

# City of Albany Industrial Development Agency

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

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

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

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

CC: Sarah Reginelli  
William Kelly  
Joe Scott  
Mark Opalka  
Andy Corcione  
Ashley Mohl

Date: November 15, 2019

## IDA REGULAR MEETING AGENDA

A Regular Meeting of the City of Albany Industrial Development Agency Board of Directors will be held on **Thursday, November 21, 2019 at 12:15 pm** at 21 Lodge Street, Albany, NY 12207 (Large Conf. Room)

### **Roll Call, Reading & Approval of the Minutes of the Board Meeting of October 17, 2019**

#### **Report of Chief Financial Officer**

- Monthly Financial Report

#### **Unfinished Business**

- A. 427 Washington Ave, LLC
  - Project Synopsis
  - Resolution Confirming SEQR Determination
  - Commercial Retail Findings Resolution
  - PILOT Deviation Approval Resolution
  - Approving Resolution

#### **New Business**

- A. Capital District Apartments, LLC
  - Resolution Authorizing Execution of Amendment to Regulatory Agreement
- B. 363 Ontario St, LLC
  - Resolution Authorizing Amendment to Basic Documents

#### **Other Business**

- A. Agency Update
- B. Compliance Update

#### **Adjournment**

The next regularly scheduled Board Meeting will be held **Thursday, December 19, 2019** at 21 Lodge Street, Albany, NY. Please check the website [www.albanyida.com](http://www.albanyida.com) for updated meeting information.

# 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*

## IDA MINUTES OF REGULAR MEETING October 17, 2019 at 12:15 p.m.

Attending: Darius Shahinfar, Susan Pedo, Robert Schofield, Lee Eck, Dominick Calsolaro, and Jahkeen Hoke

Absent: Tracy Metzger

Also Present: Sarah Reginelli, Amy Lavine, Joe Scott, Andy Corcione, Genevieve Zurowski, Mike Bohne, and Ashley Mohl

Public Present: Debra Lambek, Ransom Moore III, Edward Maitino, Heather Newman & Ian Benjamin

Acting Chair Susan Pedo called the Regular Meeting of the IDA to order at 12:15 p.m.

### **Roll Call, Reading and Approval of Minutes of the September 19, Board Meeting**

Acting Chair Susan Pedo reported that all Board members were present, with the exception of Tracy Metzger. Since the minutes of the September 19, 2019 meeting had been distributed to Board members in advance for review, Chair Tracy Metzger made a proposal to dispense with the reading of the minutes. Chair Tracy Metzger made a proposal to approve the minutes of the Board Meeting of September 19, 2019 as presented. A motion to accept the minutes was made by Darius Shahinfar, and seconded by Lee Eck. A vote being taken, the minutes were accepted unanimously.

### **Report of Chief Financial Officer**

#### Quarterly Report

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

### **Unfinished Business**

#### 39 Columbia Street, LLC

Staff reviewed the *Project Synopsis of 39 Columbia Street LLC* project with the Board, and a representative of the Applicant was present to answer any questions that the Board may have. The project involves the renovation of a mixed-use building that will create approximately 39 market rate apartments and a commercial storefront, creating approximately 50 permanent FTE jobs. The Applicant was present to answer any questions that the Board members may have. The Board discussed the merits and costs/benefits of the project.

Acting Chair Susan Pedo presented to the Board the *SEQR Resolution 39 Columbia Street LLC Project, Commercial/Retail Finding Resolution 39 Columbia Street LLC Project, PILOT Deviation Approval Resolution 39 Columbia Street LLC Project, and Approving Resolution 39 Columbia Street LLC Project*. A motion to approve the *SEQR Resolution 39 Columbia Street LLC Project* was made by Darius Shahinfar and seconded by Dominick Calsolaro. A vote being taken, the resolution passed unanimously. A motion to approve *Commercial/Retail Finding Resolution 39 Columbia Street LLC Project* was made by Robert Schofield and seconded by Dominick Calsolaro. A vote being taken, the resolution passed unanimously. A vote being taken, the resolution passed unanimously. A motion to adopt the *Approving Resolution 39 Columbia Street LLC*

*Project* was made by Robert Schofield and seconded by Dominick Calsolaro. A vote being taken, the resolution passed unanimously.

#### 45 Columbia Street LLC

Staff reviewed the *Project Synopsis of 45 Columbia Street LLC* project with the Board, and a representative of the Applicant was present to answer any questions that the Board may have. The project involves the renovation of a historic garage that will create approximately 27 market rate apartments, while retaining approximately 125 parking spaces and creating approximately one permanent FTE job. The Applicant was present to answer any questions that the Board members may have. The Board discussed the merits and costs/benefits of the project.

Acting Chair Susan Pedo presented to the Board the *SEQR Resolution 45 Columbia Street LLC Project, Commercial/Retail Finding Resolution 45 Columbia Street LLC Project, PILOT Deviation Approval Resolution 45 Columbia Street LLC Project, and Approving Resolution 45 Columbia Street LLC Project*. A motion to approve the *SEQR Resolution 45 Columbia Street LLC Project* was made by Dominick Calsolaro and seconded by Darius Shahinfar. A vote being taken, the resolution passed unanimously. A motion to approve *Commercial/Retail Finding Resolution 45 Columbia Street LLC Project* was made by Dominick Calsolaro and seconded by Darius Shahinfar. A vote being taken, the resolution passed unanimously. A vote being taken, the resolution passed unanimously. A motion to adopt the *Approving Resolution 45 Columbia Street LLC Project* was made by Dominick Calsolaro and seconded by Darius Shahinfar. A vote being taken, the resolution passed unanimously.

#### **New Business**

##### 563 New Scotland Ave, LLC

Acting Chair Susan Pedo introduced the *563 New Scotland Ave, LLC* project to the Board for a Public Hearing Resolution. This project involves the acquisition of an approximate 3 acre parcel of land and the construction of approx. 188 residential apartment units and approx. 15,000 square feet of retail space. The Project will be constructed in three (3) phases and will create approximately 8 permanent FTE jobs and approximately 85 construction jobs. The Applicant was present to answer any questions that the Board members may have. The Board discussed the merits and costs/benefits of the project. Board Member inquired about the number and rental prices for the inclusionary units as required by the City of Albany's Unified Sustainable Development Ordinance .

A motion to approve the Public Hearing Resolution for the *563 New Scotland Ave, LLC* project was made by Lee Eck, and seconded by Robert Schofield. A vote being taken, the motion passed unanimously.

##### 427 Washington Ave LLC

Acting Chair Susan Pedo introduced the *427 Washington Ave, LLC* project to the Board for a Public Hearing Resolution. This project involves the construction of an approximate 16,900 square foot c3.5 story residential apartment building containing approx. 16 rental units. The Project will seven (7) off-street parking spaces and create approx. 85 construction jobs. The Applicant was present to answer any questions that the Board members may have. The Board discussed the merits and costs/benefits of the project.

A motion to approve the Public Hearing Resolution for the *427 Washington Ave, LLC* project was made by Lee Eck, and seconded by Darius Shahinfar. A vote being taken, the motion passed unanimously.

##### Eleftheria LLC (241 S. Allen Street)

Acting Susan Pedo introduced the *Eleftheria LLC* project to the Board. Staff reviewed the project and the current request at length with the Board. The Applicant discussed reasons for the request, which included comparisons to other CAIDA projects and possible future changes to market and financial conditions. Staff discussed the atypical nature of this request, referring to correspondence that had been provided to the Board at the request of the Applicant. This 2015 project, entailed the construction of two, three-story 30,800 square foot apartment buildings, creating one permanent FTE job and 50 construction jobs. The project Applicant is requesting a modification of the existing PILOT, and the Applicant was present to answer any questions the Board may have.

Staff noted that the Board and Finance Committee had previously discussed the reasonableness of the request at hand. The Finance Committee Members expressed their concerns regarding the request and their unfavorable view of modifying and extending the existing PILOT. A motion to advance the *Eleftheria LLC* project to the full board with a negative recommendation was made by the Finance Committee at the October 9<sup>th</sup> meeting. A Board Member noted that the thorough analysis of the data associated with the Applicant's request offered no proof that the project was in financial distress or otherwise failing, nor was any additional investment/improvements being made to the property. Members of the Board expressed reservations about extending the existing PILOT based on the information provided and the absence of evidence of financial need.

Acting Chair Susan Pedo presented the Board the *Resolution Issuing Findings and Decision on Application for Financial Assistance*. A motion to adopt the resolution was made by Robert Schofield and seconded by Darius Shahinfar. A vote being taken, the resolution passed unanimously.

#### Approval 2020 IDA Budget

Acting Chair Susan Pedo presented the *2020 Budget Approval Resolution* to the Board. A draft copy of the budget had been previously discussed with the Finance Committee and publically posted at Albany City Hall within the required timeframe. A motion to approve the resolution was made by Darius Shahinfar and seconded by Dominick Calsolaro. A vote being taken, the resolution passed unanimously.

#### Approval of Accounting Firm 2019

Susan Pedo, Chair of the Audit Committee, informed the Board that the Audit Committee met with Teal, Becker & Chiaramonte to discuss the Audit Engagement letter and formally recommended the engagement. Susan Pedo advised the Board that this is Katharine Doran's third year serving as a shareholder. The costs of the services provided to the Agency were reviewed and would remain the same. The Board discussed the service and past performance of Teal, Becker & Chiaramonte.

Acting Chair Susan Pedo presented to the Board the *Approval Resolution Selection of Accountants for FY-2019 Audit*. A motion to adopt the resolution was made by Robert Schofield and seconded by Darius Shahinfar. A vote being taken, the resolution passed unanimously.

#### 39 Sheridan Realty LLC

Acting Chair Susan Pedo introduced the *39 Sheridan Realty, LLC* project. Staff introduced the request at hand and Agency counsel explained that the applicant is requesting Agency permission to refinance an existing mortgage on the property. Counsel also reiterated that no new abatements or financial assistance are associated with the request, which is strictly administrative in nature.

A motion to approve the Resolution Authorizing Refinancing for the *39 Sheridan Realty, LLC* project was made by Darius Shahinfar, and seconded by Dominick Calsolaro. A vote being taken, the motion passed unanimously.

#### **Other Business**

##### Agency Update

##### Agency Committee Update

Staff reviewed the Appointment of Member Jahkeen Hoke to the Finance Committee as a replacement of Member Susan Pedo. This had been previously discussed at the Governance Committee meeting and moved to the board with a positive recommendation. A motion to approve the Appointment, was made by Darius Shahinfar, and seconded by Robert Schofield. A vote being taken, the motion passed unanimously.

##### IT Update

Staff discussed the ongoing maintenance and augmentation to the CAIDA website. Staff expects to begin the process of back-loading project data into the new 'searchable' format of the website within the coming months. Staff also discussed the need for continued cyber security hygiene and training to ensure best practices are adhered to and the need for risk mitigation of potential cyber threats.

There being no further business, Acting Chair adjourned the meeting at 12:52 p.m.

Respectfully submitted,

---

Lee Eck, Secretary

**City of Albany IDA**  
2019 Monthly Cash Position  
October 2019

	<i>Actual</i>										<i>Projected</i>		
	January	February	March	April	May	June	July	August	September	October	November	December	YTD Total
<b>Beginning Balance</b>	\$ 2,563,831	\$ 2,607,993	\$ 2,610,247	\$ 2,604,875	\$ 3,040,698	\$ 3,058,381	\$ 2,928,426	\$ 2,999,414	\$ 3,138,639	\$ 3,517,782	\$ 3,490,117	\$ 3,459,257	\$ 2,563,831
<b>Revenue</b>													
<b>Fee Revenue</b>													
Application Fee	\$ 1,500	\$ -	\$ 1,500	\$ 4,500	\$ -	\$ 1,500	\$ -	\$ 1,500	\$ 5,000	\$ 3,000	\$ -	\$ -	\$ 18,500
Agency Fee	6,878	-	-	624,639	53,827	-	55,835	218,675	467,039	-	-	247,119	\$ 1,674,011
Administrative Fee	-	500	-	4,000	-	-	16,000	-	-	-	-	-	20,500
Modification Fee	-	-	-	-	-	-	-	-	500	-	-	-	500
<b>Subtotal - Fee Revenue</b>	<b>\$ 8,378</b>	<b>\$ 500</b>	<b>\$ 1,500</b>	<b>\$ 633,139</b>	<b>\$ 53,827</b>	<b>\$ 1,500</b>	<b>\$ 71,835</b>	<b>\$ 220,175</b>	<b>\$ 472,539</b>	<b>\$ 3,000</b>	<b>\$ -</b>	<b>\$ 247,119</b>	<b>\$ 1,713,511</b>
<b>Other Revenue</b>													
Project Benefit Agreement	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
9% LIHTC Fee	-	-	10,000	-	-	-	-	-	-	-	-	10,000	20,000
Interest Income	1,901	1,754	1,842	2,214	2,296	2,031	2,375	2,288	2,267	2,638	2,543	2,519	26,668
CRC	6,333	-	-	-	-	-	-	-	-	-	-	26,527	32,860
NYS BIC	-	-	-	-	-	-	-	-	-	-	-	-	-
Misc	-	-	-	-	-	946	-	-	-	-	-	-	946
<b>Subtotal - Other Revenue</b>	<b>\$ 108,234</b>	<b>\$ 1,754</b>	<b>\$ 11,842</b>	<b>\$ 2,214</b>	<b>\$ 2,296</b>	<b>\$ 2,977</b>	<b>\$ 2,375</b>	<b>\$ 2,288</b>	<b>\$ 2,267</b>	<b>\$ 2,638</b>	<b>\$ 2,543</b>	<b>\$ 39,046</b>	<b>\$ 180,474</b>
<b>Total - Revenue</b>	<b>\$ 116,612</b>	<b>\$ 2,254</b>	<b>\$ 13,342</b>	<b>\$ 635,353</b>	<b>\$ 56,123</b>	<b>\$ 4,477</b>	<b>\$ 74,210</b>	<b>\$ 222,463</b>	<b>\$ 474,806</b>	<b>\$ 5,638</b>	<b>\$ 2,543</b>	<b>\$ 286,165</b>	<b>\$ 1,893,985</b>
<b>Expenditures</b>													
Management Contract	\$ -	\$ -	\$ -	\$ 131,409	\$ 32,852	\$ 32,852	\$ -	\$ 65,704	\$ 32,852	\$ 32,852	\$ 32,852	\$ 32,852	\$ 394,225
Consulting Fees	-	-	-	-	-	18,040	1,960	-	-	-	-	-	20,000
Strategic Activities	-	-	-	-	-	-	-	-	-	-	-	30,000	30,000
Website Maintance	-	-	-	-	-	-	-	-	-	-	-	-	-
Audits	-	-	-	4,500	2,500	-	-	-	-	-	-	-	7,000
Agency Counsel	42,000	-	-	-	-	-	-	-	-	-	-	-	42,000
ED Support	-	-	-	62,500	-	62,500	-	-	62,500	-	-	62,500	250,000
Sub-lease AHCC	-	-	17,714	-	-	20,043	-	17,406	-	-	-	18,750	73,914
NYS BIC	-	-	-	-	-	-	-	-	-	-	-	42,000	42,000
D & O Insurance	-	-	-	-	1,564	-	-	-	-	-	-	-	1,564
Misc.	140	-	1,000	1,101	124	996	316	127	266	452	550	550	5,622
Legal Expenses	30,310	-	-	-	-	-	-	-	-	-	-	20,000	50,310
Other Expenses	-	-	-	20	1,400	-	946	-	45	-	-	-	2,411
<b>Total - Expenditures</b>	<b>\$ 72,450</b>	<b>\$ -</b>	<b>\$ 18,714</b>	<b>\$ 199,530</b>	<b>\$ 38,440</b>	<b>\$ 134,432</b>	<b>\$ 3,222</b>	<b>\$ 83,237</b>	<b>\$ 95,663</b>	<b>\$ 33,304</b>	<b>\$ 33,402</b>	<b>\$ 206,652</b>	<b>\$ 919,045</b>
<b>Ending Balance</b>	<b>\$ 2,607,993</b>	<b>\$ 2,610,247</b>	<b>\$ 2,604,875</b>	<b>\$ 3,040,698</b>	<b>\$ 3,058,381</b>	<b>\$ 2,928,426</b>	<b>\$ 2,999,414</b>	<b>\$ 3,138,639</b>	<b>\$ 3,517,782</b>	<b>\$ 3,490,117</b>	<b>\$ 3,459,257</b>	<b>\$ 3,538,771</b>	<b>\$ 3,538,771</b>

# City of Albany IDA

Fee Detail by Month

October 2019

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>January</i>	16 Sheridan Avenue LLC	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500
	420 Broadway, LLC	-	6,878	-	-	6,878
	<b>TOTAL</b>	<b>\$ 1,500</b>	<b>\$ 6,878</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,378</b>
<i>February</i>	4-6 Sheridan of Albany, LLC	\$ -	\$ -	\$ 500	\$ -	\$ 500
						-
	<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 500</b>	<b>\$ -</b>	<b>\$ 500</b>
<i>March</i>	Makura Inc.	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500
						-
	<b>TOTAL</b>	<b>\$ 1,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,500</b>
<i>April</i>	Laughlin Dawn, LLC	\$ -	\$ 516,874	\$ -		\$ 516,874
	16 Sheridan Avenue, LLC		107,765			107,765
	TRPS2, LLC	1,500		4,000		
	705 Broadway Hotel, LLC	1,500				
	Redburn Development	1,500				
	<b>TOTAL</b>	<b>\$ 4,500</b>	<b>\$ 624,639</b>	<b>\$ 4,000</b>	<b>\$ -</b>	<b>\$ 633,139</b>
<i>May</i>	Morris Place, LLC	\$ -	\$ 53,827	\$ -	\$ -	\$ 53,827
						-
	<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 53,827</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 53,827</b>
<i>June</i>	Harmony Hills South LLC	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500
				-		-
	<b>TOTAL</b>	<b>\$ 1,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,500</b>

# City of Albany IDA

Fee Detail by Month

October 2019

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>July</i>	705 Broadway Hotel LLC	\$ -	\$ -	\$ 16,000	\$ -	\$ 16,000
	TRPS2 LLC		55,835		-	55,835
	<b>TOTAL</b>	\$ -	\$ 55,835	\$ 16,000	\$ -	\$ 71,835
<i>August</i>	Mukura Inc.	\$ -	\$ 66,600	\$ -	\$ -	\$ 66,600
	705 Broadway Hotel, LLC		152,075			152,075
	1211 Western Ave, LLC	1,500				1,500
<i>September</i>	<b>TOTAL</b>	\$ 1,500	\$ 218,675	\$ -	\$ -	\$ 220,175
	76 North Pearl, LLC	\$ -	\$ 180,433	\$ -	\$ -	\$ 180,433
	Harmony Hills South, LLC		231,350			231,350
<i>October</i>	Laughlin Dawn		55,256			
	39 Columbia St. Assoc, LLC	\$ 1,500				
	Eleftheria Properties	\$ 500				
<i>November</i>	45 Columbia St Assoc, LLC	1,500				
	60 State Street, LLC				\$ 500	
	427 Washington Ave, LLC	1,500				
<i>December</i>	<b>TOTAL</b>	\$ 5,000	\$ 467,039	\$ -	\$ 500	\$ 472,539
	563 New Scotland Ave, LLC	\$ 1,500		\$ -	\$ -	\$ 1,500
	Clinton Square Studios, LLC	1,500			-	1,500
<i>2019 TOTAL</i>	<b>TOTAL</b>	\$ 3,000	\$ -	\$ -	\$ -	\$ 3,000
		\$ -	\$ -	\$ -	\$ -	\$ -
	<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ -	\$ -
<i>2019 TOTAL</i>	705 Broadway, LLC	\$ -	\$ 152,075	\$ -	\$ -	\$ 152,075
	the REP	-	95,044	-	-	
	<b>TOTAL</b>	\$ -	\$ 247,119	\$ -	\$ -	\$ 247,119
<i>2019 TOTAL</i>	<b>2019 TOTAL</b>	\$ 18,500	\$ 1,674,011	\$ 20,500	\$ 500	\$ 1,713,511



**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY  
LEASE/LEASEBACK TRANSACTION  
427 WASHINGTON AVENUE, LLC PROJECT**

**I. PROJECT IDENTIFICATION:**

1. Project Applicant: 427 Washington Avenue, LLC, a New York State limited liability company (the “Company”).
2. The Project:
  - (A) Acquisition of Land and Construction of Facility: the acquisition of an interest in two (2) parcels of land containing in the aggregate approximately 0.12 acres located at 423 Washington Avenue (tax map number 65.62-1-72) and 427 Washington Avenue (tax map number 65.62-1-73) in the City of Albany, Albany County, New York (collectively, the “Land”), together with four (4) existing buildings located thereon (collectively, the “Existing Facility”).
  - (B) Demolition/Construction: the demolition of the Existing Facility and the construction on the Land of an approximately 16,900 square foot, 3 ½ story building with associated parking (the “Facility”).
  - (C) Equipment component: the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the “Equipment”) (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the “Project Facility”).
  - (D) Lease: The Project Facility will be a residential apartment building containing approximately sixteen (16) residential apartment units to be owned and operated by the Company and any other directly and indirectly related activities.

**II. PRIOR ACTION ON PROJECT:**

3. Environmental Proceedings:
  - (A) SEQR classification of the Project: confirming (a) the City of Albany Planning Board’s determination that the Project will not result in any significant adverse environmental impacts and (b) the issuance of a “negative declaration”.
  - (B) SEQR Lead Agency: City of Albany Planning Board.
  - (C) Date of Lead Agency Action: March 26, 2019.
  - (D) Date of Agency Action: November 21, 2019.
4. Inducement Proceedings:
  - (A) Public Hearing Resolution: adopted on October 17, 2019.
  - (B) Public Hearing:
    - (1) Mailed to Affected Taxing Jurisdictions: October 29, 2019.
    - (2) Date Posted: October 30, 2019.
    - (3) Date Published: November 1, 2019 in the Times Union.
    - (4) Date of Public Hearing: November 13, 2019.
    - (5) Location of Public Hearing: offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York.

### **III. PROPOSED AGENCY ACTION ON NOVEMBER 21, 2019:**

5. SEQR Resolution: Confirming SEQR Resolution.
6. Commercial/Retail Findings Resolution: Determining Project is a “commercial project”. Retail - located in distressed area.
7. PILOT Deviation Resolution Project: See 11(B) below for specifics.
8. Approving Resolution: Approving the Project and the proposed financial assistance.
9. Mayor’s Approval: Anticipated November/December, 2019.

### **IV. DETAILS OF PROPOSED STRAIGHT LEASE TRANSACTIONS:**

10. Relationship of Agency to Company: The Agency will acquire, construct and install the Project Facility and lease the Project Facility to the Company pursuant to the Lease Agreement.
11. Business Terms:
  - (A) The Agency fee is \$26,000.00 (1% of Project costs of \$2,600,000.00).
  - (B) The Agency and the Company will enter into a payment in lieu of tax agreement which provides for a 20-year term, consistent with the Agency’s Project Evaluation and Assistance Framework.
12. Basic Documents:
  - (A) Underlying Lease.
  - (B) License Agreement.
  - (C) Bill of Sale to Agency.
  - (D) Lease Agreement.
  - (E) Payment in Lieu of Tax Agreement.
  - (F) Section 875 GML Recapture Agreement.
  - (G) Uniform Agency Project Agreement.
13. Proposed Closing Date: December, 2019.
14. Agency Special Counsel: Hodgson Russ LLP, Albany, New York.

**RESOLUTION CONFIRMING SEQR DETERMINATION  
427 WASHINGTON AVENUE, LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on November 21, 2019 at 12:15 o’clock p.m., local time.

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

**PRESENT:**

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

**ABSENT:**

**AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:**

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

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Resolution No. 1119-

**RESOLUTION CONCURRING IN THE DETERMINATION BY CITY OF ALBANY  
PLANNING BOARD, AS LEAD AGENCY FOR THE ENVIRONMENTAL REVIEW  
OF THE 427 WASHINGTON AVENUE, LLC PROPOSED PROJECT.**

WHEREAS, City of Albany Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial facilities,

among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct and install one or more “ projects” (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in September, 2019, 427 Washington Avenue, LLC, a New York State limited liability company (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in two (2) parcels of land containing in the aggregate approximately 0.12 acres located at 423 Washington Avenue (tax map number 65.62-1-72) and 427 Washington Avenue (tax map number 65.62-1-73) in the City of Albany, Albany County, New York (collectively, the “Land”), together with four (4) existing buildings located thereon (collectively, the “Existing Facility”), (2) the demolition of the Existing Facility, (3) the construction on the Land of an approximately 16,900 square foot, 3 ½ story building with associated parking (the “Facility”) and (4) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the “Equipment”) (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to constitute an approximately 16 unit residential apartment building to be owned and operated by the Company and any other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on October 17, 2019 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on October 29, 2019 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is to be located, (B) caused notice of the Public Hearing to be posted on October 30, 2019 on a public bulletin board located at Albany City Hall located at 24 Eagle Street in the City of Albany, Albany County, New York, as well as on the Agency’s website, (C) caused notice of the Public Hearing to be published on November 1, 2019 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, Albany County, New York, (D) conducted the Public Hearing on November 13, 2019 at 12:15 o’clock p.m., local time at offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York and (E) prepared a report of the Public Hearing (the “Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), the Agency has been informed that (1) the City of Albany Planning Board (the “Planning Board”) was designated to act as “lead agency” with respect to the Project, and (2) the Planning Board issued a Determination of Non Significance on March 26, 2019 (the “Negative Declaration”), attached hereto as Exhibit A, determining that the acquisition, reconstruction, renovation and installation of the Project Facility will not have a “significant effect on the environment”; and

WHEREAS, the Agency is an “involved agency” with respect to the Project and the Agency now desires to concur in the determination by the Planning Board, as “lead agency” with respect to the Project, to acknowledge receipt of a copy of the Negative Declaration and to indicate whether the Agency has any information to suggest that the Planning Board was incorrect in determining that the Project will not have a “significant effect on the environment” pursuant to SEQRA and, therefore, that no environmental impact statement need be prepared with respect to the Project;

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

Section 1. The Agency has received copies of, and has reviewed, the Application, an environmental assessment form and the Negative Declaration (collectively, the “Reviewed Documents”) and, based upon said Reviewed Documents, the Agency hereby ratifies and concurs in the designation of the Planning Board as “lead agency” with respect to the Project under SEQRA (as such quoted term is defined in SEQRA).

Section 2. The Agency hereby determines that the Agency has no information to suggest that the Planning Board was incorrect in determining that the Project will not have a “significant effect on the environment” pursuant to the SEQRA and, therefore, that an environmental impact statement need not be prepared with respect to the Project (as such quoted phrase is used in SEQRA).

Section 3. The members of the Agency are hereby directed to notify the Planning Board of the concurrence by the Agency that the Planning Board shall be the “lead agency” with respect to the Project, and to further indicate to the Planning Board that the Agency has no information to suggest that the Planning Board was incorrect in its determinations contained in the Negative Declaration.

Section 4. This Resolution shall take effect immediately.

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

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

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on November 21, 2019 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 21<sup>st</sup> day of November, 2019.

---

(Assistant) Secretary

(SEAL)

EXHIBIT A  
NEGATIVE DECLARATION  
-SEE ATTACHED-

## Short Environmental Assessment Form

### Part 1 - Project Information

#### Instructions for Completing

**Part 1 – Project Information.** The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

<b>Part 1 – Project and Sponsor Information</b>			
Name of Action or Project: 423 & 427 Washington Avenue			
Project Location (describe, and attach a location map): 423 & 427 Washington Avenue			
Brief Description of Proposed Action: Demolish existing apartment building and accessory structures located on 423 & 427 Washington Avenue. Combining the two lots into one new lot and construct a new 3 1/2 story, 16 unit apartment building on the resulting lot.			
Name of Applicant or Sponsor: Luigi A. Palleschi, P.E., ABD Engineers, LLP		Telephone: 518-377-0315 E-Mail: luigi@abdeng.com	
Address: 411 Union Street, Schenectady, NY 12305			
City/PO: Schenectady		State: NY	Zip Code: 12305
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.		NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>
2. Does the proposed action require a permit, approval or funding from any other government Agency? If Yes, list agency(s) name and permit or approval: City of Albany Planning Board		NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>
3. a. Total acreage of the site of the proposed action?		0.12 acres	
b. Total acreage to be physically disturbed?		0.12 acres	
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor?		0.12 acres	
4. Check all land uses that occur on, are adjoining or near the proposed action:			
5. <input checked="" type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input type="checkbox"/> Industrial <input type="checkbox"/> Commercial <input type="checkbox"/> Residential (suburban) <input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input type="checkbox"/> Other(Specify): <input type="checkbox"/> Parkland			



5. Is the proposed action,	NO	YES	N/A
a. A permitted use under the zoning regulations?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Consistent with the adopted comprehensive plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	NO	YES	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area?	NO	YES	
If Yes, identify: _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
8. a. Will the proposed action result in a substantial increase in traffic above present levels?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
b. Are public transportation services available at or near the site of the proposed action?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
c. Are any pedestrian accommodations or bicycle routes available on or near the site of the proposed action?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
9. Does the proposed action meet or exceed the state energy code requirements?	NO	YES	
If the proposed action will exceed requirements, describe design features and technologies: _____ _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
10. Will the proposed action connect to an existing public/private water supply?	NO	YES	
If No, describe method for providing potable water: _____ _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
11. Will the proposed action connect to existing wastewater utilities?	NO	YES	
If No, describe method for providing wastewater treatment: _____ _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
12. a. Does the project site contain, or is it substantially contiguous to, a building, archaeological site, or district which is listed on the National or State Register of Historic Places, or that has been determined by the Commissioner of the NYS Office of Parks, Recreation and Historic Preservation to be eligible for listing on the State Register of Historic Places?	NO	YES	
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
b. Is the project site, or any portion of it, located in or adjacent to an area designated as sensitive for archaeological sites on the NY State Historic Preservation Office (SHPO) archaeological site inventory?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency?	NO	YES	
	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____ _____ _____			

14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply: <input type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input checked="" type="checkbox"/> Urban <input type="checkbox"/> Suburban		
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>
16. Is the project site located in the 100-year flood plan?	NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes,	NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>
a. Will storm water discharges flow to adjacent properties?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
If Yes, briefly describe: _____ _____		
18. Does the proposed action include construction or other activities that would result in the impoundment of water or other liquids (e.g., retention pond, waste lagoon, dam)? If Yes, explain the purpose and size of the impoundment: _____ _____	NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____ _____	NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: _____ Unknown	NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>
<b>I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE</b>  Applicant/sponsor/name: <u>Luigi A. Palleschi, P.E., ABD Engineers, LLP</u> Date: <u>3/11/2019</u> Signature: <u><i>Luigi A. Palleschi</i></u> Title: <u>Engineer</u>		

**PRINT FORM**

Page 3 of 3

**Agency Use Only (If applicable)**

Project: 423 & 427 Washington Avenue  
 Date: March 26 ,2019

***Short Environmental Assessment Form  
 Part 2 - Impact Assessment***

**Part 2 is to be completed by the Lead Agency.**

Answer all of the following questions in Part 2 using the information contained in Part 1 and other materials submitted by the project sponsor or otherwise available to the reviewer. When answering the questions the reviewer should be guided by the concept "Have my responses been reasonable considering the scale and context of the proposed action?"

	No, or small impact may occur	Moderate to large impact may occur
1. Will the proposed action create a material conflict with an adopted land use plan or zoning regulations?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Will the proposed action result in a change in the use or intensity of use of land?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Will the proposed action impair the character or quality of the existing community?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Will the proposed action have an impact on the environmental characteristics that caused the establishment of a Critical Environmental Area (CEA)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Will the proposed action result in an adverse change in the existing level of traffic or affect existing infrastructure for mass transit, biking or walkway?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Will the proposed action cause an increase in the use of energy and it fails to incorporate reasonably available energy conservation or renewable energy opportunities?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Will the proposed action impact existing: a. public / private water supplies?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. public / private wastewater treatment utilities?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Will the proposed action impair the character or quality of important historic, archaeological, architectural or aesthetic resources?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Will the proposed action result in an adverse change to natural resources (e.g., wetlands, waterbodies, groundwater, air quality, flora and fauna)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. Will the proposed action result in an increase in the potential for erosion, flooding or drainage problems?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Will the proposed action create a hazard to environmental resources or human health?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**PRINT FORM**

Page 1 of 2

SEAF 2019

Agency Use Only [If applicable]

Project:

Date:

**Short Environmental Assessment Form**  
**Part 3 Determination of Significance**

For every question in Part 2 that was answered "moderate to large impact may occur", or if there is a need to explain why a particular element of the proposed action may or will not result in a significant adverse environmental impact, please complete Part 3. Part 3 should, in sufficient detail, identify the impact, including any measures or design elements that have been included by the project sponsor to avoid or reduce impacts. Part 3 should also explain how the lead agency determined that the impact may or will not be significant. Each potential impact should be assessed considering its setting, probability of occurring, duration, irreversibility, geographic scope and magnitude. Also consider the potential for short-term, long-term and cumulative impacts.

The City of Albany Planning Board concludes that the proposed action will not result in any significant adverse environmental impacts.

<input type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action may result in one or more potentially large or significant adverse impacts and an environmental impact statement is required.
<input checked="" type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action will not result in any significant adverse environmental impacts.
City of Albany Planning Board	March 26, 2019
Name of Lead Agency	Date
Albert DeSalvo	Chair of Planning Board
Print or Type Name of Responsible Officer in Lead Agency	Title of Responsible Officer
<i>Albert R DeSalvo</i>	<i>Joel Powell</i>
Signature of Responsible Officer in Lead Agency	Signature of Preparer (if different from Responsible Officer)

PRINT FORM

Page 2 of 2

**COMMERCIAL/RETAIL FINDINGS RESOLUTION  
427 WASHINGTON AVENUE, LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on November 21, 2019 at 12:15 o’clock p.m., local time.

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

**PRESENT:**

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

**ABSENT:**

**AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:**

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

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Resolution No. 1119-

**RESOLUTION (A) DETERMINING THAT THE PROPOSED 427 WASHINGTON AVENUE, LLC (THE “COMPANY”) PROJECT IS A COMMERCIAL PROJECT AND (B) MAKING CERTAIN FINDINGS REQUIRED UNDER THE GENERAL MUNICIPAL LAW.**

WHEREAS, City of Albany Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring,

constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial, manufacturing and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in September, 2019, 427 Washington Avenue, LLC, a New York State limited liability company (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in two (2) parcels of land containing in the aggregate approximately 0.12 acres located at 423 Washington Avenue (tax map number 65.62-1-72) and 427 Washington Avenue (tax map number 65.62-1-73) in the City of Albany, Albany County, New York (collectively, the “Land”), together with four (4) existing buildings located thereon (collectively, the “Existing Facility”), (2) the demolition of the Existing Facility, (3) the construction on the Land of an approximately 16,900 square foot, 3 ½ story building with associated parking (the “Facility”) and (4) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the “Equipment”) (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to constitute an approximately 16 unit residential apartment building to be owned and operated by the Company and any other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on October 17, 2019 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on October 29, 2019 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is to be located, (B) caused notice of the Public Hearing to be posted on October 30, 2019 on a public bulletin board located at Albany City Hall located at 24 Eagle Street in the City of Albany, Albany County, New York, as well as on the Agency’s website, (C) caused notice of the Public Hearing to be published on November 1, 2019 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, Albany County, New York, (D) conducted the Public Hearing on November 13, 2019 at 12:15 o’clock p.m., local time at offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York and (E) prepared a report of the Public Hearing (the “Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on November 21, 2019 (the “SEQR Resolution”), the Agency (A) concurred in the determination that the City of Albany Planning Board (the “Planning Board”) is the “lead agency” with respect to SEQRA and (B) acknowledged receipt of a negative declaration from the Planning Board issued on March 26, 2019 (the “Negative Declaration”), in which the Planning Board determined that the Project would not have a significant adverse environmental impact on the environment, and therefore, that an environmental statement need not be prepared with respect to the Project; and

WHEREAS, in Opinion of the State Comptroller Number 85-51, the State Comptroller indicated that the determination whether a project that consists of the construction of an apartment building is a commercial activity within the meaning of the Act is to be made by local officials based upon all of the facts relevant to the proposed project, and that any such determination should take into account the stated purpose of the Act, that is, the promotion of employment opportunities and the prevention of economic deterioration; and

WHEREAS, to aid the Agency in determining whether the Project qualifies for Financial Assistance as a commercial project within the meaning of the Act, the Agency has reviewed the following (collectively, the “Project Qualification Documents”): (A) the Application, including the attached Cost Benefit Analysis; and (B) The Albany 2030 Plan; and

WHEREAS, the Agency has given due consideration to the Project Qualification Documents, and to representations by the Company that although the Project constitutes a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost, the Project is located within census tract 14 in the City of Albany which is contiguous to census tracts 6 and 8, which are considered to be distressed census tracts and therefore the Project is in a “highly distressed area”, as that term is defined in Section 854(18) of the Act; and

WHEREAS, pursuant to Section 862(2)(b) of the Act, the Agency would be authorized to provide financial assistance in respect of the Project provided that the obligation of the Agency to proceed with the Project was subject to certain conditions, including (1) following compliance with the procedural requirements of Section 859-a of the Act, a finding by the Agency that the Project would preserve permanent, private sector jobs in the State of New York or increase the overall number of permanent, private sector jobs in the State of New York and (2) confirmation by the Mayor of the City of Albany of the proposed action by the Agency with respect to the Project; and

WHEREAS, having complied with the requirements of SEQRA and Section 859-a of the Act with respect to the Project, the Agency now desires, pursuant to Section 862(2)(c) of the Act, to make its final findings with respect to the Project and its final determination whether to proceed with the Project;

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

Section 1. Based upon an examination of the Project Qualification Documents and based further upon the Agency's knowledge of the area surrounding the Project and such further investigation of the Project and its economic effects as the Agency has deemed appropriate, the Agency makes the following findings and determinations with respect to the Project:

A. The Project is located in an area having a mixture of residential, not-for-profit, commercial, retail, and service uses.

B. The Project Qualification Documents make the following comments/findings regarding housing in the City of Albany:

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

C. That undertaking the Project is consistent with the Project Qualification Documents and will assist and maintain current and future residential and commercial development and expansion in the neighborhood area.

D. The Company has informed representatives of the Agency that the Project is expected to result in the creation of employment in the retail, restaurant, entertainment and office operations located in the surrounding area.

E. The Company has informed representatives of the Agency that the Company is not aware of any adverse employment impact caused by the undertaking of the Project.

Section 2. Based upon the foregoing review of the Project Qualification Documents and based further upon the Agency's knowledge of the area surrounding the Project Facility and such further investigation of the Project and its economic effects as the Agency has deemed appropriate, the Agency makes the following determinations with respect to the Project:

A. That although the Project does constitute a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost, the Project is located in a "highly distressed area" (as defined in the Act).

B. That (1) the Project Facility will provide necessary infrastructure for area employers and businesses, (2) the completion of the Project Facility will have an impact upon the creation, retention and expansion of employment opportunities in the City of Albany and in the State of New York, and (3) the completion of the Project will assist in promoting employment opportunities and assist in preventing economic deterioration in the City of Albany and in the State of New York.

C. That the acquisition, reconstruction, renovation and installation of the Project Facility is essential to the retention of existing employment and the creation of new employment opportunities and is essential to the prevention of economic deterioration of businesses and neighborhoods located in the City of Albany.

D. That the Project constitutes a "commercial" project, within the meaning of the Act.

E. That the undertaking of the Project will serve the public purposes of the Act by preserving and creating permanent private sector jobs in the State of New York.



Section 3. Having reviewed the Hearing Report, and having considered fully all comments contained therein, and based upon the findings contained in Section 1 above, the Agency hereby determines to proceed with the Project and the granting of the financial assistance described in the notice of the Public Hearing; provided, however, that no financial assistance shall be provided to the Project by the Agency unless and until the Mayor of the City of Albany, New York, as chief executive officer of the City of Albany, New York, shall, pursuant to Section 862(2)(c) of the Act, confirm the proposed action of the Agency with respect to the Project.

Section 4. This Resolution shall take effect immediately.

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

Tracy L. Metzger	VOTING	_____
Susan Pado	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Lee E. Eck, Jr.	VOTING	_____
Dominick Calsolaro	VOTING	_____
Jahkeen Hoke	VOTING	_____
Robert T. Schofield, Esq.	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on November 21, 2019 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 21st day of November, 2019.

---

(Assistant) Secretary

(SEAL)

**PILOT DEVIATION APPROVAL RESOLUTION  
427 WASHINGTON AVENUE, LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on November 21, 2019 at 12:15 o’clock p.m., local time.

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

**PRESENT:**

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

**ABSENT:**

**AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:**

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

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to  
wit:

Resolution No. 1119-

**RESOLUTION AUTHORIZING A DEVIATION FROM THE AGENCY’S UNIFORM TAX EXEMPTION POLICY IN CONNECTION WITH THE PROPOSED PAYMENT IN LIEU OF TAX AGREEMENT TO BE ENTERED INTO BY THE AGENCY IN CONNECTION WITH THE PROPOSED 427 WASHINGTON AVENUE, LLC PROJECT.**

WHEREAS, City of Albany Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as

the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in September, 2019, 427 Washington Avenue, LLC, a New York State limited liability company (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in two (2) parcels of land containing in the aggregate approximately 0.12 acres located at 423 Washington Avenue (tax map number 65.62-1-72) and 427 Washington Avenue (tax map number 65.62-1-73) in the City of Albany, Albany County, New York (collectively, the “Land”), together with four (4) existing buildings located thereon (collectively, the “Existing Facility”), (2) the demolition of the Existing Facility, (3) the construction on the Land of an approximately 16,900 square foot, 3 ½ story building with associated parking (the “Facility”) and (4) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the “Equipment”) (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to constitute an approximately 16 unit residential apartment building to be owned and operated by the Company and any other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on October 17, 2019 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on October 29, 2019 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is to be located, (B) caused notice of the Public Hearing to be posted on October 30, 2019 on a public bulletin board located at Albany City Hall located at 24 Eagle Street in the City of Albany, Albany County, New York, as well as on the Agency’s website, (C) caused notice of the Public Hearing to be published on November 1, 2019 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, Albany County, New York, (D) conducted the Public Hearing on November 13, 2019 at 12:15 o’clock p.m., local time at offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York and (E) prepared a report of the Public Hearing (the “Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on November 21, 2019 (the “SEQR Resolution”), the Agency (A) concurred in the determination that the City of Albany Planning Board (the “Planning Board”) is the “lead agency” with respect to SEQRA and (B) acknowledged receipt of a negative declaration from the Planning Board issued on March 26, 2019 (the “Negative Declaration”), in which the Planning Board determined that the Project would not have a significant adverse environmental impact on the environment, and therefore, that an environmental statement need not be prepared with respect to the Project; and

WHEREAS, by further resolution adopted by the members of the Agency on November 21, 2019 (the “Commercial/Retail Finding Resolution”), the Agency (A) determined that the Project constituted a “commercial project” within the meaning of the Act, (B) found that although the Project Facility appears to constitute a project where facilities or properties that are primarily used in making the retail sales of goods or services to customers who personally visit such facilities may constitute more than one-third of the costs of the Project, the Agency is authorized to provide financial assistance in respect of the Project pursuant to Section 862(2)(a) of the Act because the Project Facility is located in census tract 14 which is contiguous to census tracts 6 and 8 which are in a highly distressed area, (C) determined, following a review of the Hearing Report, that the Project would serve the public purposes of the Act by preserving permanent private sector jobs in the State of New York, and (D) determined that the Agency would proceed with the Project and the granting of the Financial Assistance; provided however, that no financial assistance would be provided to the Project by the Agency unless and until the Mayor of City of Albany, as chief executive officer of City of Albany, New York, pursuant to Section 862(2)(c) of the Act, confirmed the proposed action of the Agency with respect to the Project; and

WHEREAS, in connection with the Project, the Company has requested that the Agency deviate from its uniform tax exemption policy with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility, which proposed deviation is outlined in the letter dated November 8, 2019 (the “Pilot Deviation Letter”), a copy of which Pilot Deviation Letter is attached hereto as Exhibit A; and

WHEREAS, pursuant to Section 874(4) of the Act, prior to taking final action on such request for a deviation from the Agency’s uniform tax exemption policy, the Agency must give the chief executive officers of the County and each city, town, village and school district in which the Project Facility is located (collectively, the “Affected Tax Jurisdictions”) written notice of the proposed deviation from the Agency’s uniform tax exemption policy and the reasons therefor no fewer than thirty (30) days prior to the meeting of the Agency at which the members of the Agency shall consider whether to approve such proposed deviation; and

WHEREAS, on November 8, 2019, the Chief Executive Officer of the Agency sent a copy of the Pilot Deviation Letter to the Affected Tax Jurisdictions to notify the Affected Tax Jurisdictions of the proposed deviation from the Agency’s uniform tax exemption policy in connection with the Project; and

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

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

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

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

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

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

Section 2. Based upon (A) the findings and determinations in Section 1 above, (B) any comments received at the Public Hearing, (C) input received at this meeting from the Affected Tax Jurisdictions with respect to the proposed deviation, (D) the Agency's knowledge of the Project, (E) the recommendations of Agency staff, and (F) such further investigation of the Project and the effect of the proposed deviation as the Agency has deemed appropriate, the Agency hereby determines to deviate from the Agency's uniform tax exemption policy with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility for the reasons set forth in the Pilot Deviation Letter. Based upon the aforementioned, the Agency hereby approves a deviation from the Agency's uniform tax exemption policy, the terms of the approved deviation to be as described in the attached Pilot Deviation Letter.

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

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

Section 5. This Resolution shall take effect immediately.

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

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

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on November 21, 2019 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 21<sup>st</sup> day of November, 2019.

---

(Assistant) Secretary

(SEAL)



**EXHIBIT A**

**PILOT DEVIATION LETTER  
-SEE ATTACHED-**

CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY  
21 Lodge Street  
Albany, New York 12207  
Tel: 518-434-2532 ext. 19  
Fax: 518-434-9846

November 8, 2019

The Honorable Daniel P. McCoy  
County Executive of Albany County  
Albany County Office Building  
112 State Street, Room 1200  
Albany, New York 12207

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

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

Anne Savage, Board President  
Albany City School District  
1 Academy Park  
Albany, New York 12207

RE: City of Albany Industrial Development Agency  
Proposed Deviation from Uniform Tax Exemption Policy  
427 Washington Avenue, LLC Project

Dear Ladies and Gentlemen:

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

In October, 2019, City of Albany Industrial Development Agency (the "Agency") received an application (the "Application") from 427 Washington Avenue, LLC (the "Company"), requesting that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project to consist of the following: (A) (1) the acquisition of an interest in two (2) parcels of land containing in the aggregate approximately 0.12 acres located at 423 Washington Avenue (tax map number 65.62-1-72) and 427 Washington Avenue (tax map number 65.62-1-73) in the City of Albany, Albany County, New York (collectively, the "Land"), together with four (4) existing buildings located thereon (collectively, the "Existing Facility"), (2) the demolition of the Existing Facility, (3) the construction on the Land of an approximately 16,900 square foot, 3 ½ story building with associated parking (the "Facility") and (4) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the "Equipment") (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the "Project Facility"), all of the foregoing to constitute an approximately 16 unit residential apartment building to be owned and operated by the Company and any other directly and indirectly related activities; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency.

In connection with the Application, the Company has made a request to the Agency (the "Pilot Request") that the Agency enter into a payment in lieu of tax agreement (the "Proposed Pilot Agreement")

012001.00181 Business 19024765v1

Hon. Daniel P. McCoy  
Hon. Kathy M. Sheehan, Mayor  
Kaweeda G. Adams, Superintendent  
Anne Savage, Board President  
November 8, 2019  
Page 2

which terms would deviate from the Agency's Uniform Tax Exemption Policy (the "Policy"). Pursuant to the Pilot Request, the Agency would (A) enter into a payment in lieu of tax agreement (the "Proposed Pilot Agreement") which terms are described below and (B) provide the mortgage recording tax abatement. The Proposed Pilot Agreement would not provide any abatements for any special assessments levied on the Project Facility.

The Proposed Pilot Agreement will provide that the Company be granted a twenty (20) year payment in lieu of tax agreement on the Facility and any portion of the Equipment assessable as real property pursuant to the New York Real Property Tax Law. Under the terms of the Proposed Pilot Agreement, the Company will pay (A) a base payment equal to one hundred percent (100%) of the normal taxes due on the site of the Project (the "Base Pilot Payment"), and (B) an additional amount based on the increase in assessed value of the Project Facility (such increase in the assessed value due to the undertaking of the Project shall be referred to as the "Improvements"), such increased amount to be adjusted by the abatement as described as follows:

Years	Amount of Abatement on Increased Assessment
1	90%
2	90%
3	90%
4	90%
5	90%
6	90%
7	90%
8	90%
9	90%
10	90%
11	85%
12	75%
13	65%
14	60%
15	50%
16	40%
17	30%
18	20%
19	20%
20	20%
21 and thereafter	100%

As noted in the table above, the abatement schedule is 20 years, with Year 1 of the abatement schedule beginning in the year following the completion of the construction of the Project.

For purposes of computing the Base Pilot Payment with respect to the Project Facility, the base assessed value will be equal to the current assessed value of the Project site, as determined by the Assessor of the City of Albany.

012001.00181 Business 19024765v1

Hon. Daniel P. McCoy  
Hon. Kathy M. Sheehan, Mayor  
Kaweeda G. Adams, Superintendent  
Anne Savage, Board President  
November 8, 2019  
Page 3

Beginning in Year 13, the Proposed Pilot Agreement will also provide that the amount of payments in lieu of taxes payable by the Company will be the greater of (A) the amount determined in accordance with the above paragraph, or (B) an amount equal to 11.5% of the gross rental revenue generated at the Project Facility.

The Policy provides that, for a facility similar to the Project Facility, (A) the payments in lieu of taxes will normally be determined as follows: a 50% abatement in real property taxes on the improvements in year one of the payment in lieu of tax agreement with a 10% per year decrease in such abatement over the term of the five year payment in lieu of tax agreement, (B) the amount of the assessed value of the Project Facility will change as the assessed value is established annually by the Assessor of the City of Albany and (C) the mortgage recording tax would not be abated, unless the Agency deviated from its policy with respect to the payment by the Company of real property taxes.

The purpose of this letter is to inform you of such Pilot Request and that the Agency is considering whether to grant the Pilot Request and to approve a Proposed Pilot Agreement conforming to the terms of the Pilot Request. The Agency expects to consider whether to approve the terms of the Proposed Pilot Agreement at its meeting scheduled for November 21, 2019 at 12:15 p.m., local time at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York (the "Meeting"). As described later in this letter, during the meeting on November 21, 2019, the Agency will review the terms of the Pilot Request and, based on the discussions during such meeting the terms of the Pilot Request may be modified.

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

The Agency considered the following factors in considering the proposed deviation:

1. **The nature of the Project:** The Project involves the demolition of the four (4) existing buildings and construction of an approximately 16,900 square foot, 3 ½ story building with associated parking into an approximately 16 unit residential apartment building.
2. **The present use of the property:** The Project site currently contains four (4) existing buildings which are vacant.
3. **The economic condition of the area at the time of the request of the Company and the economic multiplying effect that the Project will have on the area:** At the time of the filing of the Application, the economic condition of the area in which the Project Facility is to be located is generally average. The area is also surrounded by distressed census tracts. Therefore, the area is strategically targeted for adding commercial/retail/residential development, based on the presence of vacant or underutilized buildings/real estate. This development is consistent with the Albany 2030 Plan.

012001.00181 Business 19024765v1

Hon. Daniel P. McCoy  
Hon. Kathy M. Sheehan, Mayor  
Kaweeda G. Adams, Superintendent  
Anne Savage, Board President  
November 8, 2019  
Page 4

**4. The extent to which the Project will create or retain permanent, private sector jobs and the number of jobs to be created or retained and the salary range of such jobs:** The Project will create approximately eighty-five (85) construction jobs.

The Company expects that the Project will also result in the retention and creation of employment in the retail, restaurant, entertainment, service and office operations located in the surrounding area.

**5. The estimated value of new tax exemptions to be provided:** The estimated value of the tax exemptions are the following: \$160,000, sales and use tax; \$70,000, mortgage recording tax; and \$999,437, real property taxes.

**6. The economic impact of the Proposed Pilot Agreement on affected tax jurisdictions:** The economic impact of the Proposed Pilot Agreement is positive as development of the Project Facility is expected to spur additional development in the Midtown Colleges and University neighborhood area of the City of Albany.

**7. The impact of the Proposed Pilot Agreement on existing and proposed businesses and economic development projects in the vicinity:** The Project will increase the consumer base to support local business and employers. The Project will have a positive revitalizing effect on the community by developing currently vacant parcels in a strategically identified neighborhood location. The Project meets the intent and furthers the implementation of following the City of Albany strategic initiatives Albany 2030.

**8. The amount of private sector investment generated or likely to be generated by the Proposed Pilot Agreement:** The investment by the Company in undertaking the Project is equal to approximately \$2,600,000.

**9. The effect of the Proposed Pilot Agreement on the environment:** The Project will not have a significant effect on the environment.

**10. Project Timing:** It is anticipated that the Project will be accomplished in a timely fashion.

**11. The extent to which the Proposed Pilot Agreement will require the provision of additional services including, but not limited to, additional educational, transportation, police, emergency medical or fire services:** It is not anticipated that the Project will have a significant burden upon the educational facilities for any school district within the City of Albany, Albany County. After the completion of the Project, the employment at the Project is not anticipated to generate a substantial burden on the highways of the City of Albany or the surrounding area. All necessary emergency medical and police services are available.

**12. Anticipated tax Revenues:** It is anticipated that there will likely be additional sales tax revenues after Project completion relating to certain future operating activities at the Project and related multiplier impacts.

012001.00181 Business 19024765v1

Hon. Daniel P. McCoy  
Hon. Kathy M. Sheehan, Mayor  
Kaweeda G. Adams, Superintendent  
Anne Savage, Board President  
November 8, 2019  
Page 5

**13. The extent to which the Proposed Pilot Agreement will provide a benefit (economic or otherwise) not otherwise available within the municipality in which the Project Facility is located:** The Project aligns with the Albany 2030 Plan including: a) encouraging investment in urban land and buildings for employment and housing; and (b) increase job opportunities for all residents.

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

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

CITY OF ALBANY INDUSTRIAL DEVELOPMENT  
AGENCY

By: s/Sarah Reginelli  
Chief Executive Officer

**APPROVING RESOLUTION  
427 WASHINGTON AVENUE, LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on November 21, 2019 at 12:15 o’clock p.m., local time.

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

**PRESENT:**

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

**ABSENT:**

**AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:**

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

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Resolution No. 1119-

**RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION  
WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR 427  
WASHINGTON AVENUE, LLC (THE “COMPANY”).**

WHEREAS, City of Albany Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial,

manufacturing and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in September, 2019, 427 Washington Avenue, LLC, a New York State limited liability company (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in two (2) parcels of land containing in the aggregate approximately 0.12 acres located at 423 Washington Avenue (tax map number 65.62-1-72) and 427 Washington Avenue (tax map number 65.62-1-73) in the City of Albany, Albany County, New York (collectively, the “Land”), together with four (4) existing buildings located thereon (collectively, the “Existing Facility”), (2) the demolition of the Existing Facility, (3) the construction on the Land of an approximately 16,900 square foot, 3 ½ story building with associated parking (the “Facility”) and (4) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the “Equipment”) (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to constitute an approximately 16 unit residential apartment building to be owned and operated by the Company and any other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on October 17, 2019 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on October 29, 2019 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is to be located, (B) caused notice of the Public Hearing to be posted on October 30, 2019 on a public bulletin board located at Albany City Hall located at 24 Eagle Street in the City of Albany, Albany County, New York, as well as on the Agency’s website, (C) caused notice of the Public Hearing to be published on November 1, 2019 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, Albany County, New York, (D) conducted the Public Hearing on November 13, 2019 at 12:15 o’clock p.m., local time at offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York and (E) prepared a report of the Public Hearing (the “Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and



WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on November 21, 2019 (the “SEQR Resolution”), the Agency (A) concurred in the determination that the City of Albany Planning Board (the “Planning Board”) is the “lead agency” with respect to SEQRA and (B) acknowledged receipt of a negative declaration from the Planning Board issued on March 26, 2019 (the “Negative Declaration”), in which the Planning Board determined that the Project would not have a significant adverse environmental impact on the environment, and therefore, that an environmental statement need not be prepared with respect to the Project; and

WHEREAS, by further resolution adopted by the members of the Agency on November 21, 2019 (the “Commercial/Retail Finding Resolution”), the Agency (A) determined that the Project constituted a “commercial project” within the meaning of the Act, (B) found that although the Project Facility appears to constitute a project where facilities or properties that are primarily used in making the retail sales of goods or services to customers who personally visit such facilities may constitute more than one-third of the costs of the Project, the Agency is authorized to provide financial assistance in respect of the Project pursuant to Section 862(2)(a) of the Act because the Project Facility is located in census tract 14 which is contiguous to census tracts 6 and 8 which are in a highly distressed area, (C) determined, following a review of the Hearing Report, that the Project would serve the public purposes of the Act by preserving permanent private sector jobs in the State of New York, and (D) determined that the Agency would proceed with the Project and the granting of the Financial Assistance; provided however, that no financial assistance would be provided to the Project by the Agency unless and until the Mayor of City of Albany, as chief executive officer of City of Albany, New York, pursuant to Section 862(2)(c) of the Act, confirmed the proposed action of the Agency with respect to the Project; and

WHEREAS, by resolution adopted by the members of the Agency on November 21, 2019 (the “Pilot Deviation Approval Resolution”), the members of the Agency determined to deviate from the Agency’s uniform tax exemption policy with respect to the Project; and

WHEREAS, pursuant to Section 862(2) of the Act, prior to providing the Financial Assistance to the Project, the Mayor, as chief executive officer of the City of Albany, New York, must confirm the proposed action of the Agency; and

WHEREAS, the Agency has given due consideration to the Application, and to representations by the Company that (A) the granting by the Agency of the Financial Assistance with respect to the Project will be an inducement to the Company to undertake the Project in the City of Albany, New York and (B) the completion of the Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and will not result in the abandonment of one or more plants or facilities of any occupant of the Project Facility located in the State of New York; and

WHEREAS, the Agency desires to encourage the Company to preserve and advance the job opportunities, health, general prosperity and economic welfare of the people of the City of Albany, New York by undertaking the Project in the City of Albany, New York; and

WHEREAS, in order to consummate the Project and the granting of the Financial Assistance described in the notice of the Public Hearing, the Agency proposes to enter into the following documents (hereinafter collectively referred to as the “Agency Documents”): (A) a certain lease to agency (the “Lease to Agency” or the “Underlying Lease”) by and between the Company, as landlord, and the Agency, as tenant, pursuant to which the Company will lease to the Agency a portion of the Land and all

improvements now or hereafter located on said portion of the Land (collectively, the “Leased Premises”); (B) a certain license agreement (the “License to Agency” or the “License Agreement”) by and between the Company, as licensor, and the Agency, as licensee, pursuant to which the Company will grant to the Agency (1) a license to enter upon the balance of the Land (the “Licensed Premises”) for the purpose of undertaking and completing the Project and (2) in the event of an occurrence of an Event of Default by the Company, an additional license to enter upon the Licensed Premises for the purpose of pursuing its remedies under the Lease Agreement (as hereinafter defined); (C) a lease agreement (and a memorandum thereof) (the “Lease Agreement”) by and between the Agency and the Company, pursuant to which, among other things, the Company agrees to undertake the Project as agent of the Agency and the Company further agrees to lease the Project Facility from the Agency and, as rental thereunder, to pay the Agency’s administrative fee relating to the Project and to pay all expenses incurred by the Agency with respect to the Project; (D) a payment in lieu of tax agreement (the “Payment in Lieu of Tax Agreement”) by and between the Agency and the Company, pursuant to which the Company will agree to pay certain payments in lieu of taxes with respect to the Project Facility; (E) a uniform agency project agreement (the “Uniform Agency Project Agreement”) by and between the Agency and the Company regarding the granting of the financial assistance and the potential recapture of such assistance; (F) a certain recapture agreement (the “Section 875 GML Recapture Agreement”) by and between the Company and the Agency, required by the Act, regarding the recovery or recapture of certain sales and use taxes; (G) a sales tax exemption letter (the “Sales Tax Exemption Letter”) to ensure the granting of the sales tax exemption which forms a part of the Financial Assistance; (H) a New York State Department of Taxation and Finance form entitled “IDA Appointment of Project Operator or Agency for Sales Tax Purposes” (the form required to be filed pursuant to Section 874(9) of the Act) (the “Thirty-Day Sales Tax Report”) and any additional report to the Commissioner of the State Department of Taxation and Finance concerning the amount of sales tax exemption benefit for the Project (the “Additional Thirty-Day Project Report”); (I) if the Company intends to finance the Project with borrowed money, a mortgage and any other security documents and related documents (collectively, the “Mortgage”) from the Agency and the Company to the Company’s lender with respect to the Project (“the “Lender”), which Mortgage will grant a lien on and security interest in the Project Facility to secure a loan from the Lender to the Company with respect to the Project (the “Loan”); (J) various certificates relating to the Project; (K) if the Company intends to request the Agency to appoint (1) the Company, as agent of the Agency and (2) a contractor or contractors, as agent(s) of the Agency prior to closing on the Project and the Lease Agreement, agency and indemnification agreements, interim Section 875 GML recapture agreements, interim sales tax exemption letters and interim thirty-day sales tax reports (collectively, the “Interim Documents”); and (L) various certificates relating to the Project (the “Closing Documents”);

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

Section 1. All action taken by the Chief Executive Officer of the Agency with respect to the Public Hearing with respect to the Project is hereby ratified and confirmed.

Section 2. The law firm of Hodgson Russ LLP is hereby appointed Special Agency Counsel to the Agency with respect to all matters in connection with the Project. Special Agency Counsel for the Agency is hereby authorized, at the expense of the Company, to work with the Company, counsel to the Company, counsel to the Agency and others to prepare, for submission to the Agency, all documents necessary to effect the transactions contemplated by this Resolution. Special Agency Counsel has prepared and submitted an initial draft of the Agency Documents to staff of the Agency.

Section 3. The Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act;

(B) The Project constitutes a “project,” as such term is defined in the Act;

(C) The Project site is located entirely within the boundaries of City of Albany, New York;

(D) It is estimated at the present time that the costs of the planning, development, acquisition, construction, reconstruction and installation of the Project Facility (collectively, the “Project Costs”) will be approximately \$2,600,000;

(E) The completion of the Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and will not result in the abandonment of one or more plants or facilities of any occupant of the Project Facility located in the State of New York;

(F) Although the Project constitutes a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost, the Company has represented to the Agency that (i) the Project is located within census tract 14 which is contiguous to census tracts 6 and 8, which are considered to be distressed census tracts, and therefore, is in a “highly distressed area”, as that term is defined in Section 854(18) of the Act, and (ii) completion of the Project will serve the public purposes of the Act by increasing the overall number of permanent, private sector jobs in the State of New York;

(G) The granting of the Financial Assistance by the Agency with respect to the Project will promote and maintain the job opportunities, general prosperity and economic welfare of the citizens of the City of Albany, New York and the State of New York and improve their standard of living, and thereby serve the public purposes of the Act;

(H) The Agency has reviewed the Public Hearing Report and has fully considered all comments contained therein;

(I) The Project should receive the Financial Assistance in the form of exemption from sales tax, real property tax and mortgage recording tax based on an evaluation of the Project based on the Agency’s Uniform Criteria for the Evaluation of Projects Policy and the description of expected public benefits to occur as a result of this Project, as described on **Exhibit A** attached hereto; and

(J) It is desirable and in the public interest for the Agency to enter into the Agency Documents, except that for the Interim Documents, the following conditions shall be met prior to the Agency entering into the Interim Documents: (1) the term of the Interim Documents shall not exceed sixty (60) days, unless future extensions are consented to by the Agency in writing, (2) the Company shall have paid the Agency’s administrative fee, (3) the Company and any contractors shall have delivered evidence of adequate insurance coverage protecting the Agency and (4) execution by the other parties thereto and delivery of same to the Agency of the Interim Documents.

Section 4. In consequence of the foregoing, the Agency hereby determines to: (A) accept the License Agreement; (B) lease the Project Facility to the Company pursuant to the Lease Agreement; (C) acquire, construct and install the Project Facility, or cause the Project Facility to be acquired, installed and constructed; (D) enter into the Payment in Lieu of Tax Agreement; (E) enter into the Section 875 GML Recapture Agreement; (F) enter into the Uniform Agency Project Agreement; (G) enter into the Interim Documents, subject to compliance with Section 3(J) above; (H) secure the Loan by entering into the Mortgage; and (I) grant the Financial Assistance with respect to the Project; provided, however, that no financial assistance shall be provided to the Project by the Agency unless and until the Mayor of the City of Albany, New York, as chief executive officer of the City of Albany, New York, shall, pursuant to Section 862(2)(c) of the Act, confirm the proposed action of the Agency with respect to the Project.

Section 5. The Agency is hereby authorized (A) to acquire a license in the Licensed Premises pursuant to the License Agreement, (B) to acquire a leasehold interest in the Leased Premises pursuant to the Underlying Lease, (C) to acquire title to the Equipment pursuant to a bill of sale (the "Bill of Sale to Agency") from the Company to the Agency, and (D) to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisitions are hereby approved, ratified and confirmed; provided, however, that no financial assistance shall be provided to the Project by the Agency unless and until the Mayor of the City of Albany, New York, as chief executive officer of the City of Albany, New York, shall, pursuant to Section 862(2)(c) of the Act, confirm the proposed action of the Agency with respect to the Project.

Section 6. The Agency is hereby authorized to acquire, construct and install the Project Facility as described in the Lease Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition, construction and installation are hereby ratified, confirmed and approved; provided, however, that no financial assistance shall be provided to the Project by the Agency unless and until the Mayor of the City of Albany, New York, as chief executive officer of the City of Albany, New York, shall, pursuant to Section 862(2)(c) of the Act, confirm the proposed action of the Agency with respect to the Project.

Section 7. The Chair (or Vice Chair) of the Agency, with the assistance of Agency Counsel and/or Special Counsel, is authorized to negotiate and approve the form and substance of the Agency Documents.

Section 8. (A) The Chair (or Vice Chair) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Agency Documents, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in the forms thereof as the Chair (or Vice Chair) shall approve, the execution thereof by the Chair (or Vice Chair) to constitute conclusive evidence of such approval.

(B) The Chair (or Vice Chair) of the Agency is hereby further authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 9. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing Resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 10. This Resolution shall take effect immediately.

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

Tracy L. Metzger	VOTING	_____
Susan Peto	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Lee E. Eck, Jr.	VOTING	_____
Dominick Calsolaro	VOTING	_____
Jahkeen Hoke	VOTING	_____
Robert T. Schofield, Esq.	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on November 21, 2019 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 21<sup>st</sup> day of November, 2019.

---

(Assistant) Secretary

(SEAL)

## EXHIBIT A

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

#### 427 WASHINGTON AVENUE 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 in the West Hill neighborhood, 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>
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 in the Park South neighborhood, thereby promoting the creation of new permanent 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>

A-1

012001.00149 Business 15044782v3

A-1



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: \$160,000 Mortgage Recording Tax Exemption: \$70,000 Real Property Tax Exemption: \$999,437</p>
4.	Private sector investment	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Project applicant expects to invest over \$2.6 million of private investment in the Project.
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 2018.</p>
6.	Extent of new revenue provided to local taxing jurisdictions.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<p>Project will result in new revenue to local taxing jurisdictions under the proposed PILOT program through the City of Albany IDA.</p> <p>Project will result in an increase in assessed value from the current total assessment: \$137,100 (Per City of Albany Commissioner of Assessment and Taxation 2019 Assessment Roll) to the estimated improved total assessment: \$1,460,000 (Per City of Albany Commissioner of Assessment and Taxation).</p>

7.	Other:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<p>The Project will develop a vacant property and create approximately 16 apartments.</p> <p>The Project has committed to Regional Labor for 90% of the construction work force and to City of Albany Labor for 15% of the construction work force.</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 parcels 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>
----	--------	---	-----------------------------	--



**RESOLUTION AUTHORIZING EXECUTION OF AMENDMENT TO  
REGULATORY AGREEMENT  
CAPITAL DISTRICT APARTMENTS LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on November 21, 2019 at 12:15 o’clock p.m., local time.

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

**PRESENT:**

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

**ABSENT:**

**AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:**

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

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Resolution No. 1119-

**RESOLUTION AUTHORIZING THE EXECUTION BY CITY OF ALBANY  
INDUSTRIAL DEVELOPMENT AGENCY OF A CERTAIN AMENDMENT TO  
REGULATORY AGREEMENT IN CONNECTION WITH THE CAPITAL DISTRICT  
APARTMENTS LLC PROJECT.**

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 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred

to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, and commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, on January 12, 2017 (the “Closing”), the Agency entered into a lease agreement dated as of January 1, 2017 (the “Lease Agreement”) by and between the Agency and Capital District Apartments LLC (the “Company”) for the purpose of undertaking a project (the “Project”) consisting of the following: (A) (1) the acquisition of an interest in an approximately 1.96 acre parcel of land (tax map number 65.17-2-13) currently with an address of 2 Thurlow Terrace in the City of Albany, Albany County, New York (the “Land”), together with an approximately 85,000 square foot building located thereon (the “Facility”), (2) the renovation and rehabilitation of the Facility, including but not limited to, parking resurfacing and landscaping improvements, and (3) the acquisition and installation thereon and therein of various machinery and equipment (collectively, the “Equipment”) (the Land, the Facility and the Equipment being hereinafter collectively referred to as the “Project Facility”), all of the foregoing to constitute a Section 8, senior and handicapped housing facility to be owned by the Company and leased to residential tenants and any other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease of the Project Facility to the Company pursuant to the Lease Agreement; and

WHEREAS, simultaneously with the execution and delivery of the Lease Agreement, (A) the Company executed and delivered to the Agency (1) a certain lease to agency dated as of January 1, 2017 (the “Lease to Agency”) by and between the Company, as landlord, and the Agency, as tenant, pursuant to which the Company leased to the Agency a portion of the Land and all improvements now or hereafter located on said portion of the Land (collectively, the “Leased Premises”); (2) a certain license agreement dated as of January 1, 2017 (the “License to Agency”) by and between the Company, as licensor, and the Agency, as licensee, pursuant to which the Company granted to the Agency (a) a license to enter upon the balance of the Land (the “Licensed Premises”) for the purpose of undertaking and completing the Project and (b) in the event of an occurrence of an Event of Default by the Company, an additional license to enter upon the Licensed Premises for the purpose of pursuing its remedies under the Lease Agreement; and (3) a certain bill of sale dated as of January 1, 2017 (the “Bill of Sale to Agency”), which conveyed to the Agency all right, title and interest of the Company in the Equipment, (B) the Company and the Agency executed and delivered (1) a certain payment in lieu of tax agreement dated as of January 1, 2017 (the “Payment in Lieu of Tax Agreement”) by and between the Agency and the Company, pursuant to which the Company agreed to pay certain payments in lieu of taxes with respect to the Project Facility, (2) a certain recapture agreement (the “Section 875 GML Recapture Agreement”) by and between the Company and the Agency, required by the Act, regarding the recovery or recapture of certain sales and use taxes and (3) a certain uniform agency project agreement dated as of January 1, 2017 (the “Uniform Agency Project Agreement”) relating to the granting of the Financial Assistance by the Agency to the Company, (D) the Agency will file with the assessor and mail to the chief executive officer of each “affected tax jurisdiction” (within the meaning of such quoted term in Section 854(16) of the Act) a copy of a New York State Board of Real Property Services Form 412-a (the form required to be filed by the

Agency in order for the Agency to obtain a real property tax exemption with respect to the Project Facility under Section 412-a of the Real Property Tax Law) (the “Real Property Tax Exemption Form”) relating to the Project Facility and the Payment in Lieu of Tax Agreement, (E) the Agency executed and delivered to the Company a sales tax exemption letter (the “Sales Tax Exemption Letter”) to ensure the granting of the sales tax exemption which forms a part of the Financial Assistance and (F) the Agency filed with the New York State Department of Taxation and Finance the form entitled “IDA Appointment of Project Operator or Agent for Sales Tax Purposes” (the form required to be filed pursuant to Section 874(9) of the Act) (the “Thirty-Day Sales Tax Report”) (the above enumerated documents being collectively referred to as the “Basic Documents”); and

WHEREAS, in order to finance a portion of the costs of the Project, the Company obtained a loan in the principal sum of up to \$56,100,000 (the “Loan”) from New York State Housing Finance Agency (the “Lender”), which Loan was secured by (1) a multifamily mortgage, assignment of leases and rents, security agreement and fixture filing dated as of January 1, 2017 (the “First Mortgage”) from the Agency and the Company to the Lender and Fannie Mae (the “Credit Enhancer”) and (2) a multifamily mortgage, assignment of leases and rents, security agreement and fixture filing (reimbursement) dated as of January 1, 2017 (the “Reimbursement Mortgage” and with the First Mortgage, being collectively referred to as the “Mortgage”) from the Agency and the Company to the Credit Enhancer; and

WHEREAS, also simultaneously with the Closing, the Agency, the Company and the Lender entered into a regulatory agreement dated as of January 1, 2017 (the “Regulatory Agreement”) in connection with the First Mortgage; and

WHEREAS, by correspondence dated October 30, 2019 (the “Request”), which Request is attached hereto as Exhibit A, the Company has requested the Agency to enter into an amendment to the Regulatory Agreement (the “First Amendment to Regulatory Agreement”) by and among the Agency, the Company and the Lender, as another entity is purchasing the interest of one of the members of the Company, as outlined in the chart attached to the Request; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the “Regulations” and collectively with the SEQR Act, “SEQRA”), the Agency must satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the Request; and

WHEREAS, pursuant to SEQRA, the Agency has examined the Request in order to make a determination as to whether the Request is subject to SEQRA, and it appears that the Request constitutes a Type II action under SEQRA;

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

Section 1. Based upon an examination of the Request, the Agency hereby makes the following determinations:

(A) The Request constitutes a “Type II action” pursuant to 6 NYCRR 617.5(c)(23), and therefor that, pursuant to 6 NYCRR 617.6(a)(1)(i), the Agency has no further responsibilities under SEQRA with respect to the Request.

(B) That since compliance by the Agency with the Request will not result in the Agency providing more than \$100,000 of “financial assistance” (as such quoted term is defined in the Act) to the Company, Section 859-a of the Act does not require a public hearing to be held with respect to the Request.

Section 2. Subject to (A) approval of the form of the First Amendment to Regulatory Agreement by Agency Counsel and Special Agency Counsel, (B) receipt of confirmation that all real property taxes and payments in lieu of taxes required by the Project have been satisfied and (C) receipt by the Chief Executive Officer of (1) the Agency’s administrative fee relating to the Request, if any, and (2) counsel’s fees relating to the Request, the Agency hereby (a) consents to the Request and (b) authorizes the execution by the Agency of the First Amendment to Regulatory Agreement.

Section 3. Subject to the satisfaction of the conditions described in Section 2 hereof, the Chair (or Vice Chair) of the Agency is hereby authorized to execute and deliver the First Amendment to Regulatory Agreement to the Company, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in substantially the form thereof presented to this meeting, with such changes, variations, omissions and insertions as the Chair (or Vice Chair) or Chief Executive Officer shall approve, the execution thereof by the Chair (or Vice Chair) or Chief Executive Officer to constitute conclusive evidence of such approval.

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

Section 5. This Resolution shall take effect immediately.

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

Tracy L. Metzger	VOTING	_____
Susan Peto	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Lee E. Eck, Jr.	VOTING	_____
Dominick Calsolaro	VOTING	_____
Jahkeen Hoke	VOTING	_____
Robert T. Schofield, Esq.	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on November 21, 2019 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of the whole of such proceedings of the Agency and of such Resolution set forth therein so far as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 21<sup>st</sup> day of November, 2019.

\_\_\_\_\_  
(Assistant) Secretary

(SEAL)



EXHIBIT A  
REQUEST

**Zeigler, Nadene**

---

**From:** Simon, Rebecca <RBSimon@nixonpeabody.com>  
**Sent:** Wednesday, October 30, 2019 2:42 PM  
**To:** Zeigler, Nadene; ascott@hodgonruss.com; Brown-Bruette, Nicole; ASquires@hodgonruss.com; DeFreest, Bonnie  
**Cc:** Altidor, Meghan; Wallace, Stephen  
**Subject:** Capital District Apartments HFA Regulatory Agreement Amendment  
**Attachments:** 3 HFA Regulatory Agreement (Albany County).pdf; Capital District - First Amendment of Regulatory Agreement 4847-5276-3550 v.2.doc

Good afternoon,

We represent Chestnut Preservation Partners LLC ("Buyer"), an entity owned by Belveron Partners Fund V JV, LLC that is purchasing the interests of BFC Pres Dev LLC ("BFC") in the Capital District project in which the Cohoes, City of Albany and Albany County IDAs have a leasehold interest. K&R Preservation LLC will remain the manager of the projects, so the day to day control of the projects will not change. The IDA related properties included in the portfolio are:

1. Cayuga Plaza, 100 Cayuga Plaza, Cohoes, New York (Cohoes IDA)
2. Hudson Shores Plaza, 1545 Broadway, Watervliet, New York (Albany County IDA)
3. Thurlow Terrace, 2 Thurlow Avenue, Albany, New York (Albany City IDA)

The IDAs previously entered into an HFA Regulatory Agreement with Capital District Apartments LLC and the New York State Housing Finance Agency on January 12, 2017 (attached). Any amendment to the HFA Regulatory Agreement requires the signature of each IDA party to the transaction. Now, the parties wish to enter into the attached First Amendment to the Regulatory Agreement to memorialize the transfer of interest described above.

Attached is the First Amendment to the Regulatory Agreement with signatures pages for each IDA. We are targeting to close on the transfer of interest by December 2nd, so we ask your cooperation to coordinate signatures as quickly as possible. Please have the signature page for each IDA executed and the original sent to me at:

Rebecca Simon  
Nixon Peabody LLP  
799 9th Street NW, Suite 500  
Washington, DC 20003

Let me know if you have any questions or concerns. Thank you for your attention to this matter.  
Best,  
Rebecca



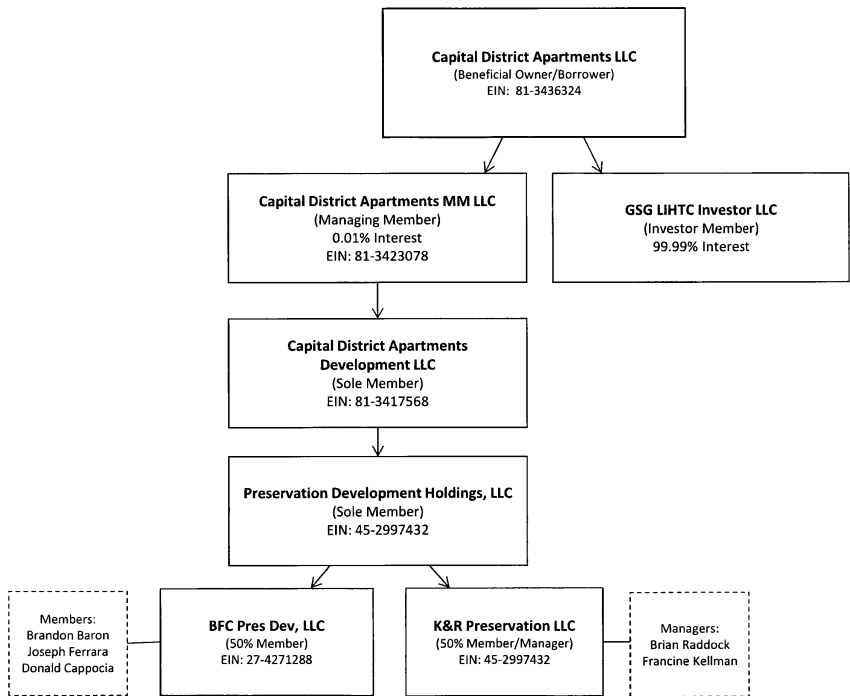
**Rebecca Simon**  
Associate  
rbsimon@nixonpeabody.com  
T 202-585-8603 | C 202-227-7244 | F 833-739-6774  
Nixon Peabody LLP | 799 9th Street NW | Suite 500 | Washington, DC 20001-5327  
nixonpeabody.com | @NixonPeabodyLLP

Please consider the environment before printing this email.

This email message and any attachments are confidential and may be protected by the attorney/client or other applicable privileges. The information is intended to be conveyed only to the designated recipient(s) of the message. If you are not an intended recipient, please notify the sender immediately and delete the message from your email system. Unauthorized use, dissemination, distribution or reproduction of this message by other than the intended recipient is strictly prohibited and may be unlawful. Thank you.

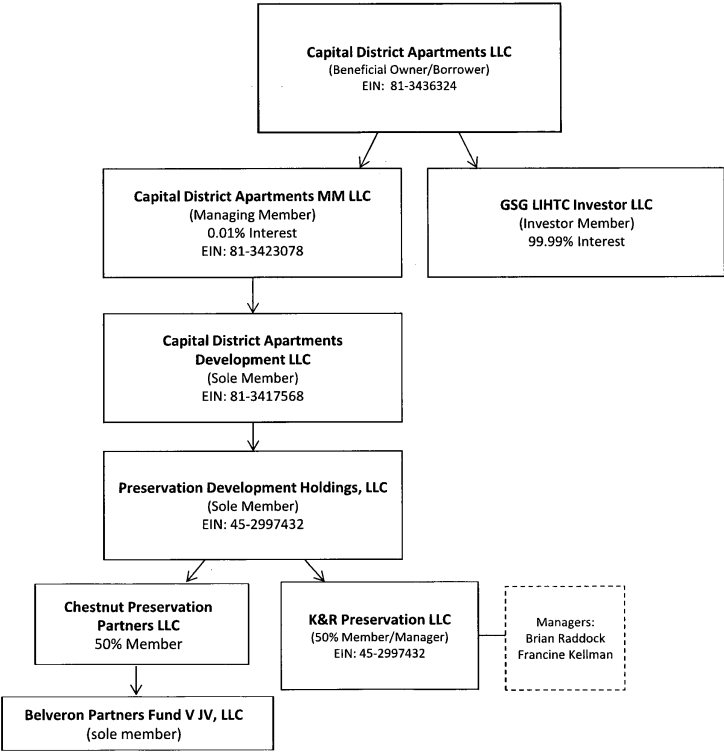
Pre-Transfer Org Chart

CAPITAL DISTRICT APARTMENTS  
Organizational Chart



Post-Transfer Org Chart

CAPITAL DISTRICT APARTMENTS  
Organizational Chart



**RESOLUTION AUTHORIZING AMENDMENT TO BASIC DOCUMENTS  
363 ONTARIO ST LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on November 21, 2019 at 12:15 o’clock p.m., local time.

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

**PRESENT:**

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

**ABSENT:**

**AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:**

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

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Resolution No. 1119-

**RESOLUTION AUTHORIZING THE EXECUTION BY CITY OF ALBANY  
INDUSTRIAL DEVELOPMENT AGENCY OF A CERTAIN MODIFICATION  
AGREEMENT IN CONNECTION WITH THE 363 ONTARIO ST LLC PROJECT.**

WHEREAS, City of Albany Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial facilities,

among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, on August 23, 2018 (the “Closing”), the Agency entered into a lease agreement dated as of August 1, 2017 (the “Lease Agreement”) by and between the Agency and 363 Ontario St LLC (the “Company”) for the purpose of undertaking a project (the “Project”) consisting of the following: (A) (1) the acquisition of an interest in an approximately 1.8 acre parcel of land with an address of 363 Ontario Street (tax map no.: 64.76-4-47) in the City of Albany, Albany County, New York (the “Land”), together with the existing improvements containing in the aggregate approximately 140,000 square feet of space located thereon (the “Existing Facility”), (2) the demolition of the Existing Facility, (3) the construction on the Land of three (3) buildings to contain in the aggregate approximately 175,500 square feet of space (collectively, the “Facility”) and (4) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (the “Equipment”) (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to constitute a residential apartment building containing approximately 109 units, with approximately 99 underground and approximately 44 surface parking spaces and first floor retail space to be owned and operated by the Company, and any other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from sales and use taxes, real property transfer taxes, mortgage recording taxes and real estate taxes (collectively, the “Financial Assistance”); and (C) the lease of the Project Facility to the Company pursuant to the terms of the Lease Agreement; and

WHEREAS, simultaneously with the execution and delivery of the Lease Agreement (the “Closing”), (A) the Company executed and delivered to the Agency (1) a certain lease to agency dated as of August 1, 2018 (the “Lease to Agency”) by and between the Company, as landlord, and the Agency, as tenant, pursuant to which the Company leased to the Agency a portion of the Land and all improvements now or hereafter located on said portion of the Land (collectively, the “Leased Premises”); (2) a certain license agreement dated as of August 1, 2018 (the “License to Agency”) by and between the Company, as licensor, and the Agency, as licensee, pursuant to which the Company granted to the Agency (a) a license to enter upon the balance of the Land (the “Licensed Premises”) for the purpose of undertaking and completing the Project and (b) in the event of an occurrence of an Event of Default by the Company, an additional license to enter upon the Licensed Premises for the purpose of pursuing its remedies under the Lease Agreement; and (3) a certain bill of sale dated as of August 1, 2018 (the “Bill of Sale to Agency”), which conveyed to the Agency all right, title and interest of the Company in the Equipment, (B) the Company and the Agency executed and delivered (1) a certain payment in lieu of tax agreement dated as of August 1, 2018 (the “Payment in Lieu of Tax Agreement”) by and between the Agency and the Company, pursuant to which the Company agreed to pay certain payments in lieu of taxes with respect to the Project Facility, (2) a certain recapture agreement (the “Section 875 GML Recapture Agreement”) by and between the Company and the Agency, required by the Act, regarding the recovery or recapture of certain sales and use taxes and (3) a certain uniform agency project agreement dated as of August 1, 2018 (the “Uniform Agency Project Agreement”) relating to the granting of the Financial Assistance by the Agency to the Company, (C) the Agency filed with the assessor and mailed to the chief executive officer of each “affected tax jurisdiction” (within the meaning of such quoted term in Section 854(16) of the Act)

a copy of a New York State Board of Real Property Services Form 412-a (the form required to be filed by the Agency in order for the Agency to obtain a real property tax exemption with respect to the Project Facility under Section 412-a of the Real Property Tax Law) (the “Real Property Tax Exemption Form”) relating to the Project Facility and the Payment in Lieu of Tax Agreement, (D) the Agency executed and delivered to the Company a sales tax exemption letter (the “Sales Tax Exemption Letter”) to ensure the granting of the sales tax exemption which forms a part of the Financial Assistance, (E) the Agency filed with the New York State Department of Taxation and Finance the form entitled “IDA Appointment of Project Operator or Agent for Sales Tax Purposes” (the form required to be filed pursuant to Section 874(9) of the Act) (the “Thirty-Day Sales Tax Report”) and any additional report to the Commissioner of the State Department of Taxation and Finance concerning the amount of sales tax exemption benefit for the Project (the “Additional Thirty-Day Project Report”); (F) the Agency and J. Luke Construction Co., LLC (the “Contractor”) entered into (1) a certain agency indemnification agreement dated as of August 1, 2018 (the “Contractor Agency and Indemnification Agreement”) by and between the Agency and the Contractor and (2) a certain recapture agreement dated as of August 1, 2018 (the “Contractor Section 875 GML Recapture Agreement”) by and between the Agency and the Contractor, (G) the Agency executed and delivered to the Contractor a sales tax exemption letter (the “Contractor Sales Tax Exemption Letter”) and (H) the Agency filed a Thirty-Day Sales Tax Report (the “Contractor Thirty-Day Sales Tax Report”) and any additional report to the Commissioner of the State Department of Taxation and Finance concerning the amount of sales tax exemption benefit for the Project (the “Additional Thirty-Day Project Report”) (together with the Lease Agreement, the above enumerated documents being collectively referred to as the “Basic Documents”); and

WHEREAS, the Company has requested, pursuant to the correspondence attached hereto as Exhibit A, that the Agency modify the terms of the Basic Documents in order to extend the Completion Date (as defined in the Lease Agreement) (the “Modification”); and

WHEREAS, in connection with the Modification, the Company has requested that the Agency enter into a certain modification agreement dated as of November 1, 2019 (the “Modification Agreement”), by and among the Company, the Agency and the Contractor, a copy of which is attached hereto as Exhibit B; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the “Regulations” and collectively with the SEQR Act, “SEQRA”), it appears that the Modification constitutes a Type II action under SEQRA;

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

Section 1. Based upon an examination of the Modification, the Agency hereby makes the following determination:

(A) The Modification constitutes a “Type II action” pursuant to 6 NYCRR 617.5(1), (2), (23) and (26), and therefor that, pursuant to 6 NYCRR 617.6(1)(i), the Agency has no further responsibilities under SEQRA with respect to the Modification.

(B) That since compliance by the Agency with the Modification will not result in the Agency providing more than \$100,000 of “financial assistance” (as such quoted term is defined in the Act) to the Company, Section 859-a of the Act does not require a public hearing to be held with respect to the Modification.

Section 2. Subject to (A) compliance with the terms and conditions in the Basic Documents and (B) payment by the Company of all fees and expenses of the Agency in connection with the delivery of the Modification Agreement, including the fees of Special Agency Counsel, the Agency hereby (a) consents to the Modification and (b) determines to enter into the Modification Agreement.

Section 3. The form and substance of the Modification Agreement (in substantially the form presented to this meeting) are hereby approved.

Section 4. Subject to the satisfaction of the conditions described in Section 2 hereof, the Chair (or Vice Chair) of the Agency is hereby authorized to execute and deliver the Modification Agreement to the Company, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in substantially the form thereof presented to this meeting, with such changes, variations, omissions and insertions as the Chair (or Vice Chair) shall approve, the execution thereof by the Chair (or Vice Chair) to constitute conclusive evidence of such approval.

Section 5. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Modification Agreement, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing Resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Modification Agreement binding upon the Agency.

Section 6. This Resolution shall take effect immediately.

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

Tracy L. Metzger	VOTING	_____
Susan Peto	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Lee E. Eck, Jr.	VOTING	_____
Dominick Calsolaro	VOTING	_____
Jahkeen Hoke	VOTING	_____
Robert T. Schofield, Esq.	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.



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

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on February 7, 2019 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 21<sup>st</sup> day of November, 2019.

---

(Assistant) Secretary

(SEAL)

EXHIBIT A  
REQUEST

## **Law Office of Debra J. Lambek PLLC**

---

302 Washington Avenue Extension  
Albany, New York 12203

Debra J. Lambek  
Counsel  
(518) 862-9133 Ext. 4225  
[dlambek@lambeklaw.com](mailto:dlambek@lambeklaw.com)

October 15, 2019

Via Email to [ascott@hodgsonruss.com](mailto:ascott@hodgsonruss.com)

A. Joseph Scott, Esq.  
Hodgson Russ LLP  
677 Broadway, Suite 301  
Albany, New York 12207

Re: 363 Ontario St LLC ("Company") with  
City of Albany Industrial Development Agency ("Agency")  
363 Ontario Street Project ("Project")  
Closing Date: August 23, 2018

Dear Joe:

In connection with the above Project, the Company is hereby requesting an extension of the sale tax exemption for the Project from December 31, 2019 through December 31, 2020.

The description of the Project and the cost of the Project remain unchanged.

If you have any questions or comments, please do not hesitate to call.

Very truly yours,



Debra J. Lambek  
Counsel

DJL:mmml

cc: Ryan Jankow, 363 Ontario St LLC (Via Email to [ryan.jankow@gmail.com](mailto:ryan.jankow@gmail.com))

J:\ADMA\Administrative\dlj\Jankow, Ryan\363 Ontario Street\scott letter.doc

EXHIBIT B  
MODIFICATION AGREEMENT

---

CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY

AND

363 ONTARIO ST LLC

AND

J. LUKE CONSTRUCTION CO., LLC

---

MODIFICATION AGREEMENT

---

DATED AS OF NOVEMBER 1, 2019

---

RELATING TO (A) THE LEASE/LEASE BACK TRANSACTION OF  
CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY  
DATED AUGUST 1, 2018 AND (B) CERTAIN RELATED  
DOCUMENTS.

---

## TABLE OF CONTENTS

(This Table of Contents is for convenience of reference  
only and is not part of the Modification Agreement)

	<u>PAGE</u>
PARTIES .....	1
RECITALS .....	1
Section 1. Definitions .....	
Section 2. Modification of Basic Documents .....	
Section 3. Provisions of the Modification Agreement Construed with the Basic Documents .....	
Section 4. Basic Documents as Amended to Remain in Effect .....	
Section 5. Recording.....	
Section 6. Execution of Counterparts .....	
SIGNATURES.....	
ACKNOWLEDGEMENTS.....	

## MODIFICATION AGREEMENT

THIS MODIFICATION AGREEMENT dated as of February 1, 2019 (the "Modification Agreement") by and between 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 ("Agency"), 363 ONTARIO ST LLC, a limited liability company organized and existing under the laws of the State of New York (the "State") having an office for the transaction of business located at P.O. Box 1366, Guilderland, New York (collectively, the "Company") and J. LUKE CONSTRUCTION CO., LLC, a limited company duly organized and existing under the laws of the State of New York having an office for the transaction of business located at 796 Burdeck Street, Schenectady, New York (the "Contractor");

### WITNESSETH:

WHEREAS, Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "Enabling Act") was duly enacted into law as Chapter 1030 of the Laws of 1969 of the State of New York; and

WHEREAS, the Enabling Act authorizes and provides for the creation of industrial development agencies for the benefit of the several counties, cities, villages and towns in the State of New York (the "State") and empowers such agencies, among other things, to acquire, construct, reconstruct, lease, improve, maintain, equip and dispose of land and any building or other improvement, and all real and personal properties, including, but not limited to, machinery and equipment deemed necessary in connection therewith, whether or not now in existence or under construction, which shall be suitable for manufacturing, warehousing, research, commercial or industrial purposes, in order to advance the job opportunities, health, general prosperity and economic welfare of the people of the State and to improve their standard of living; and

WHEREAS, the Enabling Act further authorizes each such agency to lease or sell any or all of its facilities, for the purpose of carrying out any of its corporate purposes and any agreements made in connection therewith, to mortgage and pledge any or all of its facilities, whether then owned or thereafter acquired, and to pledge the revenues and receipts from the lease or sale thereof; and

WHEREAS, the Agency was created, pursuant to and in accordance with the provisions of the Enabling Act, by Chapter 325 of the Laws of 1974 of the State (collectively, with the Enabling Act, the "Act") and is empowered under the Act to undertake the Project (as hereinafter defined) in order to so advance the job opportunities, health, general prosperity and economic welfare of the people of the State and improve their standard of living; and

WHEREAS, on August 23, 2018 (the "Closing"), the Agency entered into a lease agreement dated as of August 1, 2017 (the "Lease Agreement") by and between the Agency and 363 Ontario St LLC (the "Company") for the purpose of undertaking a project (the "Project") consisting of the following(A) (1) the acquisition of an interest in an approximately 1.8 acre parcel of land with an address of 363 Ontario Street (tax map no.: 64.76-4-47) in the City of Albany, Albany County, New York (the "Land"), together with the existing improvements containing in the aggregate approximately 140,000 square feet of space located thereon (the "Existing Facility"), (2) the demolition of the Existing Facility, (3) the construction on the Land of three (3) buildings to contain in the aggregate approximately 175,500 square feet of space (collectively, the "Facility") and (4) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (the "Equipment")

(the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to constitute a residential apartment building containing approximately 109 units, with approximately 99 underground and approximately 44 surface parking spaces and first floor retail space to be owned and operated by the Company, and any other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease of the Project Facility to the Company pursuant to the Lease Agreement; and

WHEREAS, simultaneously with the execution and delivery of the Lease Agreement (the “Closing”), (A) the Company executed and delivered to the Agency (1) a certain lease to agency dated as of August 1, 2018 (the “Lease to Agency”) by and between the Company, as landlord, and the Agency, as tenant, pursuant to which the Company leased to the Agency a portion of the Land and all improvements now or hereafter located on said portion of the Land (collectively, the “Leased Premises”); (2) a certain license agreement dated as of August 1, 2018 (the “License to Agency”) by and between the Company, as licensor, and the Agency, as licensee, pursuant to which the Company granted to the Agency (a) a license to enter upon the balance of the Land (the “Licensed Premises”) for the purpose of undertaking and completing the Project and (b) in the event of an occurrence of an Event of Default by the Company, an additional license to enter upon the Licensed Premises for the purpose of pursuing its remedies under the Lease Agreement; and (3) a certain bill of sale dated as of August 1, 2018 (the “Bill of Sale to Agency”), which conveyed to the Agency all right, title and interest of the Company in the Equipment, (B) the Company and the Agency executed and delivered (1) a certain payment in lieu of tax agreement dated as of August 1, 2018 (the “Payment in Lieu of Tax Agreement”) by and between the Agency and the Company, pursuant to which the Company agreed to pay certain payments in lieu of taxes with respect to the Project Facility, (2) a certain recapture agreement (the “Section 875 GML Recapture Agreement”) by and between the Company and the Agency, required by the Act, regarding the recovery or recapture of certain sales and use taxes and (3) a certain uniform agency project agreement dated as of August 1, 2018 (the “Uniform Agency Project Agreement”) relating to the granting of the Financial Assistance by the Agency to the Company, (C) the Agency filed with the assessor and mailed to the chief executive officer of each “affected tax jurisdiction” (within the meaning of such quoted term in Section 854(16) of the Act) a copy of a New York State Board of Real Property Services Form 412-a (the form required to be filed by the Agency in order for the Agency to obtain a real property tax exemption with respect to the Project Facility under Section 412-a of the Real Property Tax Law) (the “Real Property Tax Exemption Form”) relating to the Project Facility and the Payment in Lieu of Tax Agreement, (D) the Agency executed and delivered to the Company a sales tax exemption letter (the “Sales Tax Exemption Letter”) to ensure the granting of the sales tax exemption which forms a part of the Financial Assistance, (E) the Agency filed with the New York State Department of Taxation and Finance the form entitled “IDA Appointment of Project Operator or Agent for Sales Tax Purposes” (the form required to be filed pursuant to Section 874(9) of the Act) (the “Thirty-Day Sales Tax Report”) and any additional report to the Commissioner of the State Department of Taxation and Finance concerning the amount of sales tax exemption benefit for the Project (the “Additional Thirty-Day Project Report”); (F) the Agency and J. Luke Construction Co., LLC (the “Contractor”) entered into (1) a certain agency indemnification agreement dated as of August 1, 2018 (the “Contractor Agency and Indemnification Agreement”) by and between the Agency and the Contractor and (2) a certain recapture agreement dated as of August 1, 2018 (the “Contractor Section 875 GML Recapture Agreement”) by and between the Agency and the Contractor, (G) the Agency executed and delivered to the Contractor a sales tax exemption letter (the “Contractor Sales Tax Exemption Letter”) and (H) the Agency filed a Thirty-Day Sales Tax Report (the “Contractor Thirty-Day Sales Tax Report”) and any additional report to the Commissioner of the State Department of Taxation and Finance concerning the amount of sales tax exemption benefit for the Project (the “Additional Thirty-Day Project



Report”) (together with the Lease Agreement, the above enumerated documents being collectively referred to as the “Basic Documents”); and

WHEREAS, the Company has requested that the Agency modify the terms of the Basic Documents in order to extend the Completion Date (as defined in the Lease Agreement) (the “Modification”); and

WHEREAS, by resolution adopted by the members of the Agency on November 21, 2019 (the “Modification Resolution”), the members of the Agency (A) determined that pursuant to SEQRA, the Modification is a “Type II Action” and, therefore, the Agency has no further responsibilities under SEQRA with respect to the Modification; (B) determined to amend the Basic Documents to extend the Completion Date; and (C) authorized the execution and delivery of this Modification Agreement with respect to the Modification;

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL COVENANTS HEREINAFTER CONTAINED, THE PARTIES HERETO HEREBY FORMALLY COVENANT, AGREE AND BIND THEMSELVES AS FOLLOWS, TO WIT:

SECTION 1. DEFINITIONS. Except as otherwise provided herein, all words and terms used herein shall have the respective meanings ascribed thereto in Article I of the Basic Documents.

SECTION 2. MODIFICATION OF BASIC DOCUMENTS. (A) In each of the Basic Documents where the date of December 31, 2019 appears it shall be replaced by the date of December 31, 2020.

SECTION 3. PROVISIONS OF MODIFICATION AGREEMENT CONSTRUED WITH THE BASIC DOCUMENTS. All of the covenants, agreements and provisions of this Modification Agreement shall be deemed to be and shall be construed as part of the Basic Documents and vice versa to the same extent as if fully set forth verbatim therein and herein. In the event of any variation or inconsistency between any covenant, agreement or provision contained in any Basic Document and any covenant, agreement or provision contained in this Modification Agreement, such covenant, agreement or provision contained herein shall govern.

SECTION 4. BASIC DOCUMENTS AS AMENDED TO REMAIN IN EFFECT. Except as amended by this Modification Agreement, the Basic Documents shall remain unmodified and in full force and effect and the terms and conditions thereof are hereby confirmed.

SECTION 5. RECORDING. This Modification Agreement may, at the request of the Company, be recorded by the Agency in such office or offices as may at the time be provided by law as the proper place or places for the recordation thereof. The Company agrees to pay all costs in connection with said recording.

SECTION 6. EXECUTION OF COUNTERPARTS. This Modification Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Agency and the Company have caused this Modification Agreement to be executed by their duly authorized officer and to date this Modification Agreement as of the day and year first above written.

CITY OF ALBANY INDUSTRIAL  
DEVELOPMENT AGENCY

BY: \_\_\_\_\_  
(Vice) Chair

363 ONTARIO ST LLC

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

J. LUKE CONSTRUCTION CO., LLC

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

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

On the \_\_\_\_ day of November, in the year 2019, before me, the undersigned, personally appeared \_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

---

Notary Public

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

On the \_\_\_\_ day of November, in the year 2019, before me, the undersigned, personally appeared \_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_  
Notary Public

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

On the \_\_\_\_ day of November, in the year 2019, before me, the undersigned, personally appeared \_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

---

Notary Public