and Innovation Center at Proctors. Currently, he serves as construction manager on the \$8 million renovation of historic Universal Preservation Hall in Saratoga Springs.

Architect Ron Bagoly has been with CSArch since 1995, and as a Design Leader, he plays a vital role in all project phases, from initial long range planning through construction. Guided by the unique goals of every client, he oversees the production of architecture with a keenly tuned sense of appropriateness, economy, and creativity. Recent clients include Albany Housing Authority, ~~REP~~ Omni Housing Development, LLC, Mohonasen Central School District, Bethlehem Central School District and Syracuse City School District.

# EXHIBIT B-2

# theREP at Livingston Square

The future home of professional theatre in the Capital Region



Your support will make it happen

at theREP★



LIVINGSTON  
SQUARE

Since 1981, Capital Repertory Theatre has produced professional theatre thanks to your generous support

**Over our 36 years  
of excellence, we have:**

**Featured 236 productions**

**Produced 27 world premiers**

**Served 250,000 students**

**Entertained over 2,000,000  
patrons**



Jennifer Douglas

Always ... Patsy Cline

at theREP★



**Mission: To create meaningful theatre with an authentic link to the community we serve**



Christopher Brasfield, Benjamin Mapp, Jason Veasey and Correy West

**In pursuit of this goal, we will:**

**Continue to provide significant, high-quality theatre for all people of the Capital Region**

**Ensure that every student in the region experiences live theatre.**

**Take a leadership role in defining the Capital Region as a cultural destination point**

**We are the only resident, professional producing theatre in the region**



Jeff Williams, Christopher McCann, David Kenner and Vanessa Sterling

**Each year, theREP:**

**Produces a full season of plays in downtown Albany**

**Impacts students throughout the region with its education programs**

**Features world-premiere plays**

**HAMLET**

**at theREP★**

## We contribute to the Capital Region's vibrant arts economy

### Currently theREP:

Employs 25 FTE workers

Employs 210 artists annually

Supports 106 FTE jobs

Attracts 35,000 visitors to downtown Albany each year

—  
Resulting in a \$3.1 million annual impact\*

\*Americans for the Arts Economic Impact Calculator

at theREP★

## Our education programs show young people the magic of theatre



Alex Koza and Joshua Redfield

**Last year, we served 17,000 students from 64 schools in 39 communities**

**On-the-Go! touring shows**

**Student Matinees**

**Artist Residency Programs**

**Young Playwrights Mentorship**

**Summer Stage Young Acting Company and Acting Intensive**

**On-The-Go! - Alice in Wonderland**

**at the REP ★**

“theREP provides enriching artistic experiences that inspire our students to greater heights.”

– Ward Dales, Performing Arts Instructor, Albany High School



## theREP's Education footprint:

From Plattsburgh to Harlem,  
Utica to Vermont

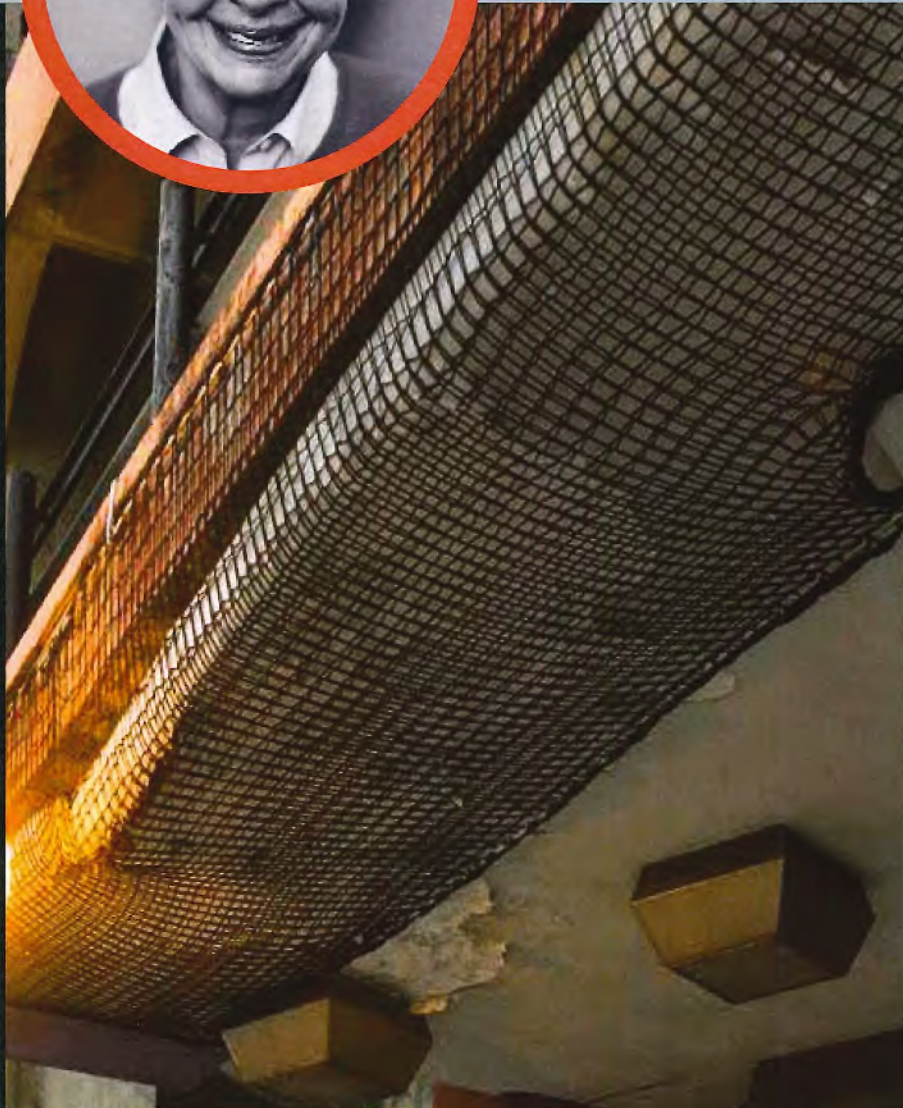
We bring live theatre directly  
to 87 Partner Schools

Number of partner schools within radius



**“From the beginning, the dream was to own our own theatre. Now is the time to make it happen.”**

– Carolyn Anderson, Board Member (1981- Present) / Professor of Theatre, Skidmore College



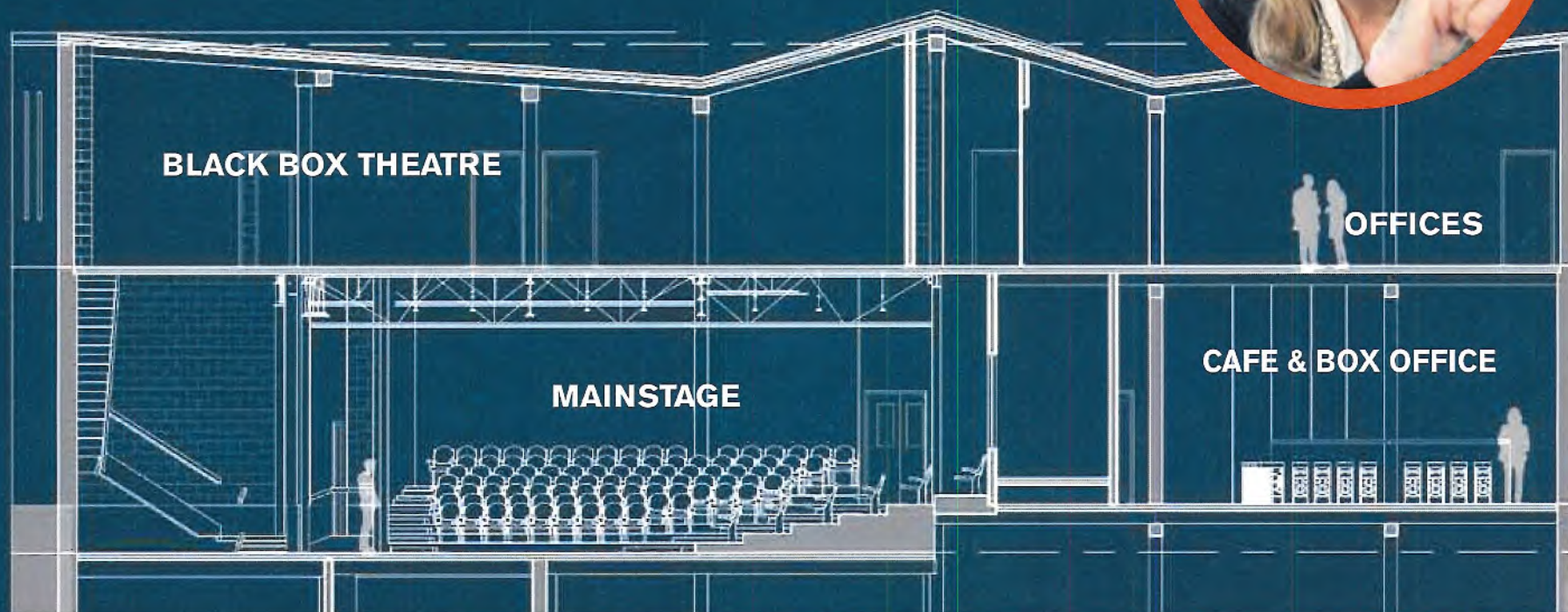
## **A new opportunity**

**FOR DECADES**, theREP tried to gain ownership of its current facility, to no avail. Due to its deteriorating state, we had to find a new home.

**IN RESPONSE**, we have purchased a building just two blocks away.

**“I am so excited about our future home. The result will be a new level of breathtaking artistic achievement.”**

– Maggie Mancinelli-Cahill, Producing Artistic Director



**theREP will construct:**

- 300 seat theatre
- Full time café and box office
- Administrative offices

- Prop and costume shops
- Community event space

“Capital Repertory Theatre is a regional gem that deserves a facility that reflects its true value to the community.”

— Chet & Karen Opalka, Community Advocates



**Our future looks really bright**

**STATE OF THE ART** lighting,  
sound and climate control

**IMPROVED** sight lines

**PREMIUM** comfort seating

**EXPANDED** cafe, lobby,  
and restrooms

**FULL-TIME** box office

**MORE** programming  
and special events



**“This new home for theREP supports the revitalization of downtown Albany and the vibrancy of the community.”**

— Kathy Sheehan, Mayor of Albany



### **This project will:**

**CREATE** 47 permanent jobs and 69 construction jobs, a \$4.5 million annual impact\*

**ATTRACT** an additional 10,000 patrons annually

**GENERATE** \$150,000 in revenue and cost savings to support theREP's education programs and community mission

\*Capital District Regional Planning Commission, Economic Impact Analysis

at **theREP**★

**“A healthy community needs projects like this: inclusive programs, enriching arts education and room to grow.”**

— Ellen Sax, Vice President of Community Engagement, MVP Health Care



**The project will add space to:**

**EXPAND** education programs with training opportunities, creative workforce programs and development of new work

**INCREASE** the number of students we impact and schools we partner with

**BUILD** programs to reach new communities, fulfilling our commitment to education and outreach

Summer Stage Education Program

at **theREP**★

**“Our doors are going to be open every single day, attracting new patrons, new subscribers, fulfilling the board’s mission and growing with our community.” – Harold N. Iselin, Board President**





“This project is an economic priority for downtown Albany’s work/play/live district.”

— Sarah Reginelli, Capitalize Albany Corporation

Chiu is co... the next bes... state. Dilapidated row... railroad bridge... between downtown Albany and the warehouse district. Buildings at 800-804 Broadway had been tagged with red “X” signs warning firefighters of hazardous conditions — are converted by Chiu into 15 apart-

At least eight redevelopment projects have been proposed, approved or are being built there. One other, an apartment building at 733 Broadway, opened in December 2015. The area is a bridge of sorts between the new apartments that have been built or renovated downtown and the bars, restaurants and other businesses popping up in the warehouse district just north of the Livingston Avenue railroad bridge.

Lynch, 32, wanted to pursue real estate development. The couple took on the challenge of moving from an apart-

the building dates from the 1800s. Artifacts they found indicate it was once a National Biscuit Co. bakery.

desirable, they were approached by someone who offered to buy the property. They sold their home in February 2010, and bought a townhouse in the Square neighborhood off Broadway.

a new retail store for the growing Albany Distilling Co., which manufactures barrels of whiskey annually at its location several blocks away.

And Lynch will get his next big development when he starts building a three-story, 17-unit apartment building at the corner of North Pearl and South streets.

The empty lot is a block away from the Palace Theatre.

COVER STORY

# NEIGHBORHOOD IN TRANSITION: WHY HERE, WHY NOW

BY MICHAEL DEMASI  
mdemasi@bizjournals.com

ments at a cost of \$2 million. The Palace Theatre, historic Quackenbush Square, and the stark, 10-story high Leo Burnett Federal Building

## ALBANY'S EMERGING HOT SPOT BRINGING DOWNTOWN WITH THE WAREHOUSE DISTRICT

**19 CLINTON AVE.**  
The Palace Theatre wants to spend \$65 million to build a 2,800-seat performance venue.  
Status: Albany Common Council approved transferring ownership to the theater's board, a key step for the project.

**75 LIVINGSTON AVE.**  
Albany Distilling Co. will open a new retail store to free up space at its popular distillery several blocks away.  
Status: Renovations could begin this summer.

**800-804 BROADWAY**  
Patrick Chiu plans to renovate four dilapidated rowhouses into 15 apartments, a \$2 million project.  
Status: Under construction.

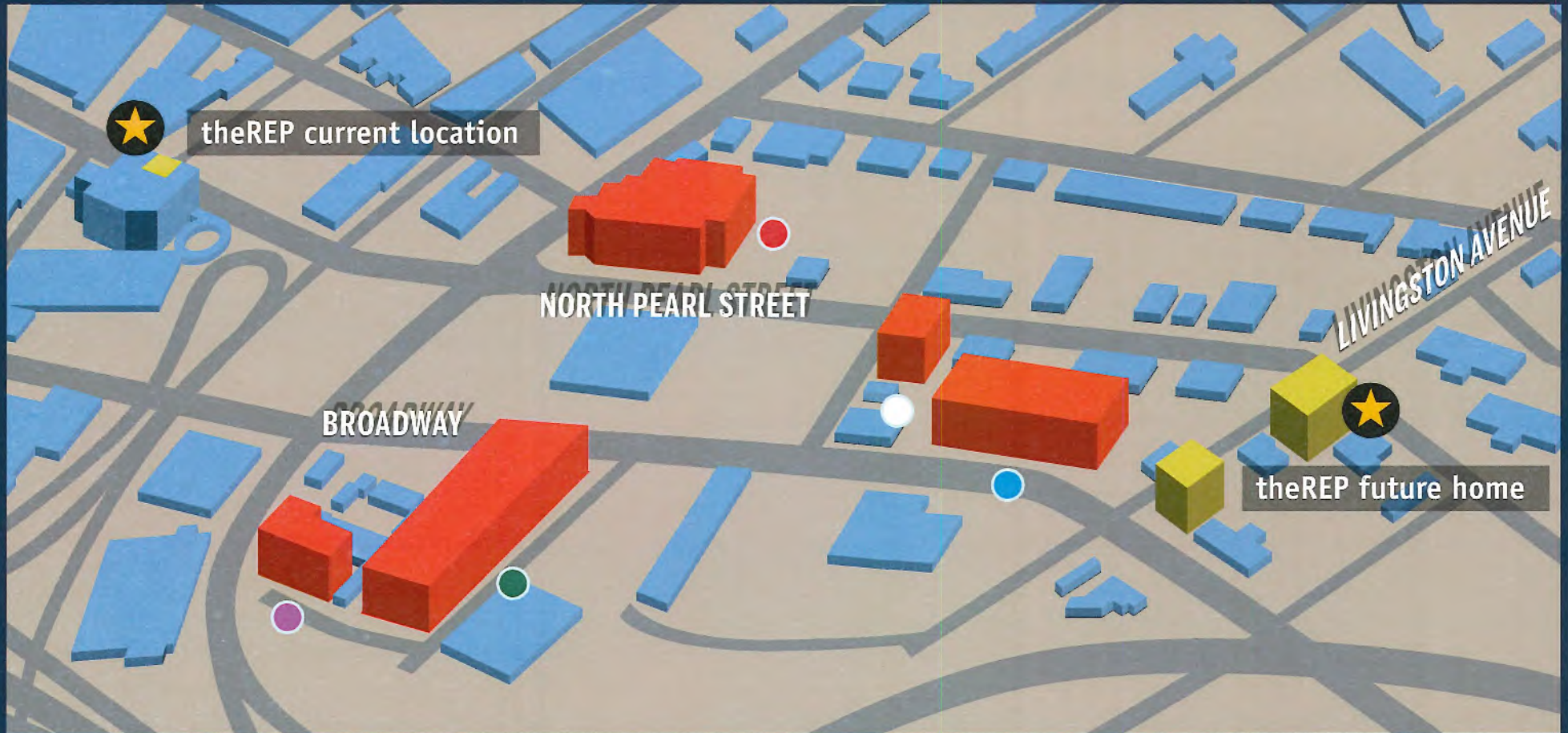
**275 N. PEARL ST.**  
Patrick Chiu plans to renovate the former Church of Holy Innocent, possibly into a cafe.  
Status: Proposed.

**760 BROADWAY**  
Brothers David and Harris Sarraf of Fairbank Properties will build a five-story, 100-unit apartment building.  
Status: Plans for the \$16.5 million project were announced.

**Former Police Station**  
Corner police station into eight apartments.  
Status: Proposed.




# An up-and-coming neighborhood



- Pump Station
- Quackenbush Square
  - \$40M mixed-use redevelopment
- Palace Theatre
  - proposed
  - \$65M expansion
- 191 N Pearl
  - 18 apartments
  - \$2.8M Investment
- 760 Broadway
  - 100 apartments
  - \$16.5M Investment
- theREP

# For Your Convenience

## You will enjoy:

 **Albany Ambassadors**, helping our audiences navigate our new neighborhood and feel welcomed.

**P** **Free shuttle service** from the nearby Quackenbush Garage and Street parking as well.



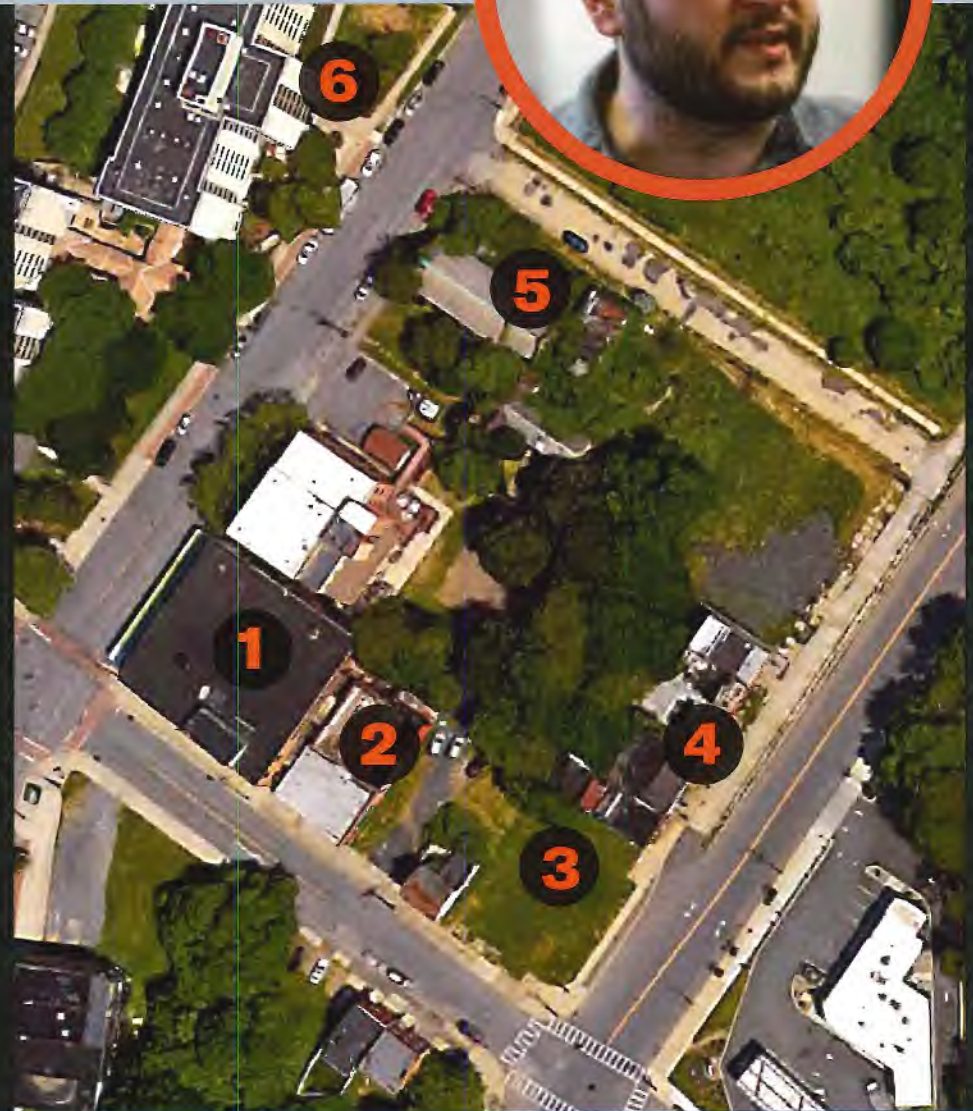
“This neighborhood is the perfect place for our expanding business, and we look forward to working with theREP as our new neighbor.”

— John Curtin, Albany Distilling Company



## \$25M in construction and renovation projects:

- ★ 1 New Capital Repertory Theatre
- 2 Albany Distilling Company
- ★ 3 theREP artist housing & Commercial retail
- 4 Newly renovated houses
- 5 Church of Holy Innocents redevelopment
- 6 Community Apartment Buildings



Livingston Square – A neighborhood on the rise

at theREP★

**“Ultimately, it will take many business and neighborhood partners to achieve the kind of success we envision. Nothing less than a vibrant arts corridor for Albany, stretching from the Palace to theREP’s new theatre.” — Philip Morris, CEO**



**Downtown Revitalization Initiative planning meeting**



# Campaign Leadership

## **Harold N. Iselin**

*Board President*  
GreenbergTraurig LLP

## **Anthony Bifaro**

*Board Vice President*  
Community Advocate

## **Martha Deborah Brown**

*Board Secretary*  
Community Advocate

## **Carolyn Anderson**

Professor of Theatre,  
Skidmore College

## **Peggy Becker**

Community Advocate

## **Richard Carlstrom**

Albany International Corp.  
(Retired)

## **Albert DeSalvo**

Community Advocate

## **M. Sherry Gold**

Director of Treatment Services,  
Capital District Psychiatric Center,  
(Retired)

## **Nancy E. Hoffman, Esq.**

Arbitrator

## **Kimberly Sanger Jones**

Director of Operations, E. Stewart  
Jones, Hacker, Murphy LLP

## **Bennett Liebman**

Government Lawyer in  
Residence, Albany Law School

## **Stephen Madarasz**

Community Advocate

## **James H. Miller**

Community Advocate

## **Marcus Q. Pryor**

President,  
Peter M. Pryor Associates

## **Donna J. Purnomo**

Yono's / dp, An American  
Brasserie

## **Howard J. Read**

Of Counsel, Read  
& Laniado LLP

## **Martha Tuck Rozett**

Professor of English  
University at Albany, SUNY

## Experienced Project Team



**Philip Morris – Chief Executive Officer**

**Maggie Mancinelli-Cahill – Producing Artistic Director**

**Dan Hanifin – Relationships Director**

**Michael McCord – Capital Campaigns Director**

**Tony Ward – Construction Manager, AKW Consulting**

**Ron Bagoly – Architect, CSArch**

# Campaign Leadership Team

**Kaweeda Adams**

**Deborah and Peter Brown**

**Sherry Gold and Wendell Lorang**

**Denise and Steve Gonick**

**George and Christine Hearst**

**Barbara Howard**

**Kelly Kimbrough**

**Jim Miller**

**Karen and Chet Opalka**

**Kathy and Bob Sheehan**

**David Swawite**

**Tamani Wooley**

**“A theatre breathes life into a community!  
When I think of a theatre I don’t see a building,  
brick or mortar, I see the future.”**

— Kevin McGuire, actor / director

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Summer Stage Young Acting Company

**With your support it will happen**

**at theREP★**

# Thank you!

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at **the REP** ★

The home of professional theatre in the Capital Region

# EXHIBIT C-1

<b>Position</b>	<b>Full Time Employees</b>	<b>Salary Range</b>
Food Service Manager	1	\$35,000 - \$40,000
Food Service Agents	2	\$25,0000 - \$30,000
Box Office Customer Service Agent	1	\$25,000 - \$30,000
Assistant House Manager	1	\$30,000 - \$35,000
Facilities Manager	1	\$30,000 - \$35,000
total =	<b>6</b>	

# EXHIBIT C-2



# Memo



**TO:** Ashley Mohl, Senior Economic Developer II  
Capitalize Albany Corporation

**FROM:** Sean Maguire, AICP, Director of Economic Development  
Capital District Regional Planning Commission

**DATE:** December 29, 2017

**SUBJECT:** Economic Impact Analysis, theREP at Livingston Square

## Overview

CDRPC has prepared this economic impact analysis as you requested. Based on the information provided to CDRPC, we have developed this estimate of the economic impact associated with the construction and operation of theREP at Livingston Square. This estimate is based on the inputs that have been provided to us by Proctors for theREP. **We estimate that the construction of theREP at Livingston Square would generate a temporary, county-wide impact of \$11,050,304 in total output, 69.20 jobs, and \$4,904,557 in labor income in 2018. We estimate that the operation of theREP at Livingston Square would generate a permanent, county-wide impact of \$4,454,735 in total output, 47.21 jobs, \$1,168,424 in labor income, and \$14,442 in sales taxes starting in 2019.**

## Analysis

This memo includes information on the estimated total economic impact of the renovation of 251 North Pearl Street as the new and permanent home for Capital Repertory Theater. According to the applicant, once completed, "Livingston Square will be home to a new theatre facility for theREP, mixed-use and mixed-income housing, a restaurant, a café, street-level commercial space and a slate of dynamic programs providing access to professional theatre arts for the local neighborhood and for the region." We've completed an analysis of the estimated total economic impact of the project construction and day-to-day operations. The data used as inputs to this report were provided by Capitalize Albany and we performed the analysis using an IMPLAN Input-Output model. IMPLAN is a commonly used model, initially developed for the USDA Forest Service in the late 1970's. Input Output (I/O) models are useful in describing how a local economy works and what are the potential economic impacts associated with a project or activity.

We summarize the estimated economic impacts of the project measured by impacted jobs<sup>1</sup>, change in income, output, and sales/property taxes. CDRPC performed this analysis using an industry-accepted Input-Output model. The analysis models the direct, indirect, and induced impacts of the activities associated with the project.

CDRPC has analyzed the following activities:

1. Temporary Impacts associated with one-time activities including construction and professional services.
2. Permanent impacts associated with the day-to-day operation of the facility.

In analyzing the temporary impacts, we considered the overall construction costs and fees paid to architecture and engineering professionals. We assume that the project will occur and be completed in 2018. We assume that all purchases are made locally. *We do not consider the \$350,000 purchase agreement since if the transaction is completed, this is essentially an asset swap and does not result in new economic activity.* We also did not consider loan fees paid because we did not know the specific breakdown of those fees and excluded them as to not overstate the impact that is otherwise captured through other associated activities. The costs that were used to model the temporary impacts include:

- Building construction: \$6,497,500
- Architect/engineering fees: \$818,750
- Furniture, fixtures, and equipment: \$200,000

In analyzing the permanent impacts associated with the day-to-day operation of the facility, we were provided with the REP's annual revenue.

- 2016 Annual Revenue: \$2,294,113
- Anticipated Café Revenue (Gross): \$250,000

### Economic Impact

Below are the total economic and tax impacts associated with the project. We split the temporary and permanent impacts for your information. We've also provided a brief definition of the effects measured, output, and value added.

#### Temporary Construction Impact (Construction) - 2018

Impact Type	Employment	Labor Income (\$)	Value Added (\$)	Output (\$)
Direct Effect	45.42	\$3,515,415	\$4,566,506	\$7,308,679
Indirect Effect	9.25	\$629,900	\$961,699	\$1,572,946
Induced Effect	14.53	\$759,242	\$1,361,947	\$2,168,679
<b>Total Effect</b>	<b>69.20</b>	<b>\$4,904,557</b>	<b>\$6,890,152</b>	<b>\$11,050,304</b>

#### Permanent Operation Impact (Theater and Café) – 2019

Impact Type	Employment	Labor Income (\$)	Value Added (\$)	Output (\$)
Direct Effect	28.40	\$526,663	\$1,005,218	\$2,610,817

<sup>1</sup> Input-Output models do not differentiate between full-time, part-time, or full-time equivalent jobs. The jobs impacted reflect a combination of full- and part-time jobs.

Indirect Effect	15.29	\$457,191	\$734,552	\$1,317,192
Induced Effect	3.51	\$184,571	\$331,119	\$526,726
<b>Total Effect</b>	<b>47.21</b>	<b>\$1,168,424</b>	<b>\$2,070,889</b>	<b>\$4,454,735</b>

After construction is completed, the operation of the theater and café is estimated to have a total output of \$3,072,793 and have an impact of 33 jobs with a total payroll of \$846,905 in 2019.

#### Local Tax Impact

The IMPLAN model also estimates the impact on taxes because of the project. *It is important to note that the impact does not discount for any potential incentives that the project may receive from the city, county, or state.* Due to theREP's status as a tax-exempt organization, there would be no sales and use or property taxes generated on this project. For that reason, we did not include a local tax impact here. However, we did consider the impact on the project's retail café activities. Based on gross revenues, we expect that theREP will have an impact on \$14,442 in state and local sales tax.

#### Permanent Café Operation Impact – 2019

Description	Tax on Production and Imports
Tax on Production and Imports: Sales Tax	\$14,442

## Definition of Key Terms

### Direct Effects

Direct effects are the expenditures or changes in production as the result of an activity. These expenditures or actions are used in the model to predict economic impact. They may include actual expenditures by value or the number of employees engaged in an activity.

### Indirect Effects

Indirect impacts are considered backward linkages. They include elements of the supply chain such as manufacturers, transportation, and suppliers. In examining the impact of constructing a new building, the indirect impacts may link back to suppliers of concrete, steel, and wood, the trucking company that transported the materials to either a retailer or to the construction site, and the skilled labor used in the design and construction of that building.

### Induced Effects

Induced impacts are considered forward linkages. This is the household spending that results from the project. For example, the skilled labor used to construct the building in the example above will be paid a wage. Those wages will be used to buy goods and services for those workers, thereby resulting in household consumption spending. The labor involved in other aspects of the construction, such as the suppliers and delivery drivers will also have their own household spending.

### Output

Output represents the value of industry production. In IMPLAN these are annual production estimates for the year of the data set and are in producer prices. For manufacturers, this includes sales plus/minus change in inventory. For service sectors production = sales. For Retail and wholesale trade, output = gross margin and not gross sales.

### Type I Multiplier

Calculated by taking the sum of the Direct Effects and the Indirect Effects and dividing by the Direct Effects. It differs from the Type SAM multiplier because it does not consider Induced Effects; the Type SAM multiplier does.

### Type SAM Multiplier

Calculated by taking the sum of the Direct Effects, Indirect Effects, and Induced Effects and dividing by the Direct Effects. It differs from the Type I multiplier because it considers Induced Effects; the Type I multiplier does not.

### Value Added

Measures the contribution to Gross Domestic Product (GDP) made by an individual producer, industry, or sector. It represents the difference between total output and the cost of intermediate inputs. It is comprised of employee payroll, taxes, imports less subsidies, and gross operating surplus.

# EXHIBIT D

## *Projected Operating Impact*

### **Community Commitments**

Capital Repertory Theatre (theREP) will provide several Community Commitments to help ensure that this project will have a significant local impact. As a not-for-profit organization with a mission to “make meaningful theatre with an authentic link to the community we serve,” theREP is dedicated to reinvesting its operating budget and its activities back into its community, through its regular productions, employment of local actors and artists and through its educational programs that reach more than 15,000 students each year.

### *MWBE Utilization*

With awarded grants from Restore New York, Empire State Development and NYS Homes and Community Renewal, this project has a collective required goal of approximately \$1,425,000 in MWBE utilization. theREP, working with its experienced construction team and selected contractors, will endeavor to meet these utilization targets through the employment of certified MWBE firms, contractors and subcontractors.

### *EEO Workforce Utilization*

State grant sources include commitments to Equal Opportunity Employment Workforce Utilization, which theREP will adhere to as part of its contractual obligation to NYS funding sources.

### *Regional Labor and City of Albany Labor*

theREP commits to seeking local and regional contractors to employ workers who live in both the Capital Region and the City of Albany. The project will develop a Project Labor Agreement with local unions to create a collaborative process for outreach and solicitation of local contractors. In addition, new jobs created by theREP will be filled through outreach efforts through local community workforce programs such as the City of Albany Youth and Workforce Services and Workforce Service Career Central.

December 6, 2018

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

RE: Request for IDA Assistance for FC 705 Broadway, LLC Quackenbush Hotel 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 the consideration of financial assistance associated with the FC 705 Broadway, LLC Quackenbush Hotel project.

This application is for the first phase of the Quackenbush Square Development; the 132 room Hotel. In 2015 principals of the Pioneer Companies, a full service real estate company with over 40 years of experience, located in Syracuse, NY, purchased 1.67 acres of vacant land bounded by Broadway to the west, Spencer Street to the north, Montgomery Street to the east and the historic Quackenbush Square buildings to the south. The site had previously been accepted into the New York State Brownfield Cleanup Program. Pioneer completed the site remediation in 2017 at a cost of \$6,000,000 and received a Certificate of Completion in December 2017.

The site's development had gone through numerous iterations prior to our involvement and we have tried several different approaches to create a successful economically sustainable program. Pioneer intends to develop a 132 room select service hotel with construction to begin in spring of 2019. The investment in the hotel will be approximately \$30.4MM.

We are requesting assistance with the hotel project in the form of sales tax exemption; mortgage tax exemption and a Payment in Lieu of Taxes. The project investment is greater than \$25,000,000 and therefore qualifies for a PILOT structure that may be outside of the Project Evaluation and Assistance Framework; this request recognizes that treatment.


To develop a project of this size, scope, complexity and cost in an urban location that is a Targeted Distressed Community presents many challenges. The first hurdle faced was the remediation of the site itself; the significant investment into which was made in good faith and prior to the commitment of any public financial enhancements. The very act of returning the property to a shovel ready, clean site is already a substantial benefit to the community. The hotel will create 25-30 new jobs in a distressed area; the majority of which we hope to fill with local individuals. With the recent redevelopment of historic assets and new construction along Broadway, the established businesses in Quackenbush Square and the new Skyway project this site sits as a focal point to the area's emergence as a thriving urban setting which will act to draw additional investment to the area. The project will add significant usage to the under-utilized Quackenbush garage which will be a direct benefit the City. The hotel will

service events at the Palace Theater and other local venues, the convention center, as well as area businesses.

With construction costs increasing dramatically, the major investment into the remediation of the site and the relative difficulty in attracting both equity and financing providers to a challenging area that is still an untested market, has created economic limitations that require public financial assistance. Without this assistance the project is not economically viable.

We are very excited about this project and working with you and your community. Please do not hesitate to contact me if you should have any questions or find additional information is needed. We look forward to working with the Agency on this project. Thank you.

Sincerely,



Mark W. Roney  
Chief Financial Officer

Enclosures

IDA Application  
IDA Application Attachment  
Operating Proforma  
Project Sources & Uses  
Project Budget  
Request PILOT schedule and comparison  
Photos (4) of existing site  
Photo of Proposed Lobby  
Floor Plans and Architectural Renderings  
Planning Board Letter  
Site Plan  
NYS DEC Certificate of Completion for the Brownfield  
Survey  
EAF Summary (13 pages)  
Subdivision Map-Merger of 16 parcels into one  
City of Albany Assessor Letter of Assessment (As Completed)  
NYS Attorney General No Action Condominium Letter



**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: FC 705 Broadway, LLC

APPLICANT'S ADDRESS: 333 West Washington Street, Suite 600

CITY: Syracuse STATE: New York ZIP CODE: 13202

PHONE NO: (315) 471-2181 FAX NO: (315) 471-1154 E-MAIL: mark.roney@pioneerco.com

NAME OF PERSON(S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO THIS APPLICATION: **Mark W. Roney**

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

NAME OF ATTORNEY: Ms. Cornelia Cahill, Barclay Damon

ATTORNEY'S ADDRESS: 80 State Street

CITY: Albany STATE: NY ZIP CODE: 12207

PHONE NO: (518) 429-4296 FAX NO: (518) 533-2926 E-MAIL: mcahill@barclaydamon.com

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

1. The Agency will not approve any application unless, in the judgment of the Agency, said application and the summary contains sufficient information upon which to base a decision whether to approve or tentatively approve an action.
2. Fill in all blanks, using “none” or “not applicable” or “N/A” where the question is not appropriate to the project which is the subject of this application (the “Project”).
3. If an estimate is given as the answer to a question, put “(est)” after the figure or answer which is estimated.
4. If more space is needed to answer any specific question, attach a separate sheet.
5. When completed, return 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__



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

A. Identity of Company:

1. Company Name: **705 Broadway Hotel, LLC**

Present Address: **c/o Pioneer Companies  
333 West Washington Street  
Syracuse, NY**

Zip Code: **13202**

Employer's ID No.: **82-0765221**

2. If the Company differs from the Applicant, give details of relationship:  
**The property is currently owned by FC 705 Broadway, LLC which is owned 50.0% by Melissa F. Zell and 50.0% by Michael P. Falcone; they will continue to be the controlling owners of the entity that will ultimately own the hotel condominium. The details of that entity are indicated above. The transfer to the 705 Broadway Hotel entity will take place at the time of closing the IDA lease and the financing for the hotel.**

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(ies),  
Date created? April 26, 2016

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
Melissa F. Zell	Member, Manager	Pioneer Real Estate Companies
Michael P. Falcone	Member, Manager	Pioneer Real Estate Companies
Mark W. Roney	CFO	Pioneer Real Estate Companies

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

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

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

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

C. Principal Owners of Company:

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

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

NAME	ADDRESS	PERCENTAGE OF HOLDING
Melissa F. Zell	1265 Oak Bluff Skaneateles, NY 13152	50.0
Michael P. Falcone	3047 West Lake Road Skaneateles, NY 13152	50.0

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

**M&T Bank**

II. DATA REGARDING PROPOSED PROJECT

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

Principals of the Pioneer Companies of Syracuse NY purchased the 1.67 acre site that is part of historic Quackenbush Square bounded by Broadway, Spencer and Montgomery streets. The site had been accepted into New York State's Brownfield program prior to Pioneer's involvement. The entire site was remediated at a cost of \$6,000,000 during 2017 and a Certificate of Completion was issued by the NYS Department of Environmental Conservation in December 2017. This project application is for a 132 key Hyatt Place hotel on the corner of Montgomery Street and Spencer Street at a total project cost of approximately \$30,500,000 financed with a combination of owner equity, investor equity, conventional debt and grants. For a more thorough description of the project, please refer to Exhibit B, Section II-A attached.

B. Location of Proposed Project:

1. Street Address: **705 Broadway (Bounded by Spencer & Montgomery)**
2. City of : **Albany**
3. Town of: **N/A**
4. Village of: **N/A**
5. County of: **Albany**
6. Tax Map ID(s): **All parcels have been merged into one: 76.27-1-18. Ultimately upon completion of construction each commercial condominium will have a distinct tax map number.**

C. Project Site:

1. Approximate size (in acres or square feet) of Project site: .53 acres.  
Is a map, survey, or sketch of the project site attached? Yes X; No \_\_\_\_.
2. Are there existing buildings on project site? Yes \_\_\_\_; No X.
  - a. If yes, indicate number and approximate size (in square feet) of each existing building: **N/A**
  - b. Are existing buildings in operation? **N/A** Yes \_\_\_\_; No \_\_\_\_.  
If yes, describe present use of present buildings: **N/A**
  - c. Are existing buildings abandoned? **N/A** Yes \_\_\_\_; No \_\_\_\_.  
About to be abandoned? Yes \_\_\_\_; No \_\_\_\_.  
If yes, describe: **N/A**
  - d. Attach photograph of present buildings. **N/A**
3. Utilities serving project site:  
Water-Municipal: **City of Albany Water Board**  
Other (describe)  
Sewer-Municipal: **City of Albany Water Board**  
Other (describe)  
Electric-Utility: **National Grid**



Other (describe)  
Heat-Utility: **National Grid**  
Other (describe)

4. Present legal owner of project site: **FC 705 Broadway, LLC**
- a. If the Company owns project site, indicate date of purchase: December, 2015; Purchase price: \$ 4,500,000.
- 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:  
**DT-MU (Downtown Mixed-Use)**
- 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:
- 1. Design Review of Tall Building – permit attached**
  - 2. Planning Board Approval - attached**

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:

**When completed the hotel will be a single building of eight stories, 84,538 sf, the footprint will be 10,567 sf and the condominium site will occupy a total of .53 acres.**

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:

**Hotel.**

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:

**The facility will have HVAC, elevators and full mechanical systems. Each of the 132 hotel rooms will be fully furnished with bed, chairs, sofas, small appliances, television, desk, tables and night stands.**

**Additionally the hotel will have fitness equipment, a small commercial kitchen, guest dining tables and chairs, lobby furniture, computers, a small commercial laundry for all on-site linens, and various equipment and furniture throughout the facility.**

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:

**The building will have HVAC, elevators and full mechanical systems in support of its use as a hotel. The hotel will be equipped as described in section E.1. above, which is consistent with hotels in the select service class. Primary use of equipment and furnishings will be by hotel guests staying in the facility.**

F. Project Use:

1. What are the principal products to be produced at the Project?  
**Hospitality**
2. What are the principal activities to be conducted at the Project?  
**Hospitality**
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:

**In addition to the hotel rooms, the Project will include private meeting, dining and bar areas offering regionally based breakfast, light dinner options, coffee and drinks for guests and visitors. There will also be a small market in the hotel lobby selling incidentals such as snacks and essential toiletries.**

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 X; No \_\_\_\_\_. If yes, please explain:

**The project includes a hotel with 132 rooms which will draw visitors from outside the region to take advantage of the convention center, the Palace Theater and other downtown offices and attractions.**

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 X; No \_\_\_\_\_. If yes, please explain:

**The development contemplated could be undertaken in any of the markets in which the developer operates including other states.**

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\_ \_\_; 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:

**The hotel that will require at least 20 full time and 10 part time new jobs ranging from management and sales positions to housekeeping and building maintenance employees.**

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.

- State of New York: Department of Environmental Conservation; Empire State Development; Office of Parks, Recreation, and Historic Preservation; Department of Health; and Department of Transportation.
- City of Albany: Board of Zoning Appeals; Planning Board; Building & Regulatory Compliance; Parking Authority; Industrial Development Agency; Fire Department; and Water Board.
- Other: National Grid;

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

**Most of the agencies listed above will be involved in reviewing drawings and contract documents for code compliance and infrastructure capability associated with the granting of building permits.**

H. Construction Status:

1. Has construction work on this Project begun? Yes X; No \_\_\_\_\_. 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.:

**After purchasing the site, the company remediated the contaminated soils and hazardous materials from the site during 2017 and received a Certificate of Completion from the DEC in December 2017. In November of 2018, a combination of site grading, soil improvements, and structural fill work began to improve the site drainage and appearance and to prepare for potential vertical construction after winter. This work is ongoing and should be complete by the end of January 2019.**

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:

**FC 705 Broadway, LLC has spent approximately \$6,000,000 during the last three years on remediation and stabilization work. Additionally approximately \$700,000 has been spent by the company on engineering and design fees within the prior three years.**

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

**The hotel project is expected to be completed in the 2<sup>nd</sup> quarter of 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 X; No \_\_\_\_.

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

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

I. Sublessee name:  
Present Address:  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Employer's ID No.: \_\_\_\_\_  
Sublessee is: \_\_\_\_ Corporation: \_\_\_\_ Partnership: \_\_\_\_ Sole Proprietorship  
Relationship to Company:  
Percentage of Project to be leased or subleased:  
Use of Project intended by Sublessee:

Date of lease or sublease to Sublessee:

Term of lease or sublease to Sublessee:

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

2.

Sublessee name:

Present Address:

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

Employer's ID No.:

Sublessee is:

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

Relationship to Company:

Percentage of Project to be leased or subleased:

Use of Project intended by Sublessee:

Date of lease or sublease to Sublessee:

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

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

3.

Sublessee name:

Present Address:

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

Employer's ID No.:

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

Relationship to Company:

Percentage of Project to be leased or subleased:

Use of Project intended by Sublessee:

Date of lease or sublease to Sublessee:

Term of lease or sublease to Sublessee:

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

B. What percentage of the space intended to be leased or subleased is now subject to a binding written lease or sublease? **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	0	0	0
Present Part Time	0	0	0	0	0
Present Seasonal	0	0	0	0	0
First Year Full Time	3	5	5	7	20
First Year Part Time	0	0	0	10	10
First Year Seasonal	0	0	0	0	0
Second Year Full Time	3	5	5	7	20
Second Year Part Time	0	0	0	10	10
Second Year Seasonal	0	0	0	0	0

\*Assumes hotel employees are employed by applicant or affiliate

<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</b>					
<b>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.

RELATED EMPLOYMENT INFORMATION				
	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled
Estimated Salary and Fringe Benefit Averages or Ranges-based on full time. Fringe benefits will cost an additional approximately 20% of these salaries.	\$85,000- \$42,000	\$42,000- \$35,000	\$35,000- \$30,000	\$30,000- \$25,000
Estimated Number of Employees Residing in the Capital Region Economic Development Region <sup>1</sup>	3	5	5	7FT 10PT

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

**Hotel – 2<sup>nd</sup> Quarter 2020. Most positions will be filled upon the opening of the hotel.**

<sup>1</sup> The Capital Region Economic Development Region consists of the following counties: Albany, Schenectady, Rensselaer, Greenc, 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.

**Refer to Exhibit B Section IV-D**

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:

**REFER TO ATTACHED EXHIBIT B - SECTION V**

<u>Description of Cost</u>	<u>Amount</u>
Land	\$ 3,400,000
Buildings	\$ 20,879,000
Machinery and equipment costs	\$ 2,503,000
Utilities, roads and appurtenant costs	\$ 0
Architects and engineering fees	\$ 955,000
Costs of Bond Issue (legal, financial and printing)	\$ 0
Construction loan fees and interest (if applicable)	\$ 482,500
Other (specify)	
Financing (incld IDA fees)	\$ 493,000
Legal & Other & Other Soft	\$ 439,000
Project Management	\$ 1,263,500
<b>TOTAL PROJECT COSTS</b>	<b>\$ 30,415,000</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:

<u>Description of Sources</u>	<u>Amount</u>
Private Sector Financing	\$ <u>22,000,000</u>
Public Sector	
Federal Programs	\$ _____
State Programs	\$ <u>1,200,000</u>
Local Programs	\$ _____
Applicant Equity	\$ <u>7,215,000</u>
Other (specify, e.g., tax credits)	
_____	\$ _____
_____	\$ _____
_____	\$ _____
<b>TOTAL AMOUNT OF PROJECT FINANCING SOURCES</b>	<b>\$ <u>30,415,000</u></b>

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

**To date there have been significant expenditures made primarily on architectural, structural, and mechanical design work.**

- 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: M&T Bank

**We are working with M&T Bank for the financing on the hotel site and have received a term sheet. The appraisal process has begun and will include assumptions consistent with the request accompanying this application.**

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

Name: Jonathan Leister Phone: 315.424.5064

- F. The percentage of Project costs to be financed from public sector sources is estimated to equal the following: 3.9 %
- G. The total amount estimated to be borrowed to finance the Project is equal to the following: \$ 22,000,000

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? 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:
- 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 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? \$ 22,000,000.

3. Is the applicant expecting to be appointed agent of the Agency for purposes of avoiding payment of N.Y.S. Sales Tax or Compensating Use Tax? Yes X; No \_\_\_\_\_. If yes, what is the approximate amount of purchases which the applicant expects to be exempt from the N.Y.S. Sales and Compensating Use Taxes? \$ 10,000,000.

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

a.	N.Y.S. Sales and Compensating Use Taxes:	\$ <u>800,000</u>
b.	Mortgage Recording Taxes:	\$ <u>220,000</u>
c.	Real Property Tax Exemptions:	\$ <u>6,055,000</u>
d.	Other (please specify):	\$ <u>0</u>
	_____	\$ _____
	_____	\$ _____

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.

**Major Project PILOT request.**

6. Does the Project involve a minimum investment of \$25 million dollars, a minimum of fifteen (15) acres, or a full service hotel? Yes X; No \_\_\_\_\_. If yes, please provide detail and whether the applicant is seeking a real property tax abatement outside of the Agency's Project Evaluation and Assistance Framework.

**Total project cost is approximately \$30.415MM and therefore exceeds the \$25MM threshold, as a result and due to the economic need of the development we will be seeking a tax abatement structure outside of the Framework.**

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

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

By:   
Applicant  
MELISSA F. BELL  
Title: MEMBER

NOTE: APPLICANT MUST ALSO COMPLETE THE APPROPRIATE VERIFICATION APPEARING ON PAGES 27 THROUGH 30 HEREOF BEFORE A NOTARY PUBLIC AND MUST SIGN AND ACKNOWLEDGE THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 31.

VERIFICATION

(If Applicant is a Corporation)

STATE OF \_\_\_\_\_ )

COUNTY OF \_\_\_\_\_ )

SS.:

\_\_\_\_\_ 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 Onondaga

Melissa F. Zell, deposes and says  
(Name of Individual)

that he is one of the members of the firm of FC 705 Broadway, 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.

  
\_\_\_\_\_

Sworn to before me this  
6<sup>th</sup> day of December, 2018

Christine L. Davis  
(Notary Public)  
CHRISTINE L. SAVKINS-Davis  
Notary Public, State of New York  
No. 0157141729  
Qualified in Onondaga County  
Commission Expires August 21, 2022

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 31 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  
6<sup>th</sup> day of December 2018

  
(Notary Public)

CHRISTINE L. SAWKINS - ~~Davies~~  
Notary Public, State of New York  
No. 015A 161729  
Qualified in Onondaga County  
Commission Expires August 21, 2022

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"):	FC 705 Broadway, LLC
2. Brief Identification of the Project:	Quackenbush Square Development
3. Estimated Amount of Project Benefits Sought:	
A. Amount of Bonds Sought:	\$ 0
B. Value of Sales Tax Exemption Sought	\$ 800,000
C. Value of Real Property Tax Exemption Sought	\$ 6,055,000
D. Value of Mortgage Recording Tax Exemption Sought	\$ 220,000
4. Likelihood of accomplishing the Project in a timely fashion (please explain):	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> <b>Project sponsor has significant experience with major real estate development projects including six hotels and has already made a substantial commitment in terms of dollars and time into the project.</b>

**PROJECTED PROJECT INVESTMENT Total Project**

A. Land-Related Costs	
1. Land acquisition	\$ 3,400,000
2. Site preparation	\$ 828,207
3. Landscaping	\$ 0
4. Utilities and infrastructure development	\$ 0
5. Access roads and parking development	\$ 0
6. Other land-related costs (describe) Survey/Approvals	\$ 32,500

<b>B. Building-Related Costs</b>	
1. Acquisition of existing structures	\$ 0
2. Renovation of existing structures	\$ 0
3. New construction costs	\$ 20,005,793
4. Electrical systems	\$ 0
5. Heating, ventilation and air conditioning	\$ 0
6. Plumbing	\$ 0
7. Other building-related costs (describe)	\$ 0
<b>C. Machinery and Equipment Costs</b>	
1. Production and process equipment	\$ /
2. Packaging equipment	\$ /
3. Warehousing equipment	\$ /
4. Installation costs for various equipment	\$ /
5. Other equipment-related costs (describe)	\$ /
<b>D. Furniture and Fixture Costs</b>	
1. Office furniture	\$ 0
2. Office equipment	\$ 0
3. Computers	\$ 0
4. Other furniture-related costs (describe) see description page 10	\$ 2,503,000
<b>E. Working Capital Costs</b>	
1. Operation costs & Franchise Fees	\$ 335,000
2. Production costs	\$ 0
3. Raw materials	\$ 0
4. Debt service	\$ 0
5. Relocation costs	\$ 0
6. Skills training	\$ 0
7. Other working capital-related costs (describe)	\$ 0
<b>F. Professional Service Costs</b>	
1. Architecture and engineering	\$ 955,000
2. Accounting/legal	\$ 71,500
3. Other service-related costs (describe) Financing/Leasing	\$ 510,500
<b>G. Other Costs</b>	
1. CPI/Insurance/Taxes/MRT	\$ 510,000
2. Project Management	\$ 1,263,500
<b>H. Summary of Expenditures</b>	
1. Total Land-Related Costs	\$ 4,260,707
2. Total Building-Related Costs	\$ 20,005,793
3. Total Machinery and Equipment Costs	\$ 0
4. Total Furniture and Fixture Costs	\$ 2,503,000
5. Total Working Capital Costs	\$ 335,000
6. Total Professional Service Costs	\$ 1,537,000
7. Total Other Costs	\$ 1,773,500
	<b>\$30,415,000</b>



**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	\$ (482,370)	\$ 25,951
2	\$ 192,089	\$ 707,314
3	\$ 248,446	\$ 770,679
4	\$ 134,957	\$ 664,302
5	\$ 158,136	\$ 744,350

**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	\$ 0
Year 1	70	\$ 3,000,000	\$ 240,000
Year 2	30	\$ 1,300,000	\$ 100,000
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.

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:

**The company will actively recruit City residents through a variety of methods including job fairs and interacting with local agencies.**

**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)	\$ 500,000
Additional Sales Tax Paid on Additional Purchases	\$ 40,000
Estimated Additional Sales (1 <sup>st</sup> full year following project completion)	\$ 2,000,000
Estimated Additional Sales Tax to be collected on additional sales (1 <sup>st</sup> full year following project completion)	\$ 160,000

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

Year	Existing Real Property Taxes (Without IDA involvement)	New Pilot Payments (With IDA)	Total (Difference)
Current Year			
Year 1	\$19,228	\$82,016	\$62,788.27
Year 2	\$19,612	\$82,061	\$62,448.92
Year 3	\$20,004	\$82,075	\$62,070.88
Year 4	\$20,404	\$82,057	\$61,652.73
Year 5	\$20,813	\$166,728	\$145,915.34
Year 6	\$21,229	\$169,199	\$147,970.34
Year 7	\$21,653	\$343,502	\$321,848.45
Year 8	\$22,086	\$435,879	\$413,792.31
Year 9	\$22,528	\$530,897	\$508,369.05
Year 10	\$22,979	\$808,306	\$785,327.12

III. Please indicate which of the below described community commitments (as defined in the Agency's Project Evaluation and Assistance Framework) will be provided as a result of the Project, and please provide a detailed description of such commitments, together with any other economic benefits and community benefits expected to be produced as a result of the Project (attach additional pages as needed for a complete and detailed response):

- MWBE/DBE Participation
- EEO Workforce Utilization
- Inclusionary Housing
- Regional Labor
- City of Albany Labor
- Apprenticeship Program

**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.

Date Signed: 12/6, 2018

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

Name: Mark W. Roney  
Title: CEO  
Phone Number: 315-200-1851  
Address: 333 W. Washington PT SYRACUSE NY

Signature: 

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 (FTE)	Range of Salary and Benefits
General Manager Hotel	1	\$85,000-\$70,000
Assistant GM Hotel	1	\$50,000
Director of Housekeeping	1	\$42,000
Director of Sales	1	\$50,000
Front Office Manager	1	\$45,000
Chief Engineer	1	\$45,000
Front Office Supervisor	1	\$35,000
Housekeeping Supervisor	1	\$35,000
Maintenance Tech	2	\$35,000
Front Office	6	\$35,000
Housekeepers	5	\$30,000
Laundry	2	\$25,000
Attendant	2	\$25,000

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

## **EXHIBIT B**

### **ATTACHMENT TO CAIDA APPLICATION**

APPLICANT: FC 705 BROADWAY, LLC

#### **II-A : Proposed Project Summary**

This application is for the first phase of the Quackenbush Square Development; the 132 room Hotel. The proposed project is located on a 1.67 acre parcel of vacant land bounded by Broadway to the west, Spencer Street to the north, Montgomery Street to the east and the historic Quackenbush Square buildings to the south.

The project ownership will be structured as a commercial condominium. The hotel is a limited service, eight-story building, consisting of 84,534 SF, with 132 guestrooms located at the corner of Montgomery and Spencer Streets along the east end of the site. The hotel will generally serve business and leisure travelers visiting the Capital District from outside the area. The main drop off and entrance will be at the Montgomery Street elevation with the main lobby one level above Montgomery at the Plaza/Broadway level. The hotel will include a guest fitness center and pool, small meeting areas as well as guest dining areas and outdoor seating areas adjacent to the plaza.

Architecturally, the project has been designed to be compatible with the rich history of Quackenbush Square. High performance metal panels have been selected not only for maximum durability and energy efficiency but also for compatibility and enhancement of the surrounding buildings. As an in-fill development wedged between buildings of very different scales, this project provides the opportunity to bridge that gap. The overall massing of the project is sympathetic to the varied scales of the surrounding structures but prioritizes the human and pedestrian scale of the Quackenbush neighborhood.

The project is located in a downtown high vacancy census tract and has been directly identified in the Clinton Square DRI Plan. As stated in various areas of this application the hotel investment will be \$30.415MM and will create 20-30 permanent jobs and 100 temporary construction jobs. Our intention is to fill those positions from the City of Albany and certainly the direct region; additionally we will encourage the use of Minority and Women Owned Businesses.

#### **IV - A : Employment Impact**

We estimate that 20 full time and 10 part time permanent jobs at the hotel and at least 100 temporary construction jobs will be created.

#### **IV - D : Types of Employment**

(M)General Manager - Oversight of entire hotel with focus on guest satisfaction, financial performance, cleanliness and food quality. Monitors schedules, workloads and supervises all department heads.

(M)Assistant GM - Assists general manager with inventory management, financials, overall department performance, administrative duties

(M)Director of Sales – Responsible for revenue generation throughout the hotel in various market segments. DOS goes on outside sales calls, books groups/room blocks, and maintains relationships with current guests.

(M)Front Office Manager - Responsible for operation of the front office. Guest welcome, inventory management, posting of room charges, service recovery

(M)Executive Housekeeper - Oversees the entire housekeeping/house-porter operation. Responsible for the cleanliness of the hotel and the guest perception of facilities. Schedules team members and coordinates cleaning of rooms in the hotel

(S)Chief Engineer - Oversees the maintenance operation of the hotel by instituting preventative maintenance programs, fixing HVAC, Mechanicals, Plumbing, Electrical. Ensures good working order of hotel assets.

(S)Front office supervisor - Assists front office manager in overseeing line level staff at the hotel in the absence of the FOM. Assists in scheduling, inventory balancing, administrative duties, light accounting

(S)Housekeeping Supervisor – Assists executive housekeeper in cleaning rooms, assigning duties to line level staff, scheduling and assigning rooms to line level to clean

(SS) Maintenance Tech - - at the direction of Chief Engineer, executes preventative maintenance programs, fixing HVAC, Mechanicals, Plumbing, Electrical. Ensures good working order of hotel assets.

(SS) Front Office – Checks in/out guests, assigns rooms, takes cash/credit for rents, ensures guest satisfaction

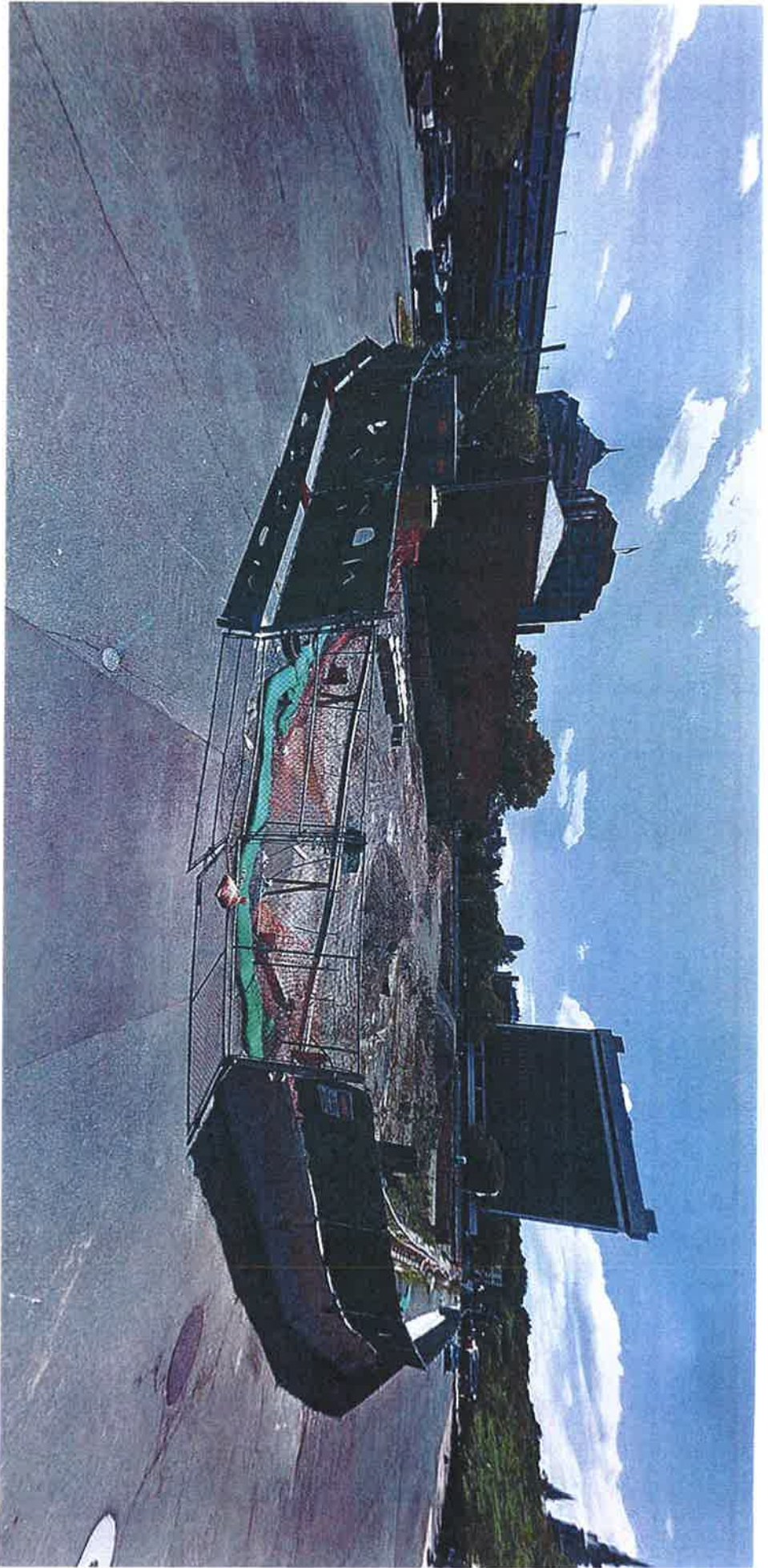
(SS) Housekeeping – Cleans guest rooms/Bathrooms

(US)Laundry – Washes linen/terry

(US)Breakfast Attendant – Serves breakfast to guests, busses tables, cleans breakfast area

Applicant's PILOT "ask"				
YEAR	Property Tax Projections Without Proposed Project	Proposed PILOT Payments	Total of Additional Payments	Proposed Reduction on a Percentage Basis
Year 1	\$19,228	\$82,016	\$62,788.27	91.97%
Year 2	\$19,612	\$82,061	\$62,448.92	92.17%
Year 3	\$20,004	\$82,075	\$62,070.88	92.37%
Year 4	\$20,404	\$82,057	\$61,652.73	92.57%
Year 5	\$20,813	\$166,728	\$145,915.34	82.76%
Year 6	\$21,229	\$169,199	\$147,970.34	82.86%
Year 7	\$21,653	\$343,502	\$321,848.45	63.45%
Year 8	\$22,086	\$435,879	\$413,792.31	53.93%
Year 9	\$22,528	\$530,897	\$508,369.05	44.51%
Year 10	\$22,979	\$808,306	\$785,327.12	15.96%
<b>TOTALS:</b>	<b>\$210,536</b>	<b>\$2,782,720</b>	<b>\$2,572,183</b>	













NO.	REVISION

DATE: 11/15/18  
 DRAWN BY: [Signature]  
 CHECKED BY: [Signature]

PROJECT: QUACKENBUSH SQUARE HOTEL  
 LOCATION: ALBANY, NY  
 SCALE: AS SHOWN

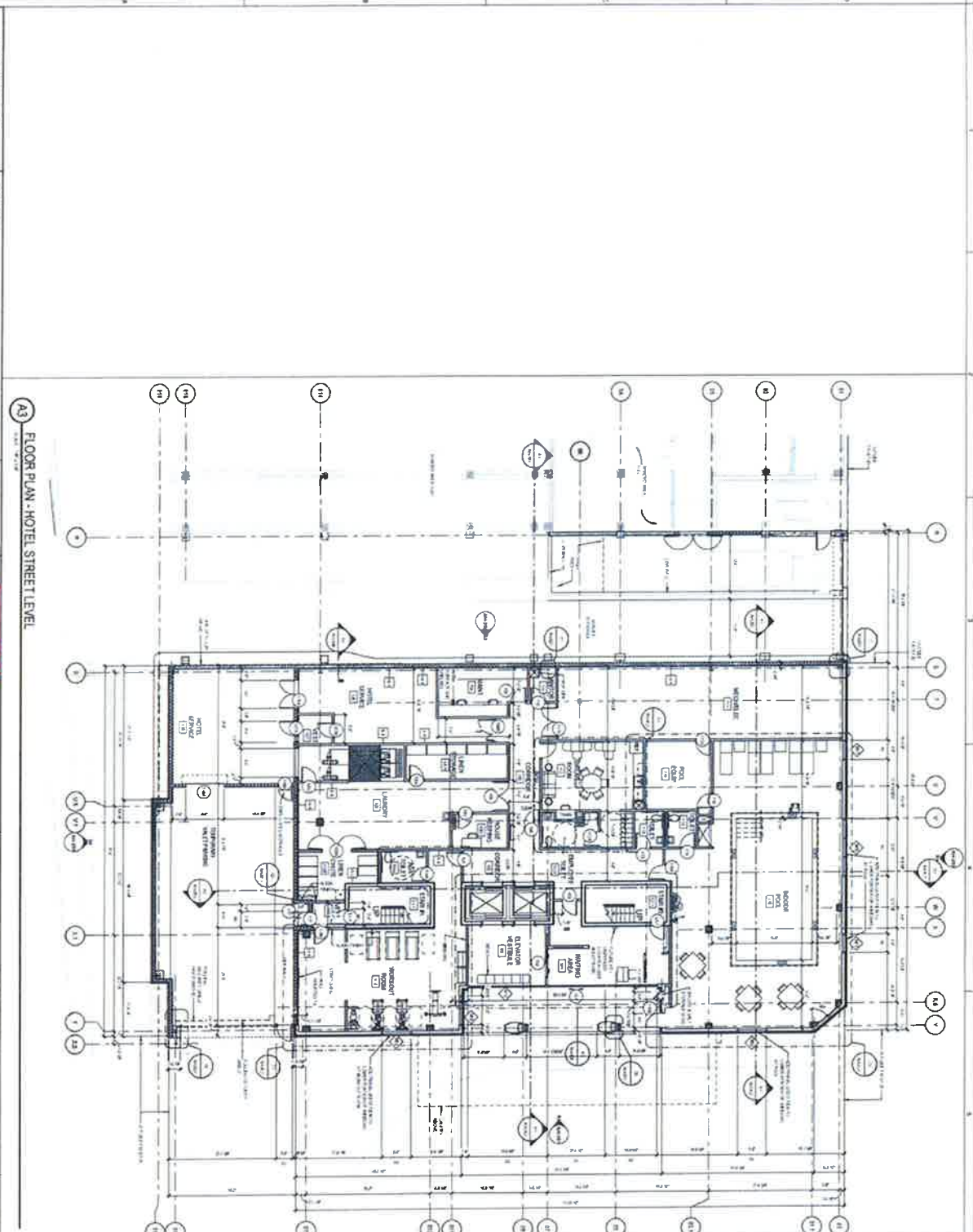


**DPK** 60th  
 ARCHITECTURE  
 ENGINEERING  
 SITE & PLANNING  
 DESIGN

FLOOR PLAN - HOTEL STREET LEVEL  
 50 705 BROADWAY, LLC

QUACKENBUSH SQUARE HOTEL  
 ALBANY, NY


11/15/18  
 AH-101



**GENERAL NOTES - PUBLIC SPACES**

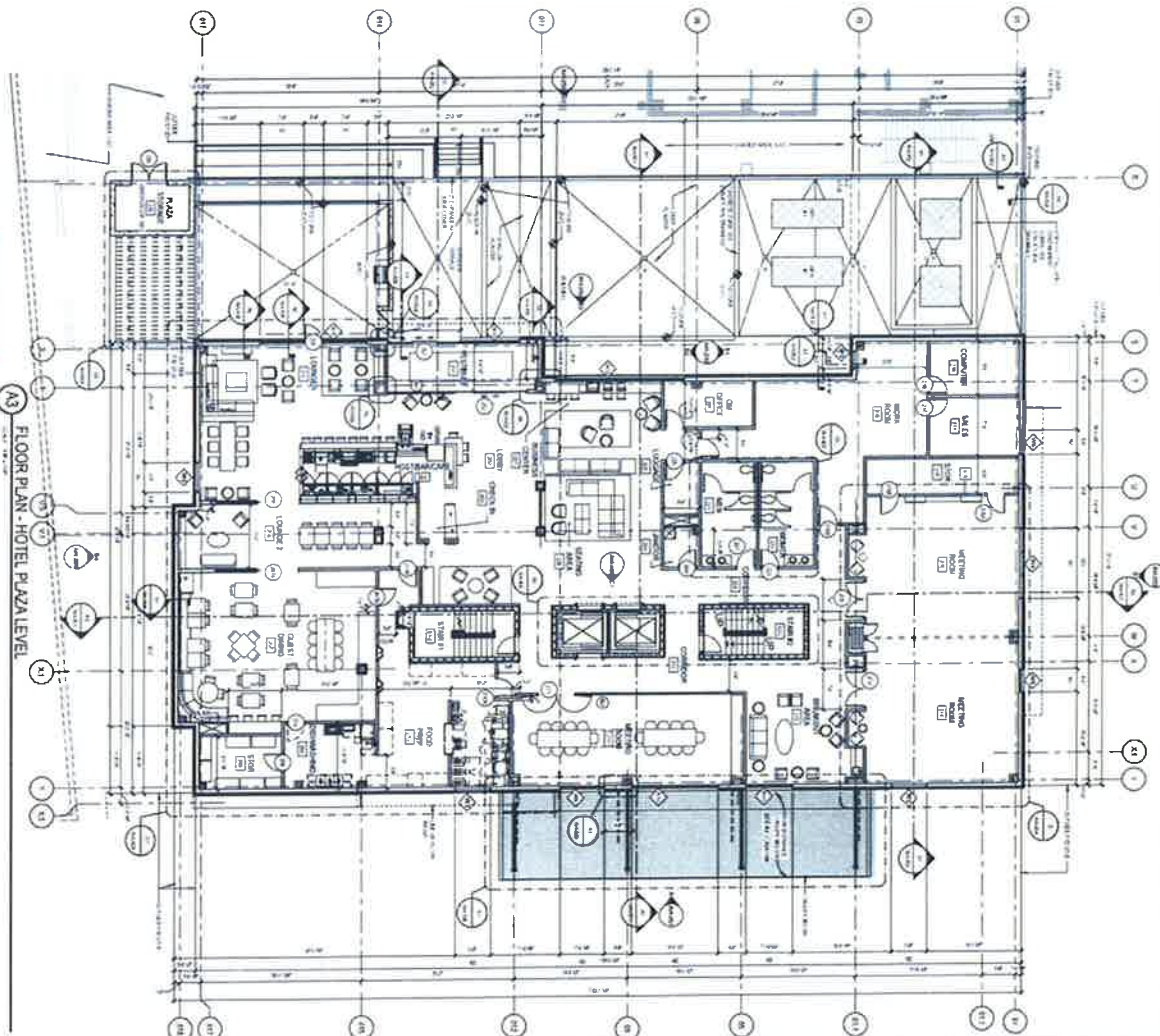
1. ALL PUBLIC SPACES SHALL BE DESIGNED TO MEET ALL APPLICABLE CODES AND REGULATIONS.
2. ALL PUBLIC SPACES SHALL BE DESIGNED TO MEET ALL APPLICABLE CODES AND REGULATIONS.
3. ALL PUBLIC SPACES SHALL BE DESIGNED TO MEET ALL APPLICABLE CODES AND REGULATIONS.

**KEY PLAN**

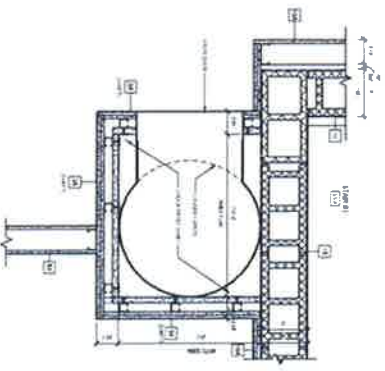


**GENERAL NOTES: PUBLIC SPACES**

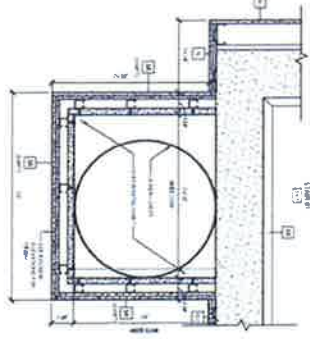
- 1. PUBLIC SPACES SHALL BE MAINTAINED AS SUCH.
- 2. PUBLIC SPACES SHALL BE MAINTAINED AS SUCH.
- 3. PUBLIC SPACES SHALL BE MAINTAINED AS SUCH.
- 4. PUBLIC SPACES SHALL BE MAINTAINED AS SUCH.



98 PLAN DETAIL - LAUNDRY CHUTE AND OTHER LEVELS



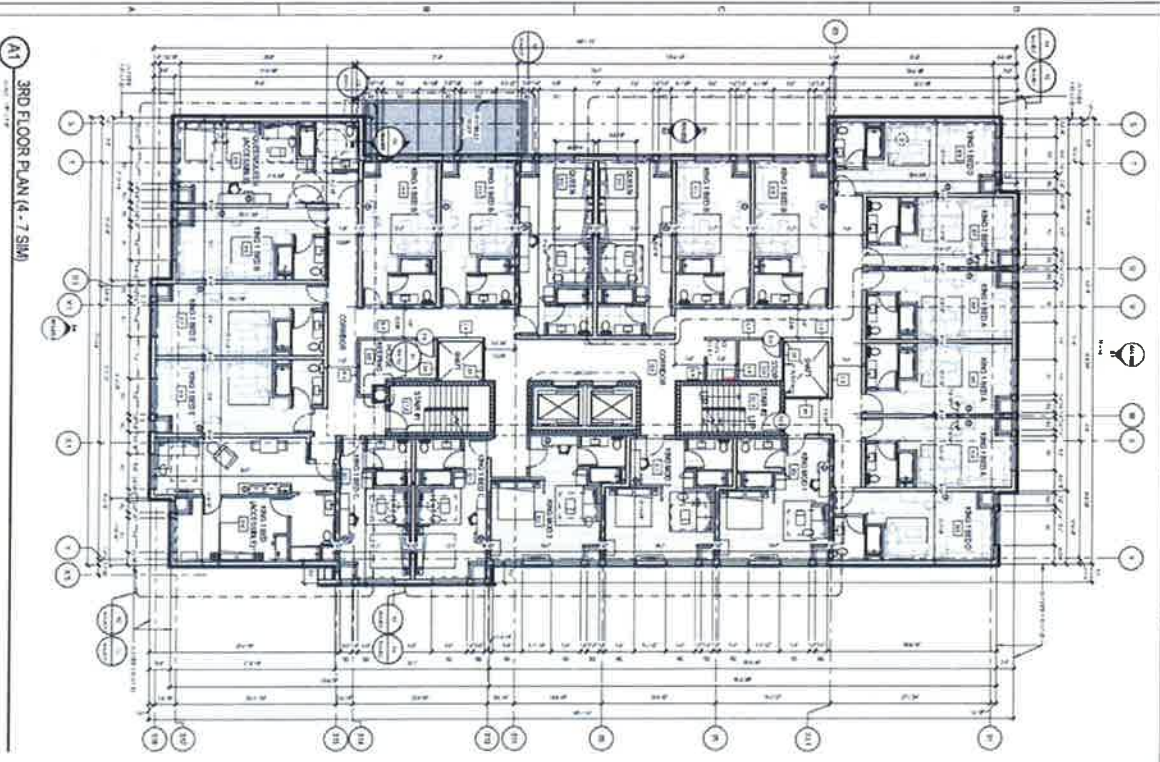
99 PLAN DETAIL - LAUNDRY CHUTE HOTEL PLAZA LEVEL



9A FLOOR PLAN - HOTEL PLAZA LEVEL

	ARCHITECTURE ENGINEERING SITE & PLANNING	PROJECT NO. 15001 15001 15001
	PC 705 BROADWAY, LLC	QUACKENBUSH SQUARE HOTEL ALBANY, NY
FLOOR PLANS - HOTEL PLAZA LEVEL		AH-102





3RD FLOOR PLAN (4 - 7 SIM)

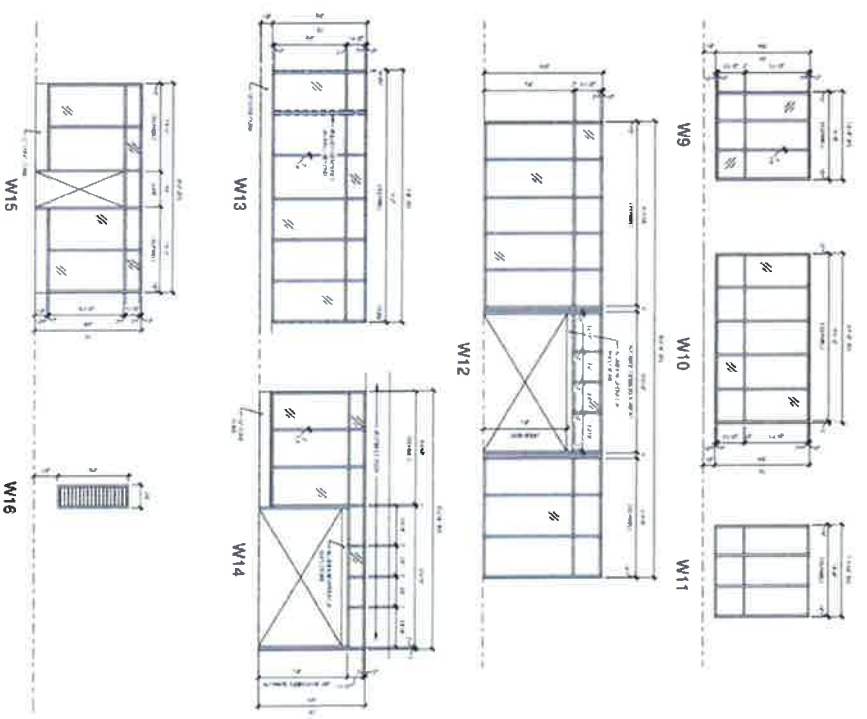
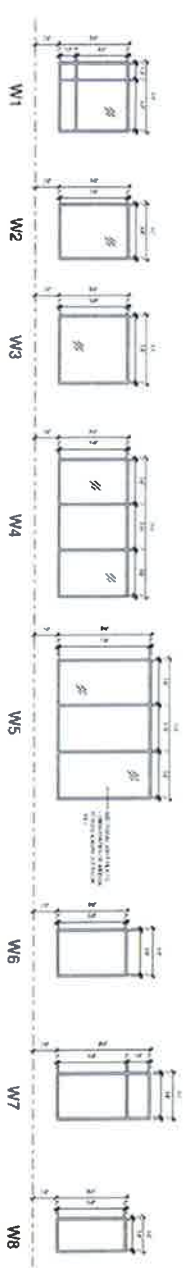
- GENERAL NOTES: SUITE FLOORS 3 - 10**
1. REFER TO GENERAL NOTES SHEET 001.
  2. ALL SUITE FLOORS 3-10 ARE TO BE FINISHED TO THE SAME LEVEL.
  3. SEE ALL SUITE FLOOR PLANS FOR FINISHES, WALLS, FLOORING, CEILING, PARTITIONING, AND INTERCOMPLETION.
  4. ALL SUITE FLOOR PLANS ARE TO BE FINISHED TO THE SAME LEVEL.
  5. ALL SUITE FLOOR PLANS ARE TO BE FINISHED TO THE SAME LEVEL.
  6. ALL SUITE FLOOR PLANS ARE TO BE FINISHED TO THE SAME LEVEL.
  7. ALL SUITE FLOOR PLANS ARE TO BE FINISHED TO THE SAME LEVEL.
  8. ALL SUITE FLOOR PLANS ARE TO BE FINISHED TO THE SAME LEVEL.



KEY PLAN

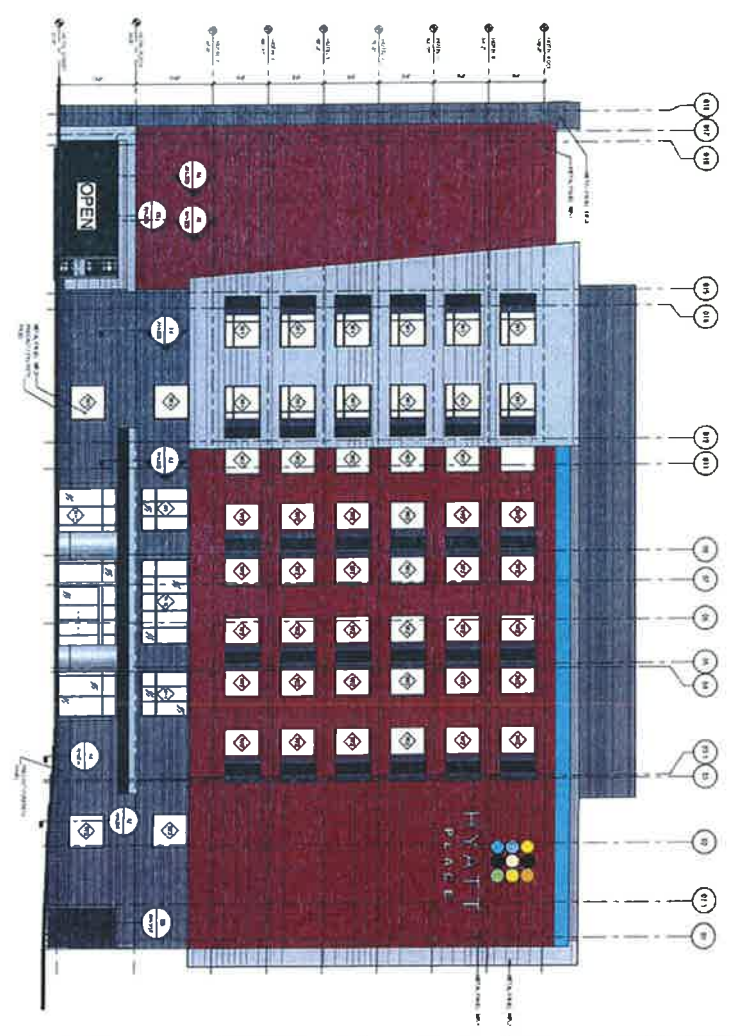
<p>ARCHITECTURE ENGINEERING SITE &amp; PLANNING DESIGN 1100 BROADWAY, SUITE 1100 ALBANY, NY 12202 TEL: 518-537-1100 WWW.PKDESIGN60.COM</p>	<p>FLOOR PLANS - TYPICAL</p> <p>FC 706 BROADWAY, LLC</p>	<p>QUACKENBUSH SQUARE HOTEL</p> <p>ALBANY, NY</p>	<p>DATE: 11/08/18</p>
			<p>AH-103</p>



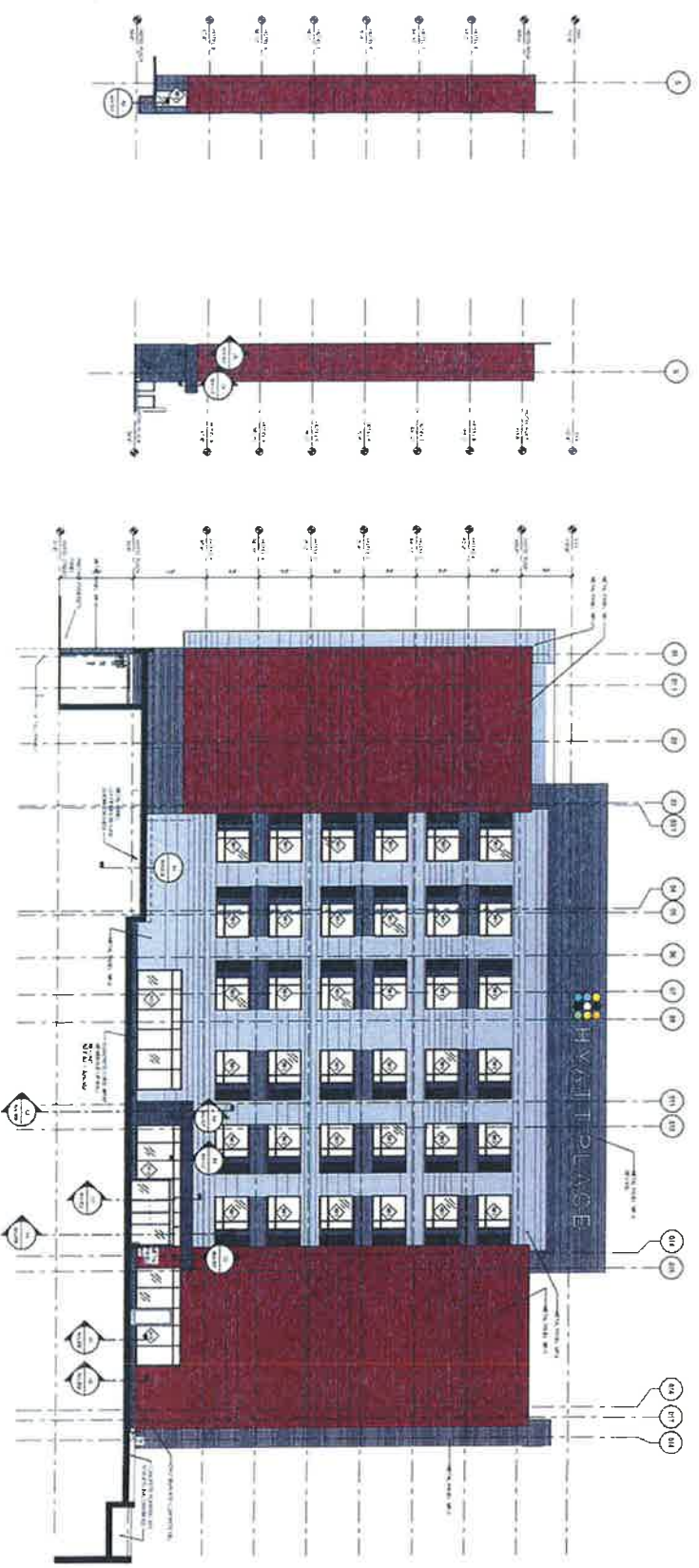
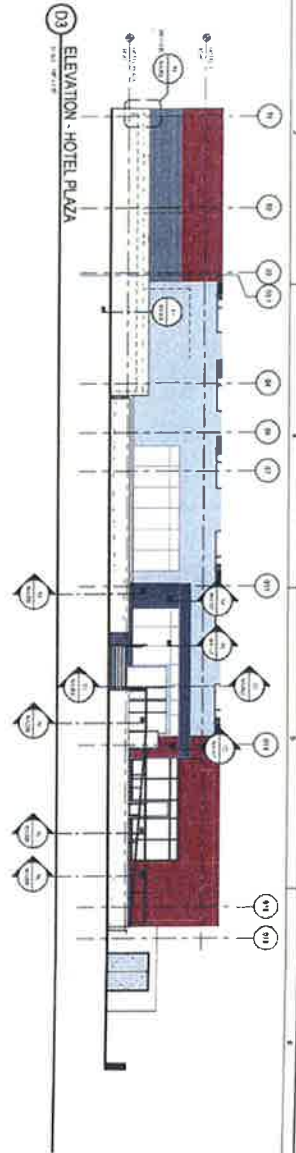


A1 WINDOW LEGEND

A4 HOTEL FRONT / EAST ELEVATION SHADED



	<b>60 YEARS</b> <b>ARCHITECTURE</b> <b>ENGINEERING</b> <b>INTERIOR DESIGN</b> 100 WEST 30th STREET, SUITE 1000 NEW YORK, NY 10001 TEL: 212 312 3333 WWW.PKDESIGN.COM	<b>EXTERIOR ELEVATIONS</b> QUACKENBUSH SQUARE HOTEL ALBANY, NY	PROJECT NO. AH-201 DESIGN PREPARED BY
--	---	--	---




DATE: 08/14/2019  
 DRAWN BY: [Name]  
 CHECKED BY: [Name]  
 PROJECT: QUACKENBUSH SQUARE HOTEL  
 LOCATION: ALBANY, NY  
 SHEET: AH-202

**PK DESIGN**  
 ARCHITECTURE  
 ENGINEERING  
 SITE & PLANNING

60 YEARS OF DESIGN

FC 785 BROADWAY, LLC

EXTERIOR ELEVATIONS

QUACKENBUSH SQUARE HOTEL

ALBANY, NY

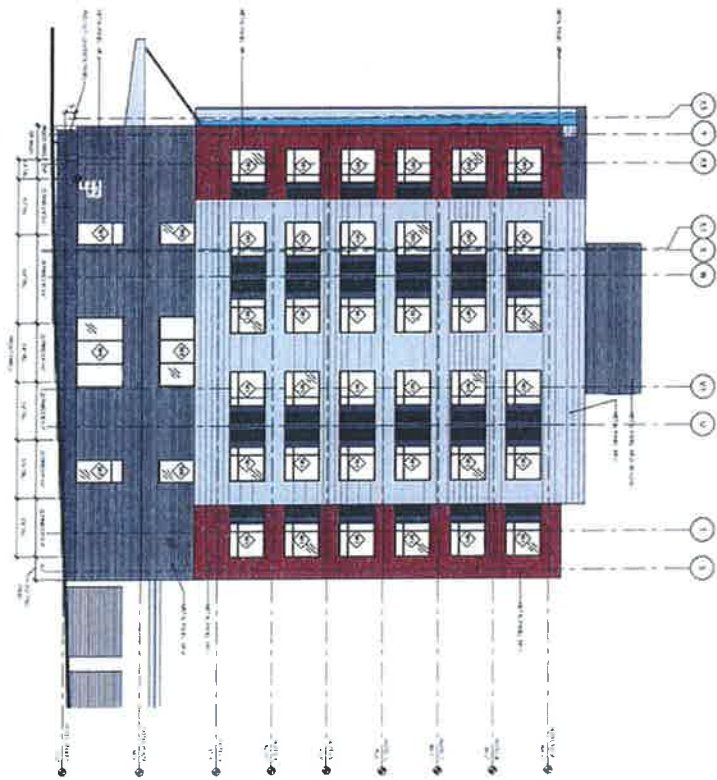
**PK DESIGN**  
 ARCHITECTURE  
 ENGINEERING  
 SITE & PLANNING

60 YEARS OF DESIGN

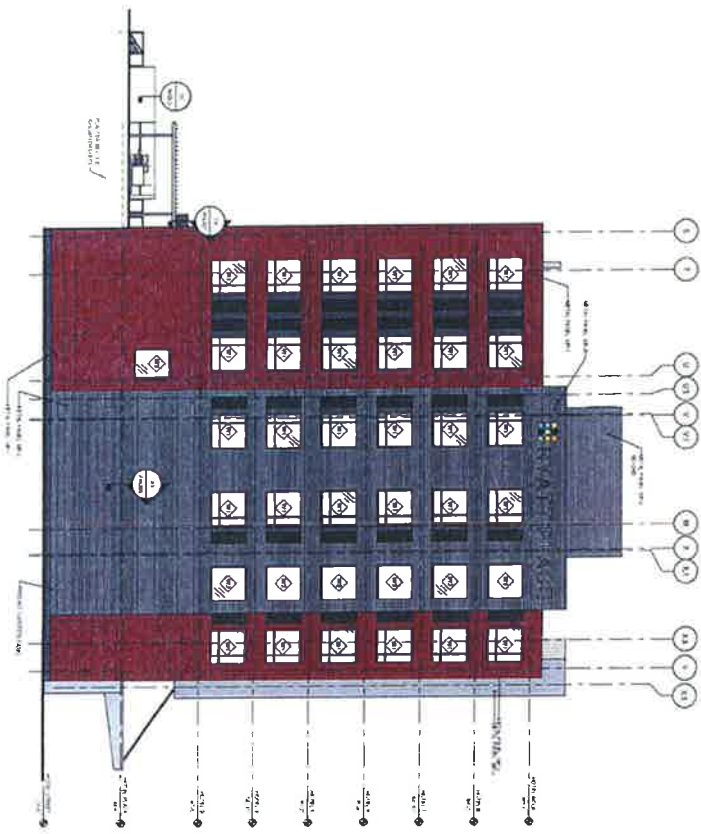
FC 785 BROADWAY, LLC

ALBANY, NY

**AH-202**



**81** HOTEL NORTH ELEVATION



**84** HOTEL SOUTH ELEVATION


60 YEARS OF  
**PK**  
 DESIGN  
 ARCHITECTURE  
 ENGINEERING  
 SITE & PLANNING

EXTENSION ELEVATIONS  
 FC 700 BROADWAY, LLC

COUNCENBUSH SQUARE HOTEL  
 ALBANY, NY

DESIGN  
 DEVELOPMENT  
**AH-203**



**PROJECT INFORMATION:**

- 1. PROJECT NAME: [ ]
- 2. PROJECT NUMBER: [ ]
- 3. PROJECT DATE: [ ]
- 4. PROJECT LOCATION: [ ]
- 5. PROJECT TYPE: [ ]
- 6. PROJECT OWNER: [ ]
- 7. PROJECT DESIGNER: [ ]
- 8. PROJECT CONTRACT NUMBER: [ ]
- 9. PROJECT PHASE: [ ]
- 10. PROJECT STATUS: [ ]

**NOTES CONCERNING TO RECORD & EXISTING UTILITIES:**

1. VERIFY UTILITIES AND RECORD ALL UTILITIES.
2. VERIFY EXISTING UTILITIES AND RECORD ALL UTILITIES.
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9. VERIFY EXISTING UTILITIES AND RECORD ALL UTILITIES.
10. VERIFY EXISTING UTILITIES AND RECORD ALL UTILITIES.

**LIMITS & ASSUMED BOUNDARIES:**

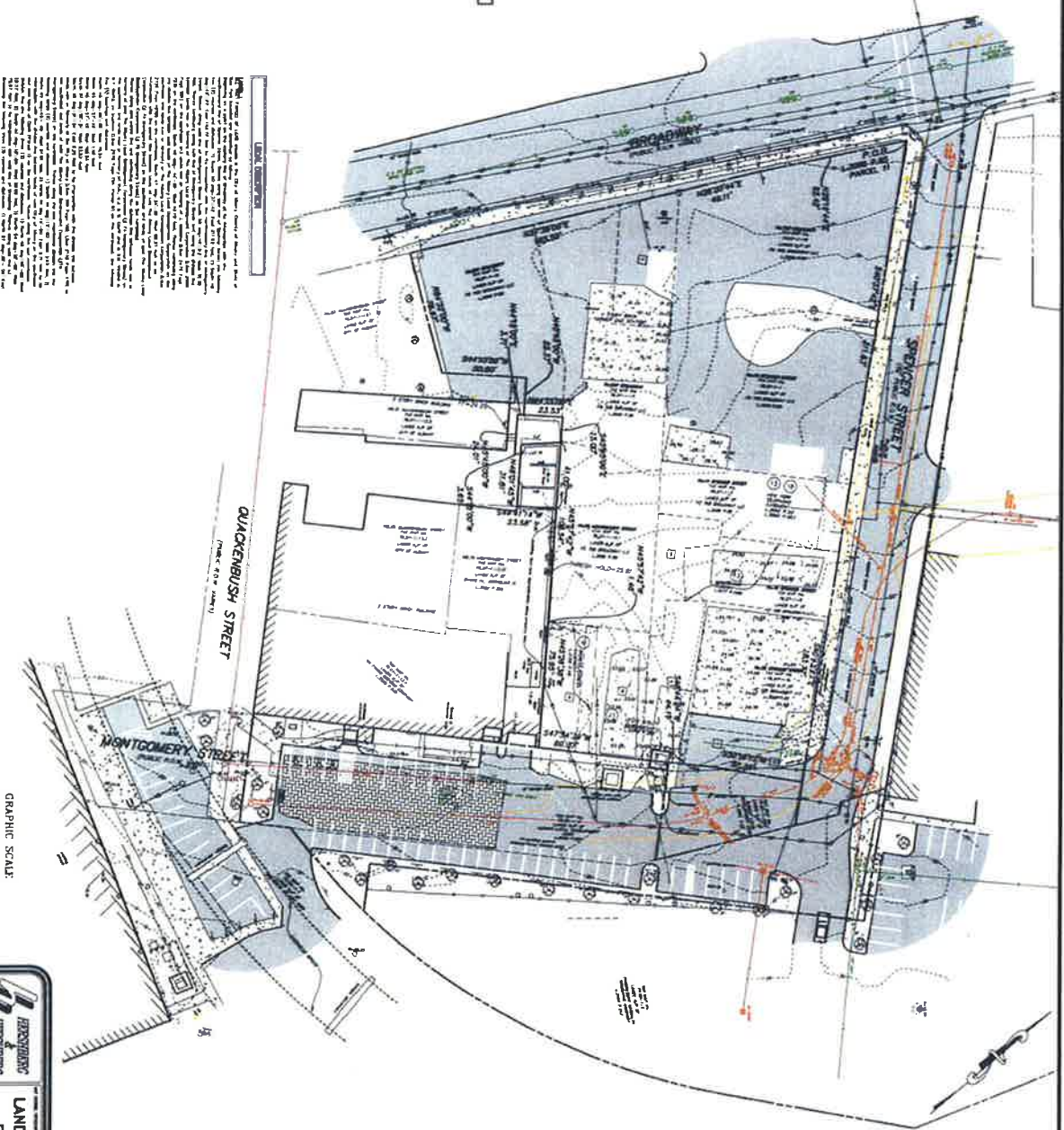
The limits and assumed boundaries shown on this plan are based on the following information:

- 1. The limits and assumed boundaries shown on this plan are based on the following information:
- 2. The limits and assumed boundaries shown on this plan are based on the following information:
- 3. The limits and assumed boundaries shown on this plan are based on the following information:
- 4. The limits and assumed boundaries shown on this plan are based on the following information:
- 5. The limits and assumed boundaries shown on this plan are based on the following information:

**LOCAL DESCRIPTION:**

The local description of the project area is as follows:

- 1. The local description of the project area is as follows:
- 2. The local description of the project area is as follows:
- 3. The local description of the project area is as follows:
- 4. The local description of the project area is as follows:
- 5. The local description of the project area is as follows:



**LEGEND:**

1.0	ASPHALT
2.0	CONCRETE
3.0	GRAVEL
4.0	PAVEMENT
5.0	TOP SOIL
6.0	EXISTING UTILITIES
7.0	NEW UTILITIES
8.0	PROPOSED UTILITIES
9.0	PROPOSED UTILITIES
10.0	PROPOSED UTILITIES

**HERRINGBURGH CONSULTING ENGINEERS AND LAND SURVEYORS**  
 1800 Broad Street, Suite 100, Newark, NJ 07102  
 Phone: (973) 342-1100  
 Fax: (973) 342-1101  
 Website: www.herringburgh.com

**LANDS NOW OR FORMERLY OF FC 705 BROADWAY LLC**  
 CITY OF NEWARK, NEW JERSEY  
 PROJECT NUMBER: FC 705 BROADWAY LLC  
 SCALE: 1" = 20'-0"

1. THE INFORMATION CONTAINED HEREON IS THE PROPERTY OF HERRINGBURGH CONSULTING ENGINEERS AND LAND SURVEYORS. IT IS TO BE USED ONLY FOR THE PROJECT AND SITE SPECIFICALLY IDENTIFIED HEREON. ANY REUSE OR MODIFICATION OF THIS INFORMATION WITHOUT THE WRITTEN CONSENT OF HERRINGBURGH CONSULTING ENGINEERS AND LAND SURVEYORS IS STRICTLY PROHIBITED.

2. THE INFORMATION CONTAINED HEREON IS BASED ON THE ASSUMPTIONS AND CONDITIONS SET FORTH IN THE SUPPLEMENTAL SPECIFICATIONS TO THE STANDARD SPECIFICATIONS FOR PUBLIC WORKS, EDITION 1995, AS AMENDED, AND THE STANDARD SPECIFICATIONS FOR PUBLIC WORKS, EDITION 2003, AS AMENDED, AND ANY OTHER DOCUMENTS REFERRED TO THEREIN.

3. THE INFORMATION CONTAINED HEREON IS NOT TO BE USED FOR ANY OTHER PROJECT OR PURPOSE WITHOUT THE WRITTEN CONSENT OF HERRINGBURGH CONSULTING ENGINEERS AND LAND SURVEYORS.

4. THE INFORMATION CONTAINED HEREON IS NOT TO BE USED FOR ANY OTHER PROJECT OR PURPOSE WITHOUT THE WRITTEN CONSENT OF HERRINGBURGH CONSULTING ENGINEERS AND LAND SURVEYORS.

5. THE INFORMATION CONTAINED HEREON IS NOT TO BE USED FOR ANY OTHER PROJECT OR PURPOSE WITHOUT THE WRITTEN CONSENT OF HERRINGBURGH CONSULTING ENGINEERS AND LAND SURVEYORS.



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

KATHY SHEEHAN  
MAYOR

TREY KINGSTON  
CITY ASSESSOR

November 5, 2018

Joseph Landy  
21 Lodge Street  
Albany, New York 12207

**Re: Hyatt Place Quackenbush Square**

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 some of the salient features of the project used to calculate the value below:

- A 132 room hotel;
- 365 days of operation annually;
- \$138.00 average daily rental rate; and
- 65% occupancy rate.

Based on the above and consistent with the income capitalization methodology utilized by this office for other hotel 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, 2018 and its value estimate was as of July 1, 2017, to be:

**\$16,000,000**

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 black ink, appearing to read 'Trey Kingston', with a long horizontal flourish extending to the right.

Trey Kingston, Esq.  
Assessor, City of Albany

**PROFESSIONAL SERVICES AGREEMENT**

**Between**

**CITY OF ALBANY**

**and**

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY**

**and**

**CITY OF ALBANY CAPITAL RESOURCE CORPORATION**

This professional services agreement, made this \_\_\_ day of January, 2019 (the "Agreement") between the CITY OF ALBANY INDUSTRIAL DEVELOPMENT 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 (hereinafter referred to as the "Agency"), the CITY OF ALBANY CAPITAL RESOURCE 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 (hereinafter referred to as the "Corporation"), and the CITY OF ALBANY, having its principal office at City Hall, Eagle Street, Albany, New York (hereinafter referred to as the "City"):

**WITNESSETH:**

**WHEREAS**, the Agency and the Corporation need general counsel services in connection with their operations;

**WHEREAS**, the City through its office of the Corporation Counsel has offered to provide such general legal services to the Agency and the Corporation; and

**WHEREAS**, the Agency, the Corporation and the City desire to enter into this Agreement to formally provide for the terms of the general counsel services to be provided to the Agency and the Corporation.

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

## **ARTICLE 1 -SERVICES TO BE PERFORMED**

The office of the Corporation Counsel (the “General Counsel”) shall perform the general legal services set forth under Article 2 entitled “SCOPE OF PROFESSIONAL SERVICES” during the period commencing on January 1, 2019 and continuing until December 31, 2019. In the performance and acceptance of the services herein, the parties understand, acknowledge, and agree that the General Counsel is assuming no managerial role, nor undertaking any oversight responsibilities with regard to the powers and duties of the Agency or the Corporation or the actions or non-actions of its members and board of directors. Nothing in this Agreement should be construed to transfer governance, oversight, or fiduciary responsibilities from the Agency or the Corporation to General Counsel.

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

During the period of this Agreement, the General Counsel agrees to provide general legal services for the Agency and Corporation, including but not limited to the following:

1. attendance at meetings of the Agency and the Corporation;
2. representing the Agency and the Corporation on general litigation matters;
3. provision of local counsel opinions on Agency and Corporation projects and financings;
4. provision of general counsel advice, including rendering opinions on Open Meetings Law, Freedom of Information Law, General Municipal Law – Conflicts issues; and
5. conference with and assistance to the Agency and Corporation finance team, including bond counsel on Agency and Corporation matters.

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

In consideration of the terms and conditions of this Agreement, the Agency and the Corporation agree to pay and the City agrees to accept, as full compensation for all services rendered under this Agreement an amount equal to \$42,000 per year. The General Counsel 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 Agency and the Corporation will pay the City the professional services fee referenced under Article 3 of this Agreement in a single installment due and payable on or around December 31, 2019.



**ARTICLE 5 – TERMINATION**

This Agreement may be terminated at any time by any party upon thirty (30) days prior written notice. In the event of termination, General Counsel shall be entitled to compensation for all work performed pursuant to this Agreement to the date of termination.

**ARTICLE 6 - EQUAL EMPLOYMENT OPPORTUNITY**

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

**ARTICLE 7 - ACCOUNTING RECORDS**

General Counsel shall make all reasonable efforts to keep accurate and systematic accounts and records with respect to the services provided pursuant to this Agreement. The aforementioned records shall be made available for inspection or audit by the Agency if required. General Counsel shall not be required to maintain or submit itemized hourly records with respect to the services rendered. All records produced to the Agency pursuant to this Agreement shall be kept confidential and their contents shall not be disclosed by anyone in violation of the attorney-client privilege.

**ARTICLE 8 –ASSIGNING AGREEMENT**

The General Counsel shall not assign or transfer this Agreement or any interest herein without first receiving written approval of the Agency and the Corporation.

**ARTICLE 9 – OWNERSHIP OF WORK PRODUCT**

All final and written or tangible products completed by the General Counsel shall belong to the Agency and the Corporation. In the event of premature discontinuance of performance, the General Counsel agrees to deliver all existing products and data files to the Agency and the Corporation.

**ARTICLE 10 - SURETY AND INSURANCE**

The City will defend and indemnify the Agency for all claims, demands and causes of action arising out of the provision of legal services contemplated by this Agreement by General Counsel, agents or employees of the City.

**ARTICLE 11 – ARBITRATION**

In any event and notwithstanding any provisions made in the Agreement, the parties hereto will submit to arbitration any question or dispute arising between said parties as to the interpretation of any term or condition herein contained or with respect to any matter of compliance or non-compliance with the terms hereof, in accordance with and pursuant to Article 75 of the Civil practice Law and Rules of the State of New York.

**ARTICLE 12 - EXTRA WORK**

It is understood and agreed between the parties hereto that no claim for damages or extra work shall be made in connection with this Agreement except such as may be ordered in writing and further evidenced by the execution of a supplemental Agreement between the Agency and Corporation and the City.

**ARTICLE 13 – AMENDMENT**

Each and every provision of law and clause required to be inserted in this Agreement shall be deemed to have been inserted herein and, if through mistake or otherwise, such provision is not inserted then, upon the application of either party, this Agreement shall be amended forthwith to make such insertion.

**ARTICLE 14 - SUCCESSORS AND ASSIGNS**

All of the terms, covenants, and Agreements herein contained shall be binding upon and shall inure to the benefit of successors and assigns of the respective parties hereto.

**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: \_\_\_\_\_  
Chair

**CITY OF ALBANY CAPITAL RESOURCE  
CORPORATION**

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

**CITY OF ALBANY**

By: \_\_\_\_\_  
[ \_\_\_\_\_ ]

DRAFT

December 20, 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 - 2019

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.

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  
20<sup>th</sup> day of December, 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 \$20,000 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.

DRAFT

**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 XXth day of January, in the year Two Thousand and Nineteen 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, 2019 and continuing until December 31, 2019. 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 \$394,228. 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: \_\_\_\_\_  
Chairperson

**City of Albany Capital Resource Corporation**

By: \_\_\_\_\_  
Chairperson

**Capitalize Albany Corporation**

By: \_\_\_\_\_  
Chairperson

## **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.

## CONTRACT FOR SERVICES

THIS AGREEMENT dated as of January XX, 2019 (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, 2019 (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, 2019 and ending on December 31, 2019. 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 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, 2019 (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, 2019 (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 \$26,527. 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 2019.
  - (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 2019. 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 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

## **MEMO**

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

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

**RE:** Financing Guidelines

**DATE:** December 7, 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.

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  
Jahkeen Hoke*

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

## **CAIDA Finance Committee 2018 Self Evaluation**

### **1. Meetings**

- During 2018, the Finance Committee met a twelve (12) 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. 2018 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 2018.

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 2018, the Committee complied with NYS ABO and PAAA requirements.
- The Committee complied with its functions as regards to Board reporting and regulatory compliance.