

# 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 Pado, *Vice Chair*  
Darius Shahinfar, *Treasurer*  
Lee Eck, *Secretary*  
Dominick Calsolaro  
Robert Schofield  
Jahkeen Hoke

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

To: Darius Shahinfar  
Lee Eck  
Jahkeen Hoke  
Tracy Metzger  
Dominick Calsolaro

Cc: Robert Schofield  
Susan Pado

Sarah Reginelli  
Mark Opalka  
William Kelly  
Joe Scott  
Andy Corcione  
Tammie Fanfa

Date: December 6, 2019

**PLEASE NOTE THAT A PUBLIC HEARING CONCERNING THE FOLLOWING PROJECT(S) WILL BE HELD**  
At 12:00pm on Wednesday, December 11<sup>th</sup>, 2019 at 21 Lodge St, Albany, NY 12207

**563 New Scotland Ave, LLC**

## IDA FINANCE COMMITTEE AGENDA

**A meeting of the Finance Committee of the City of Albany Industrial Development Agency will be held on Wednesday, December 11<sup>th</sup> at 12:15 PM at 21 Lodge Street, Albany, NY 12207 (Large Conference Room).**

**Roll Call, Reading & Approval of the Finance Committee Meeting Minutes of November 13, 2019**

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

- None

### **Unfinished Business**

- A. 563 New Scotland Ave, LLC
  - Discussion/Possible positive/negative recommendation for Approving Resolutions

### **New Business**

- A. Broadway 915, LLC (745 Broadway)
  - Project Introduction
- B. Professional Services Agreements 2020
  - Legal Services – General Counsel
  - Legal Services – Bond/Special Counsel
  - Professional Services
  - Contract for Services – Economic Development
  - Contract for Services – IDA
- C. Financing Guideline Review
- D. Finance Committee Self Evaluation

### **Other Business**

- A. Agency Update
- B. Compliance Update

### **Adjournment**

The next regularly scheduled Finance Committee meeting will be held Wednesday, January 8, 2019 at 21 Lodge Street, Albany, NY. Please check the website [www.albanyida.com](http://www.albanyida.com) for updated meeting information.

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## IDA MINUTES OF FINANCE COMMITTEE MEETING

Wednesday, November 13<sup>th</sup> at 12:15 PM

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

Absent: Tracy Metzger

Also Present: Sarah Reginelli, Mark Opalka, Amy Lavine, Joe Scott and Andy Corcione

Public Present: Edward Maitino

Chair Darius Shahinfar called the Finance Committee meeting of the IDA to order at 12:20 p.m.

### **Roll Call, Reading and Approval of Minutes of the September 11, 2019 Finance Committee Meeting**

Chair Darius Shahinfar reported that all Committee members were present, with the exception of Tracy Metzger. Since the minutes of the previous meeting had been distributed to Committee members in advance for review, Chair Darius Shahinfar made a proposal to dispense with the reading of the minutes. Chair Darius Shahinfar proposed to approve the minutes of the Finance Committee meeting of October 9, 2019. Lee Eck moved and Dominick Calsolaro seconded to accept the minutes as presented. A vote being taken, the motion passed unanimously.

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

None.

### **Unfinished Business**

#### 427 Washington Ave. LLC

The Committee Chair introduced the *427 Washington Ave, LLC* project for recommendation of Approving Resolutions. Staff reviewed the project summary and the staff-provided analysis of the project's performance using the project evaluation and assistance framework, which provided details on each point achieved, which had been previously provided to the Committee. Representatives of the project applicant were present to answer any questions from the Committee. The Committee reviewed the results of the public hearing held immediately prior. This project involves the construction of approximately 16,000 sq. ft. into an approximate 16 unit residential apartment buildings, including approximately seven off-street parking spaces. This project will create approximately 85 construction jobs. The Applicant is seeking real property, sales, and mortgage recording tax exemptions. The Committee discussed the requested assistance and the costs/benefits of the project, citing benefits to the community outlined in the deviation letter, enhancing and stabilizing the surrounding neighborhood and increasing revenue to local taxing jurisdictions. A motion to advance the *427 Washington Ave, LLC* project to the full board with a positive recommendation for Approving Resolutions was made by Dominick

Calsolaro, and seconded by Lee Eck. A vote being taken, the motion passed unanimously. Public present left the meeting.

**Unfinished Business**

None.

**Other Business**

Compliance Update

A motion to go into Executive Session was made by Lee Eck and seconded by Dominick Calsolaro. The basis for going into Executive Session was to seek advice of Counsel. The Board entered into Executive Session at 12:30 p.m. Board members, staff and counsel remained in the room. The Board left Executive Session at 12:35 p.m. and returned to its regular session. No action was taken during the Executive Session.

Agency Update

Staff reminded the Committee that prior to the IDA/CRC Board meetings on November 21<sup>st</sup>, a Board-only training session would be conducted related to live streaming of meetings.

Staff advised the Committee that the analysis of 563 New Scotland Ave, LLC is ongoing and nearing completion. As such, a public hearing is anticipated to be scheduled for December.

A Board member requested that a map containing the City's distressed census tracts be circulated to the Board when available.

Staff reminded the Board of Capitalize Albany's annual meeting that evening and provided an update on activities of Capitalize Albany Corporation.

**Adjournment**

There being no further business, the meeting was adjourned at 12:38 p.m.

Respectfully submitted,

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Lee Eck, Secretary

**TO:** City of Albany Industrial Development Finance Committee  
**FROM:** City of Albany Industrial Development Agency Staff  
**RE:** 563 New Scotland Ave, LLC - IDA Application Summary  
**DATE:** November 8, 2019

**Applicant:** 563 New Scotland Ave, LLC

**Managing Members (% of Ownership):** Ryan Jankow (100%) – Applicant indicated the LLC may incorporate additional investors and the final membership will be updated prior to closing.

**Project Location:** 563 New Scotland Ave, Albany, NY

**Project Description:** The Project proposes to construct 188 residential market rate apartment units in four (4) buildings on 3.31 acres of land totaling +/- 300,000 SF. Seven (7) existing underutilized structures will be demolished. There will be a clubhouse/office portion of one building, common areas, parking for +/- 255 cars and approx. 15,000 SF of ground floor retail/commercial space available.

**Estimated Project Real Property Benefit Summary (20 Years):**

	Status Quo Taxes (no project) Homestead Rate	Project Impact (PILOT Payments)	Net Benefit
Revenue Gain to Taxing Jurisdictions	\$3,867,388	\$10,278,226	\$6,410,837

	Current Value	Anticipated Future Value*	Net Increase
Property Value Increase	\$2,851,263	\$21,900,000	\$19,048,737

*\*Project Impact Assessed Value based on letter from the City of Albany Assessor dated 03-26-19*

At the end of the PILOT period, the project is anticipated to make annual tax payments to the taxing jurisdictions of \$1,689,535 based on an assessed value of **\$21,900,000** and an annual tax rate of \$77.15.

**Estimated Investment:** \$39,780,000 (est)

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

- *Revitalization:* The project is located in an area included within a Neighborhood Plan.
- *Identified Priority:* The project is considered a community catalyst as it is expected to contribute to contribute to the Albany 2030 Plan.
- *Identified Growth Area:* The proposed project supports the creation, retention or expansion of facilities or the creation and/or retention of permanent private sector jobs in an existing City of Albany industry cluster.



- *Job Creation:* The project is committing to the creation of eight (8) permanent, eighty five (85) construction jobs and the retention of two (2) existing jobs.
- *Investment:* The project is anticipating a project cost of more than \$37 million, the applicant has also committed to the Community Commitment of City of Albany Labor and Regional Labor guarantee.

#### **Employment Impact Analysis:**

##### **Temporary (Construction) Impact**

Impact Type	Employment	Labor Income (\$)	Value Added (\$)	Output (\$)
<b>Direct Effect</b>	255.00	\$12,897,088.09	\$16,789,942.64	\$31,385,408.71
<b>Indirect Effect</b>	69.37	\$4,123,925.27	\$6,205,561.93	\$10,427,658.05
<b>Induced Effect</b>	50.62	\$2,696,387.97	\$4,819,259.84	\$7,676,772.62
<b>Total Effect</b>	374.99	\$19,717,401.32	\$27,814,764.41	\$49,489,839.38

##### **Permanent (Operations) Impact**

Impact Type	Employment	Labor Income (\$)	Value Added (\$)	Output (\$)
<b>Direct Effect</b>	9.51	\$314,484.07	\$336,001.94	\$500,433.68
<b>Indirect Effect</b>	0.63	\$41,039.97	\$67,733.73	\$111,902.08
<b>Induced Effect</b>	0.96	\$51,228.70	\$91,540.83	\$145,896.52
<b>Total Effect</b>	11.10	\$406,752.74	\$495,276.50	\$758,232.28

*\*Excerpt from IMPLAN Economic Impact Analysis 11.8.19*

#### **Employment Impact:**

- Projected Permanent: 8 jobs
- Projected Retained: 2 jobs
- Projected Construction: 85 jobs

**Type of Financing:** Straight Lease

**Amount of Bonds Requested:** None

**Estimated Total Purchases Exempt from Sales Tax:** \$18,343,842

**Estimated Total Mortgage Amount:** not to exceed \$33,000,000

**Requested PILOT:** The proposal entails the Applicant entering into three (3) separate PILOT agreements with the IDA consistent with CAIDA Project Evaluation and Assistance Framework abatement percentages.

**Third Party Review:** In response to the Board's request, a third party evaluation of the appropriateness of the applicant's PILOT request is underway. Staff expects to receive the analysis prior to the Public Hearing in November 2019.

Cash on cash return is a simple and straightforward method to calculate return on investments that involve long-term debt borrowing. We use this as our baseline analysis metric to keep comparisons consistent and variables limited across projects. The third-party analysis relies on the internal rate of return method due to its advantage of including the time value of money and property appreciation. Calculating the internal rate of return is more complicated because it requires the projection future of cash flows of the investment, including the sale of the investment at the end of the holding period. This analysis provides a more in-depth and project-specific measurement of anticipated return to review in conjunction with the straightforward cash-on-cash method.

**Estimated Value of Tax Exemptions:**

- NYS Sales and Compensating Use Tax: \$1,200,000
- Mortgage Recording Taxes: \$330,000
- Real Property Taxes: \$18,343,842
- Other: N/A

**Baseline Requirements:**

- Application: Complete
- Meets NYS/CAIDA Requirements: Yes
- Albany 2030 Alignment:
  - Increase job opportunities for all residents.
  - Encourage investment in urban land and buildings for employment and housing.
- Planning Approval Status: Full Planning Board approval in *August 2019*
- Meets Project Use Definition: Yes
- Meets “But For” Requirement: Yes, affidavit signed.

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

**Estimated IDA Fee**

- Fee amount: \$397,800

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

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

Project:	New Scotland Village		
Total Score:	10		
*Qualifies for a PILOT Deviation?	YES	**Qualifies for Community Commitment Enhancement?	NO
Total Improved Assessed Value Estimate:	\$21,900,000	Units:	188
Notes/Applicable Program Restrictions:		Improved Assessed Value/Unit Estimate:	\$116,489.36

**COMMENTS**

<b>Revitalization</b>	<b>Target Geography</b>		
	Distressed Census Tract		
	High Vacancy Census Tract		
	Downtown		
	BID		
	Neighborhood Plan	1	Midtown Colleges and Universities Study Plan
	<b>Identified Priority</b>		
	Downtown Residential		
	Tax Exempt/Vacant		
	Identified Catalyst Site		
	Historic Preservation		
	Community Catalyst	1	
	<b>Identified Growth Area</b>		
	Manufacturing / Distribution		
	Technology		
	Hospitality		
	Existing Cluster	1	Medical
	Conversion to Residential		
	<i>Subtotal</i>	<b>3</b>	
<b>Job Creation</b>	<b>Permanent Jobs</b>		
	3 - 40	1	
	41-80		
	81 - 120		
	121-180		
	>180		
	<b>Retained Jobs</b>		
	3 - 40		
	41-80		
	81 - 120		
	121-180		
	>180		
	<b>Construction Jobs</b>		
	Jun-80	1	
	81 - 160	1	85 construction jobs
	161 - 240		
	> 241		
	<i>Subtotal</i>	<b>3</b>	
<b>Investment</b>	<b>Financial Commitment</b>		
	2.5M - 10M	1	
	10.1M-17.5M	1	
	17.6M-25M	1	
	<i>Subtotal</i>	<b>3</b>	
	<b>Community Commitment</b>		
	MWBE		
	EEO Workforce Utilization		
	Inclusionary Housing		
	Regional Labor	1	Developer commits to Regional Labor for 90% of construction jobs
	City of Albany Labor		
	Apprenticeship Program		
	<i>Subtotal</i>	<b>1</b>	enhancement
<b>Total:</b>		<b>10</b>	*Must achieve threshold of 10 to qualify for deviation

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

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

## EXECUTIVE SUMMARY

### PURPOSE OF THE ANALYSIS

563 New Scotland Ave LLC (the Developer) is seeking Project Assistance from CAIDA in order to implement a 188-unit multi-family rental project (the Project). The Developer's is seeking the standard PILOT schedule for projects with an assessed value per unit of \$100,000 or above. The Developer is also requesting that the property's existing assessed value be locked at today's assessed value (\$2.85 million), not the \$5.5 million purchase price.

The purpose of this analysis is to evaluate for reasonableness the Developer's assumptions regarding development costs, future operations, and proposed financing as well as the reasonableness of the PILOT request.

### PROJECT OVERVIEW

#### Development Program

Table 1

Development Program by Phase 563 New Scotland Ave Project									
	Residential			Commercial		Parking		Other Sq Ft	Total
	GSF	NSF	Units	GSF	NSF	Type	Sq Ft	Sq Ft	Sq Ft
Phase I	94,704	75,184	82	15,000	15,000	Below	27,798	12,280	149,782
Phase II	19,930	16,566	18						19,930
Phase III	100,958	83,852	88			Below	26,602		127,560
Total	215,592	175,602	188	15,000	15,000				297,272

Source: Jankow Companies

The Project consists of 188 dwelling units and 15,000 square feet of commercial space.

Table 2

Pro Rata Share of Each Phase By Units and By Square Feet 563 New Scotland Ave Project				
	By Units		By Square Feet	
	Units	%	Sq Ft	%
Phase I	82	44%	149,782	50%
Phase II	18	10%	19,930	7%
Phase III	88	47%	127,560	43%
Total	188	100%	297,272	100%

Source: Jankow Companies

The project includes four buildings built over three Phases. According to the Developer's Application, project construction is anticipated to take place over a 4 to 5 year period.



The project will be developed on 3.47 acres of land. The land's current assessed value is \$2,851,263. The Developer's pro forma indicates a \$5.5 million property acquisition price.

## **CONCLUSIONS**

The Developer is applying the standard assistance schedule for a residential project assessed at over \$100,000 per unit. The Developer is requesting that the base property taxes be calculated on the existing property value (\$2.85 million), not the property's purchase price (\$5.5 million). In addition, the Developer is requesting that the standard assistance schedule for residential uses be applied to the 15,000 square feet of commercial space.

The Project's economics are difficult because of the high land acquisition cost. This high up-front cost makes the early years of operation challenging.

The assistance schedule included in the Application allocates value on the basis of each Phase's share of total units. Because the project includes both residential and commercial uses, W-ZHA allocated property value on the basis of each Phase's share of total square feet.

W-ZHA has analyzed investment returns assuming the \$2.85 million existing property value, the standard assistance schedule for units assessed at \$100,000-plus in value, and the standard commercial abatement schedule. The Developer achieves a reasonable, not exorbitant investment return, if the Project is sold after 10 years. Once the Project stabilizes (all Phases are built and operating), the Developer's cash-on-cash returns are reasonable.









## ***City of Albany Industrial Development Agency***

### **Application for Assistance**

Date: 08/29/19

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

This application respectfully states:

#### **APPLICANT:**

Name: 563 New Scotland Ave LLC  
Address: PO Box 1366  
City: Guilderland State: NY Zip: 12084  
Federal ID/EIN: 83-3278510 Website:  
Primary Contact: Ryan Jankow  
Title: Owner  
Phone: (518) 708-6019 Email: ryan.jankow@gmail.com

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

Ryan Jankow and Debra J. Lambek, Esq.

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

NAME OF ATTORNEY: Debra J. Lambek, Esq.

ATTORNEY'S ADDRESS: 302 Washington Avenue Extension, Albany, NY 12203

PHONE: (518) 491-1628 E-MAIL: dlambek@lambeklaw.com

**NOTE: PLEASE READ THE INSTRUCTIONS ON PAGE 3 HEREOF BEFORE FILLING OUT THIS FORM.**

## INSTRUCTIONS

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

## SUMMARY OF PROJECT

Applicant: 563 New Scotland Ave LLC

Contact Person: Ryan Jankow

Phone Number: (518) 708-6019

Occupant: 563 New Scotland Ave, LLC

Project Location (include Tax Map ID): 563 New Scotland Avenue

Approximate Size of Project Site: 3.31 Acres

Description of Project: Acquisition of a +/- 3.31 acre parcel of land, construction of +/- 188 residential apartment units (with tenant amenities i.e. clubhouse) with +/- 255 parking spaces and +/- 15,000 sq. ft. of retail/commercial space.

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

Employment Impact: Existing FTE Jobs: 2  
 Retained FTE Jobs: 2  
 FTE Jobs Created: 8  
 Construction Jobs Created: 85

Project Cost: \$39,780,000

Type of Financing: ☐ Tax-Exempt ☐ Taxable ☒ Straight Lease

Amount of Bonds Requested: \$0

Estimated Value of Tax-Exemptions:

N.Y.S. Sales and Compensating Use Tax:	\$1,200,000
Mortgage Recording Taxes:	\$338,130
Real Property Tax Exemptions: (auto-calculated)	\$18,343,842
Other (please specify):	

Provide estimates for the following:

Average Estimated Annual Salary of Jobs to be Created:	\$35,000
Annualized Salary Range of Jobs to be Created:	\$15,000-\$50,000
Estimated Average Annual Salary of Jobs to be Retained:	\$50,500

## I. APPLICANT INFORMATION

### A) Applicant:

Name: 563 New Scotland Ave LLC

Address: PO Box 1366

City: Guilderland State: NY Zip: 12084

Federal ID/EIN: 83-3278510 Website:

Primary Contact: Ryan Jankow

Title: Owner

Phone: (518) 708-6019 Email: ryan.jankow@gmail.com

### B) Real Estate Holding Company (if different from Applicant):

*Will a separate company hold title to/own the property related to this Project? If yes:*

Name: N/A

Address:

City: State: Zip:

Federal ID/EIN: Website:

Primary Contact:

Title:

Phone: Email:

Describe the terms and conditions of the lease between the Applicant and the Real Estate Holding Company. If there is an option to purchase the property, provide the date option was signed and the date the option expires:

**C) Current Project Site Owner (if different from Applicant or Real Estate Holding Company):**

Name: FM Promontory Capital LLC  
Title:  
Address:  
City: State: Zip:  
Phone: Email:

**D) Attorney:**

Name: Debra J. Lambek, Esq.  
Firm Name: Law Office of Debra J. Lambek PLLC  
Address: 302 Washington Avenue Extension  
City: Albany State: NY Zip: 12203  
Phone: (518) 862-9133 Email: dlambek@lambeklaw.com

**E) General Contractor:**

Name: TBD  
Firm Name:  
Address:  
City: State: Zip:  
Phone: Email:

## II. APPLICANT'S COMPANY OWNERSHIP & HISTORY

### A) Company Organization:

Year founded:  Founded in which state:  NAICS Code:

Type of ownership (e.g., C-Corp, LLC):

### B) Company Management

Name	Office Held	Other Principal Business
Ryan Jankow	President/Member	Real Estate Development Projects

### Company Ownership:

List all stockholders, members, or partners with ownership of greater than 5% and attach an organizational ownership chart with complete name, TIN, DOB, home address, office held, and other principal businesses (if applicable).

Name	Office Held	% of Ownership	% of Voting Rights
Ryan Jankow	President/Member	100%	
Company may have investors if necessary	in the Project and will update this application		prior to closing

Is the Applicant or management of the company now a plaintiff or a defendant in any civil or criminal litigation?

☐ Yes ☒ No

If yes, describe:

Has any person listed above ever been a plaintiff or a defendant in any civil or criminal litigation?

☐ Yes ☒ No

If yes, describe:

Has any person listed above ever been charged with a crime other than a minor traffic violation?

☐ Yes ☒ No

If yes, describe:

Has any person listed above ever been convicted of a crime other than a minor traffic violation?

☐ Yes ☒ No

If yes, describe:

Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated a bankrupt?

☐ Yes ☒ No

If yes, describe:

**C) Company Description:**

Describe in detail the Company's background, products, customers, goods and services:

The Company is a single purpose entity created for the construction and operation of the Project. The Company's managing member has other projects dealing mainly in residential, retail and commercial real estate development and operations.

Existing Banking Relationship(s): Pioneer Bank

Has the Company ever received incentives tied to job creation? ☐ Yes ☒ No

If yes, describe:

Were the goals met?

If no, why not?

☐ Yes ☐ No ☒ N/A

*Additional sheets may be attached, if necessary.*

### III. PROJECT DESCRIPTION AND DETAILS

**A) Assistance requested from the Agency:**

Select all that apply:

- ☒ Exemption from Sales Tax
- ☒ Exemption from Mortgage Tax
- ☒ Exemption from Real Property Tax
- ☐ Taxable Bonds
- ☐ Tax-exempt Bonds (typically for non-for-profits or qualified manufacturers)
- ☐ Other, specify:

**B) Project Description:**

Attach a map, survey or sketch of the Project site, identifying all existing or new buildings/structures.

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

Acquisition of a +/- 3.31 acre parcel of land, construction of +/- 188 residential apartment units (with tenant amenities i.e. clubhouse) with +/- 255 parking spaces and +/- 15,000 sq. ft. of retail/commercial space.

Location of Proposed Project:

Street Address - Tax Map ID(s):

Is the Applicant the present legal owner of the Project site? ☐ Yes ☒ No

If yes: Date of Purchase:  Purchase Price:

If no:

1. Present legal owner of the Project site:

2. Is there a relationship, legally or by common control, between the Applicant and the present owner of the Project site? ☐ Yes ☒ No

If yes:

3. Does the Applicant have a signed option to purchase the site? ☒ Yes ☐ No ☐ N/A

If yes: Date option signed:  Date option expires:

Is the Project site subject to any property tax certiorari? ☐ Yes ☒ No



DATED: JULY 8, 2019

Describe the Project including, scope, purpose (e.g., new build, renovations, and/or equipment purchases, equipment leases, etc.), timeline, and milestones. The Project scope must entail only future work, as the Agency's benefits are not retroactive:

How many units will the project encompass (include total of number of commercial and residential units)?

How many square feet of commercial space will the project entail?

Acquisition of a +/- 3.31 acre parcel of land, construction of +/- 188 residential apartment units (with tenant amenities i.e. clubhouse) with +/- 255 parking spaces and +/- 15,000 sq. ft. of retail/commercial space.

Would this Project be undertaken **but for** the Agency's financial assistance? ☐ Yes ☒ No

If yes, describe why the Agency's financial assistance is necessary and the effect the Project will have on the Applicant's business or operations:

N/A

### C) Project Site Occupancy

Select Project type for all end-users at Project site (choose all that apply):

- |   |  |
|---|--|
| <input type="checkbox"/> Industrial                       | <input type="checkbox"/> Service*                        |
| <input type="checkbox"/> Acquisition of existing facility | <input type="checkbox"/> Back-office                     |
| <input type="checkbox"/> Housing                          | <input type="checkbox"/> Mixed use                       |
| <input type="checkbox"/> Multi-tenant                     | <input type="checkbox"/> Facility for Aging              |
| <input checked="" type="checkbox"/> Commercial            | <input type="checkbox"/> Civic facility (not-for-profit) |
| <input checked="" type="checkbox"/> Retail*               | <input type="checkbox"/> Other                           |

\* The term "retail sales" means (1) sales by a registered vendor under Article 28 of the Tax Law of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property, as defined in Section 1101(b)(4)(i) of the Tax Law, or (2) sales of a service to customers who personally visit the Project location. If "retail" or "service" is checked, complete the Retail Questionnaire contained in Section IV.

Note that it is the position of the Agency that housing projects constitute "retail projects," as such term is defined under the IDA Statute.

List the name(s) of the expected tenant(s), nature of the business(es), and percentage of total square footage to be used by each tenant. Additional sheets may be attached, if necessary:

Company:	Nature of Business:	% of total square footage:
1. <input type="text"/>	<input type="text" value="residential and commercial"/>	<input type="text"/>
2. <input type="text"/>	<input type="text" value="tenants"/>	<input type="text"/>
3. <input type="text"/>	<input type="text"/>	<input type="text"/>

Are there existing buildings on project site? ☒ Yes ☐ No

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

there are 7 existing buildings: 1 house, 3 apartment buildings, 1 thrift shop, 1 building with Post Office and Rite Aid store, and 1 parking garage.

b. Are existing buildings in operation? ☒ Yes ☐ No ☐ N/A

If yes, describe present use of present buildings:

1 house, 3 apartment buildings, 1 thrift shop, 1 building with Post Office and Rite Aid store, and 1 parking garage.

c. Are existing buildings abandoned? ☐ Yes ☒ No ☐ N/A

About to be abandoned?

☒ Yes ☐ No ☐ N/A

If yes, describe:

Existing buildings will be demolished and new buildings constructed.

d. Attach photograph of present buildings.

**IV. RETAIL QUESTIONNAIRE****(Fill out if end users are “retail” or “service” as identified in Section III)**

*To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or purchase services.*

- A) Will any portion of the Project consist of facilities or property that will be primarily used in making sales of goods or services to customers who personally visit the Project site?<sup>1</sup> ☒ Yes ☐ No
- If yes, continue with the remainder of the Retail Questionnaire. If no, do not complete the remainder of the Retail Questionnaire.*

- B) What percentage of the cost of the Project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the Project?

100%

**Note that it is the position of the Agency that housing projects constitute “retail projects,” as such term is defined under the IDA Statute.** Accordingly, please answer “yes” and insert “100%” if your project is a housing project. *If the answer is less than 33.33% do not complete the remainder of the Retail Questionnaire. If the answer to Question A is Yes and the answer to Question B is greater than 33.33%, complete the remainder of the Retail Questionnaire:*

1. Is the Project location or facility likely to attract a significant number of visitors from outside the Capital Region Economic Development Region (i.e., Albany, Schenectady, Rensselaer, Greene, Columbia, Saratoga, Warren, and Washington counties)? ☒ Yes ☐ No
2. Will the Project make available goods or services which are not currently reasonably accessible to the residents of the municipality within which the proposed Project would be located? ☒ Yes ☐ No
3. Will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York? ☒ Yes ☐ No  
If yes, explain:
4. Will the Project be located in an area designated as an economic development zone pursuant to Article 18-B of the General Municipal Law (Source: <https://esd.ny.gov/empire-zones-program>)? ☐ Yes ☒ No  
If yes, explain:
5. Will the Project be in a “highly distressed” census tract (as defined by the United States Census Bureau <https://factfinder.census.gov/>) ☐ Yes ☒ No

If yes, explain:

Note that it is the position of the Agency that housing projects constitute “retail projects,” as such term is defined under the IDA Statute. Accordingly, please answer “yes” and insert “100%” if your project is a housing project.<sup>1</sup>

**V. ENVIRONMENTAL REVIEW AND PERMITTING**

*The Applicant must comply with the State Environmental Quality Review Act (SEQRA) before the Agency can vote on proposed financial incentives. It is the Applicant's responsibility to provide a copy of the final SEQRA determination to the Agency.*

Environmental Assessment Form: ☒ Short Form ☐ Long Form

Lead Agency: City of Albany Planning Department

Agency Contact:

Date of submission:

Status of submission:

Final SEQRA

determination:

**A) Site Characteristics:**

Describe the present zoning and land use regulation: RM and MUNC

Will the Project meet zoning and land use regulations for the proposed location? ☒ Yes ☐ No

Is a change in zoning and land use regulation is required? ☒ Yes ☐ No

If yes, specify the required change and status of the change request:

1 height variance - Board of Zoning Appeals on 1/2 of building of Building 1

If the proposed Project is located on a site where the known or potential presence of contaminants is complicating the development/use of the property, describe the potential Project challenge:

n/a

Does part of the Project consist of a new building or buildings?

☒ Yes ☐ No

If yes, indicate number and size of new buildings:

300,000 sq. ft in 4 new buildings

Does part of the Project consist of additions and/or renovations to the existing buildings?

☐ Yes ☐ No

If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation:

**VI. INTER-MUNICIPAL MOVE DETERMINATION**

*The Agency is required by State law to make a determination that, if completion of a Project benefiting from the Agency's financial assistance results in the removal of a plant of the Project occupant from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the Project occupant located within the State, Agency financial assistance is required to prevent the Project occupant from relocating out of the State, or it is reasonably necessary to preserve the Project occupant's competitive position in its respective industry.*

Will the Project result in the removal of a plant of the Project occupant from one area of the State to another area of the State? ☐ Yes ☒ No

Will the Project result in the abandonment of one or more plants or facilities of the Project occupant located within the State? ☐ Yes ☒ No

If yes to either question above, explain how notwithstanding the aforementioned closing or activity reduction, the Agency's financial assistance is required to prevent the Project from relocating out of the State or is reasonably necessary to preserve the Project occupant's competitive position in its respective industry:

Does the Project involve relocation or consolidation of a Project occupant from another municipality?

Within New York State: ☐ Yes ☒ No

Within the City of Albany: ☐ Yes ☒ No

If yes, explain:

## VII. EMPLOYMENT INFORMATION

### A) Current and Projected Employee FTEs ("Year One" will begin upon the issuance of Certificate of Occupancy or a Temporary Certificate of Occupancy):

		Projected FTEs			
	Current FTEs	New Year 1- 20 <sup>21</sup>	New Year 2 - 20 <sup>22</sup>	New Year 3 - 20 <sup>23</sup>	Total Year 4-20 <sup>24</sup>
Full-time	2	2	5		
Part-time	1	0	5		
Seasonal					

### B) Employment Plan in FTE

Estimate the number of full-time equivalent (FTE) jobs that are expected to be retained and created as part of this Project. One FTE is equivalent to 35 hours of work per week or 1,820 hours per year. Convert part-time jobs into FTE by dividing the total number of hours for all part-time resources by 35 hours per week or 1,820 hours per year. ("Year One" will begin upon the issuance of Certificate of Occupancy or a Temporary Certificate of Occupancy):

Attach a list that describes in detail the types of employment for this Project, including the types of activities or work performed and the projected timeframe for creating new jobs.

Occupation in Company	Current (Retained) Permanent FTE		Projected <u>New</u> Permanent FTE			
	Average Annual Salary or Hourly Wage <sup>2</sup>	Number of Current FTE	FTE in Year 1 20 <sup>21</sup>	FTE in Year 2 20 <sup>22</sup>	FTE in Year 3 20 <sup>23</sup>	Total New FTE by Year 4 20 <sup>24</sup>
Professional/Management	\$35,000-\$50,000	2		2		
Administrative						
Sales						
Services						
Manufacturing						
High-Skilled	\$41,000-\$60,000			1		
Medium-Skilled	\$15,000-\$25,000			5		
Basic-Skilled						
Other (specify)						
<b>Total (auto-calculated)</b>		2	0	8	0	0

<sup>2</sup> Wages are defined as all remuneration paid to an employee. Remuneration means every form of compensation for employment paid by an employer to an employee; whether paid directly or indirectly by the employer, including salaries, commissions, bonuses, and the reasonable money value of board, rent, housing, lodging, or similar advantage received. Where gratuities are received from a person other than the employer, the value of such gratuities shall be included as part of the remuneration paid by the employer. Source: <https://labor.ny.gov>.

## VIII. INDEPENDENT CONTRACTOR RESOURCES

*Estimate the number of full-time equivalent (FTE) jobs that are contracted to independent contractors (e.g., contractors or subcontractors) that would be retained and created as part of this Project.*

*Attach a list that describes in detail the types of contract resources for this Project, including the types of activities or work performed and the projected timeframe for creating new contractor positions.*

**("Year One" will begin upon the issuance of Certificate of Occupancy or a Temporary Certificate of Occupancy):**

	Current FTEs	Projected			
		New Year 1-20	New Year 2-20	New Year 3-20	Total Year 4-20
Full-time					
Part-time					
Seasonal					

## IX. CONSTRUCTION LABOR

*\*Construction Jobs are defined by the number of persons individually identified on the pay roll of the General Contractor/Subcontractor in relation to the project.*

Number of construction workers expected to be hired for this Project: 85

When does the applicant anticipate the start of construction? 1Q 2020

When does the applicant anticipate the completion of construction? 4Q 2024

What is the total value of construction contracts to be executed?

Describe the general contractor's plans and selection process for using regional and/or City of Albany construction labor or regional and/or City of Albany sub-contractors:

none selected yet

**X. PROJECT COSTS AND FINANCING**

Attach additional

**A) Project Costs**

Description of Cost	Amount
Land	\$5,500,000
Buildings	\$33,500,000
Machinery and Equipment Cost	
Utilities, roads and appurtenant costs	
Architects and engineering fees	
Cost of Bond Issue (legal, financial and printing)	
Construction loan fees and interest (if applicable)	\$780,000
Other (specify)	
TOTAL PROJECT COST (auto-calculated)	\$39,780,000

Have any of the above costs been paid or incurred as of the date of this application? ☒ Yes ☐ No

If yes, describe: \$100,000.00 architecture, engineering, due diligence, permitting and approval fees

**B) Sources of Funds for Project Costs**

Equity:	\$4,943,000
Bank Financing:	\$33,813,000
Tax Exempt Bond Issuance:	
Taxable Bond Issuance	

Public Sources (Include total of all State and Federal grants and tax credits):

Identify each State and Federal program:


Public Funds Total (auto-calculated): \$0

*Additional sheets may be attached, as necessary.*

TOTAL: (auto-calculated) \$38,756,000

Amount of total financing requested from lending institutions: \$33,813,000

Amount of total financing related to existing debt refinancing: \$0

Has a commitment for financing been received? ☒ Yes ☐ No

If yes:

Lending Institution: Pioneer Savings Bank

Contact: N/A

Phone:



## XI. PROJECT EVALUATION AND ASSISTANCE FRAMEWORK

**Project Evaluation and Assistance Framework.** If applicable, complete the following Matrix that is part of the Agency's Project Evaluation and Assistance Framework.

### Baseline Requirements (Must Achieve All)

<input checked="" type="checkbox"/> Complete Application	<input checked="" type="checkbox"/> Albany 2030 Aligned	<input checked="" type="checkbox"/> Meet Project Use Definition
<input checked="" type="checkbox"/> Meets NYS/CAIDA Requirements	<input checked="" type="checkbox"/> Planning Approval (if applicant)	<input checked="" type="checkbox"/> "But For" Requirement
Approval Date : 08/28/2019		

### Community Benefit Metrics (Must Achieve 10)

<b>Revitalization</b> <b>Target Geography</b> <input type="checkbox"/> Distressed Census Tract <input type="checkbox"/> High Vacancy Census Tract <input type="checkbox"/> Downtown <input type="checkbox"/> BID <input type="checkbox"/> Neighborhood Plan	<b>Investment</b> <b>Financial Commitment</b> (cumulative) <input checked="" type="checkbox"/> 2.5M - 10M <input checked="" type="checkbox"/> 10.1 - 17.5M <input checked="" type="checkbox"/> 17.6M - 25M	<b>Employment</b> <b>Permanent Jobs</b> (cumulative) <input checked="" type="checkbox"/> 3 - 40 <input type="checkbox"/> 41 - 80 <input type="checkbox"/> 81 - 120 <input type="checkbox"/> 121 - 180 <input type="checkbox"/> > 180
<b>Identified Priority</b> <input type="checkbox"/> Downtown Residential <input type="checkbox"/> Tax Exempt/Vacant <input type="checkbox"/> Identified Catalyst Site <input type="checkbox"/> Historic Preservation <input checked="" type="checkbox"/> Community Catalyst	<b>Community Commitment</b> <input type="checkbox"/> MWBE/DBE Participation <input type="checkbox"/> EEO Workforce Utilization <input type="checkbox"/> Inclusionary Housing <input checked="" type="checkbox"/> Regional Labor <input checked="" type="checkbox"/> City of Albany Labor <input type="checkbox"/> Apprenticeship Program	<b>Retained Jobs</b> (cumulative) <input type="checkbox"/> 3 - 40 <input type="checkbox"/> 41 - 80 <input type="checkbox"/> 81 - 120 <input type="checkbox"/> 121 - 180 <input type="checkbox"/> > 180
<b>Identified Growth Area</b> <input type="checkbox"/> Manufacturing/Distribution <input type="checkbox"/> Technology <input type="checkbox"/> Hospitality <input checked="" type="checkbox"/> Existing Cluster <input type="checkbox"/> Conversion to Residential		<b>Construction Jobs</b> (cumulative) <input checked="" type="checkbox"/> 6 - 80 <input checked="" type="checkbox"/> 81 - 160 <input type="checkbox"/> 161 - 240 <input type="checkbox"/> > 240

## XII. ESTIMATED VALUE OF INCENTIVES

### A) Property Tax Exemption:

Agency staff will complete this section with the Applicant based on information submitted by the Applicant and the City of Albany Assessor. If you are requesting an exception to the PILOT schedule that cannot be accommodated by the UTEP or the CAIDA Project Evaluation and Assistance Framework, please provide additional sheets indicating the proposed PILOT payments.

Does your project meet the definition of "large project" as defined in the Framework (\$25 Million, 15 Total Acres or Full Service Hotel)? ☒ Yes ☐ No

Current assessed full assessed value of the property **before** Project improvements:

\$2,851,264

Estimated new assessed full value of property **after** Project improvement based on letter from the City of Albany Assessor:

\$21,900,000

Estimated real property 2019 tax rate per dollar of full assessment (auto-calculated): \$46.61

*\*assume 2% annual increase in tax rate*

Estimated Completed Assessed Value per Unit based on letter from the City of Albany Assessor:

\$100,000+

PILOT Year	Existing Real Property Taxes	Estimated Real Property Taxes on Improved Value <b>Without</b> PILOT <sup>3</sup>	Estimated Total <b>Without</b> PILOT	PILOT Abatement % based on Framework schedule Abatement percentages must be entered in decimals	*Estimated PILOT Payments
1					
2					
3					
4					
5					
6					
7		SEE ATTACHED			
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
			\$ 28,845,282		\$ 10,501,440

*\*PILOT payments may not to fall short of \$675 per door or .97 per Square Foot as applicable from Framework*

Please note that after year twelve (12) of any Multi-Family Commercial PILOT, a bifurcated structure commences whereby projects shall pay the greater of: (a) scheduled pilot payments as stated by assistance schedule or (b) 11.5% of gross revenue.

Notwithstanding anything herein to the contrary, if the project consists of an **affordable housing project**, the applicant shall make annual payments in lieu of property taxes pursuant to the PILOT Agreement with respect to the project as follows: (i) An amount equal to ten percent (10%) of the shelter rents (rents, excluding the component thereof, if any, attributable to energy and utility costs paid by the applicant) payable by the tenants in connection with the housing project.

If the applicant is requesting assistance that is a deviation from the Agency's UTEP, please refer to the Agency's Project Evaluation and Assistance Framework to determine the appropriate, potential standard deviation abatement schedule: <http://albanyida.com/wp-content/uploads/2012/03/CAIDA-PILOT-Program-Board-Revised-1.pdf>

<sup>3</sup> The figures in this column assume that the Project is completed as described in the Application and without the involvement of the Agency and, therefore, subject to real property taxes. However, as provided in this Application, the Applicant has certified that it would not undertake the Project without the financial assistance granted by the Agency. Accordingly, this column is prepared solely for the purpose of determining the estimated amount of the real property tax abatement being granted by the Agency.

If the Applicant is requesting assistance that is greater than the Agency's standard UTEP deviations identified in the Project Evaluation and Assistance Framework, describe the incentives and provide a justification for this PILOT request:

**B) Sales and Use Tax Benefit:**

*Note: The figures below will be provided to the New York State Department of Taxation and Finance and represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to the application.*

Costs for goods and services that are subject to State and local sales and use tax <sup>4</sup> :	\$15,000,000
Estimated State and local sales and use tax benefit (sales tax amount multiplied by 8.0% plus additional use tax amounts):	\$1,200,000

**C) Mortgage Recording Tax Benefit:**

Mortgage amount (include construction, permanent, bridge financing or refinancing):	\$33,813,000
Estimated mortgage recording tax exemption benefit (mortgage amount multiplied by 1% ) <sup>5</sup> :	\$338,130

**D) Percentage of Project Costs Financed from Public Sector:**

Percentage of Project costs financed from public sector: 0%  
(Total B + C + D + E below / A Total Project Cost)

A. Total Project Cost:	\$39,780,000
B. Estimated Value of PILOT (auto-filled):	\$18,343,842
C. Estimated Value of Sales Tax Incentive:	\$1,200,000
D. Estimated Value of Mortgage Tax Incentive:	\$338,130
E. Total Other Public Incentives (tax credits, grants, ESD incentives, etc.):	\$0

<sup>4</sup> Sales and use tax (sales tax) is applied to: tangible personal property (unless specifically exempt); gas, electricity, refrigeration and steam, and telephone service; selected services; food and beverages sold by restaurants, taverns, and caterers; hotel occupancy; and certain admission charges and dues. For a definition of products, services, and transactions subject to sales tax see the following links:

<https://www.tax.ny.gov/bus/st/subject.htm> and

[https://www.tax.ny.gov/pubs\\_and\\_bulls/tg\\_bulletins/st/quick\\_reference\\_guide\\_for\\_taxable\\_and\\_exempt\\_property\\_and\\_services.htm](https://www.tax.ny.gov/pubs_and_bulls/tg_bulletins/st/quick_reference_guide_for_taxable_and_exempt_property_and_services.htm).

<sup>5</sup> The Mortgage Recording Tax in Albany County is equal to 1.25%. However, the Agency is authorized under the IDA Statute to exempt only 1.00%.

### XIII. COST BENEFIT ANALYSIS

In order for the City of Albany Industrial Development Agency (the “Agency”) to prepare a Cost/Benefit Analysis for a proposed project (the “Project”), the Applicant must answer the questions contained in this Project Questionnaire (the “Questionnaire”). Such information should consist of a list and detailed description of the benefits of the Agency undertaking the Project (e.g., number of jobs created, types of jobs created, economic development in the area, community benefits (including community commitment as described in the Agency’s Project Evaluation and Assistance Framework), etc.). Such information should also consist of a list and detailed description of the costs of the Agency undertaking the Project (e.g., tax revenues lost, buildings abandoned, etc.).

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

#### PROJECT QUESTIONNAIRE

1. Name of Project Beneficiary (“Company”):	563 New Scotland Ave LLC	
2. Brief Identification of the Project:	188 units and +/- 15,000 sq. ft. of retail/commercial space.	
3. Estimated Amount of Project Benefits Sought:	\$ 19,881,972	
A. Amount of Bonds Sought:		\$0
B. Value of Sales Tax Exemption Sought		\$1,200,000
C. Value of Real Property Tax Exemption Sought		\$18,343,842
D. Value of Mortgage Recording Tax Exemption Sought		\$338,130
4. Likelihood of accomplishing the Project in a timely fashion (please explain):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <div style="border: 1px solid black; padding: 5px; margin-top: 5px;">We anticipate constructing the project over a 4-5 year period in three phases</div>	

DATED: JULY 8, 2019

**PROJECTED PROJECT INVESTMENT**

<b>A. Land-Related Costs</b>	
1. Land acquisition	\$ 5,500,000
2. Site preparation	
3. Landscaping	
4. Utilities and infrastructure development	
5. Access roads and parking development	
6. Other land-related costs (describe)	
<b>B. Building-Related Costs</b>	
1. Acquisition of existing structures	
2. Renovation of existing structures	
3. New construction costs	\$ 33,500,000
4. Electrical systems	
5. Heating, ventilation and air conditioning	
6. Plumbing	
7. Other building-related costs (describe)	
<b>C. Machinery and Equipment Costs</b>	
1. Production and process equipment	
2. Packaging equipment	
3. Warehousing equipment	
4. Installation costs for various equipment	
5. Other equipment-related costs (describe)	
<b>D. Furniture and Fixture Costs</b>	
1. Office furniture	
2. Office equipment	
3. Computers	
4. Other furniture-related costs (describe)	
<b>E. Working Capital Costs</b>	
1. Operation costs	
2. Production costs	
3. Raw materials	
4. Debt service	
5. Relocation costs	
6. Skills training	
7. Other working capital-related costs (describe)	
<b>F. Professional Service Costs</b>	
1. Architecture and engineering	
2. Accounting/legal	
3. Other service-related costs (describe)	
<b>G. Other Costs</b>	
1. _____	\$ 780,000
2. _____	
<b>H. Summary of Expenditures</b>	
1. Total Land-Related Costs	\$ 5,500,000
2. Total Building-Related Costs	\$ 33,500,000
3. Total Machinery and Equipment Costs	\$ 0
4. Total Furniture and Fixture Costs	\$ 0
5. Total Working Capital Costs	\$ 0
6. Total Professional Service Costs	\$ 0
7. Total Other Costs	\$ 780,000
	\$ 39,780,000

**PROJECTED NET OPERATING INCOME**

I. Please provide projected Net Operating Income:

YEAR	Without IDA benefits	With IDA benefits
1	(\$ 37,406)	\$ 353,247
2	(\$ 28,605)	\$ 369,860
3	(\$ 19,978)	\$ 386,457
4	(\$ 11,546)	\$ 403,018
5	(\$ 3,329)	\$ 419,526

**PROJECTED CONSTRUCTION EMPLOYMENT IMPACT**

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

Year	Number of Construction Jobs	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax
Current Year	0		
Year 1	85	\$2,125,000	\$318,750
Year 2	85	\$2,125,000	\$318,750
Year 3			
Year 4			
Year 5			

**PROJECTED PERMANENT EMPLOYMENT IMPACT**

- I. Estimates of the total number of existing permanent FTE jobs to be preserved or retained as a result of the Project are described in the tables in Section VII of the Application.
- II. Estimates of the total new permanent FTE jobs to be created at the Project are described in the tables in Section VII of the Application.
- III. Please provide estimates for the following:
  - A. Creation of New Job Skills relating to permanent jobs. Please complete Schedule A.

**PROJECTED OPERATING IMPACT**

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

Additional Purchases (1 <sup>st</sup> year following project completion)	\$ 0
Additional Sales Tax Paid on Additional Purchases	\$ 0
Estimated Additional Sales (1 <sup>st</sup> full year following project completion)	\$ 100,000
Estimated Additional Sales Tax to be collected on additional sales (1 <sup>st</sup> full year following project completion)	\$ 0

II. Please provide estimates for the impact of Project on existing real property taxes and new payments in lieu of taxes ("Pilot Payments"): If you are requesting an exception that cannot be accommodated by the auto-calculated fields, please provide additional sheets indicating the proposed PILIOT payments.

Year	Existing Real Property Taxes (Without Project)	New Pilot Payments (With IDA)	Total (Difference)
Current Year			
Year 1			
Year 2			
Year 3			
Year 4			
Year 5			
Year 6	SEE ATTACHED		
Year 7			
Year 8			
Year 9			
Year 10			
Year 11			
Year 12			
Year 13			
Year 14			
Year 15			
Year 16			
Year 17			
Year 18			
Year 19			
Year 20			
			\$ 6,386,252

### **ADDITIONAL COMMUNITY BENEFITS**

The City of Albany Industrial Development Agency is supportive of inclusionary development practices. Please indicate which of the below described community benefits (as defined in the Agency's Project Evaluation and Assistance Framework) will be provided as a result of the Project, and please provide a detailed description of such benefits, together with any other economic benefits and community benefits expected to be produced as a result of the Project (attach additional pages as needed for a complete and detailed response). Examples of these benefits include:

- |                                |                                 |
|--------------------------------|---------------------------------|
| (A) MWBE/DBE Participation;    | (L) Downtown Residential;       |
| (B) EEO;                       | (M) Tax Exempt/Vacant Property; |
| (C) Workforce Utilization;     | (N) Identified Catalyst Site;   |
| (D) Inclusionary Housing;      | (O) Historic Preservation;      |
| (E) Regional Labor;            | (P) Community Catalyst;         |
| (F) City of Albany Labor;      | (Q) Manufacturing/Distribution; |
| (G) Apprenticeship Program;    | (R) Technology;                 |
| (H) Distressed Census Tract;   | (S) Hospitality;                |
| (I) High Vacancy Census Tract; | (T) Existing Cluster; and       |
| (J) Downtown BID;              | (U) Conversion to Residential.  |
| (K) Neighborhood Plan;         |                                 |

(P) Community Catalyst  
(T) Existing Cluster  
(E) Regional Labor - Developer commits to Regional Labor for 90% of construction jobs  
(F) City of Albany Labor - Developer commits to City of Albany Labor for 15% of construction jobs  
Participation in the CDTA Universal Access Program including CTDA Bus service, CDPHP Cycle bike share service and Capital CarShare service.



**XIV. OTHER**

Is there anything else the Agency's board should know regarding this Project?

n/a

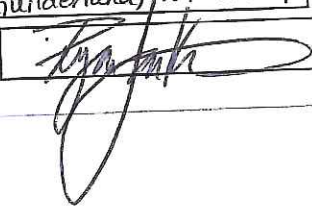
DRAFT FOR DISCUSSION PURPOSES ONLY  
DATED: JULY 8, 2019

### CERTIFICATION

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

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

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

Date Signed: <u>9-9-19</u>	<b>Name of Person Completing Project</b>
	<b>Questionnaire on behalf of the Company.</b>
	Name: <u>Ryan Jankow</u>
	Title: <u>President/Member</u>
	Phone Number: <u>518 708-6019</u>
Address: <u>PO Box 1366</u> <u>Guiderland, NY 12084</u>	Signature: 

## REPRESENTATIONS, CERTIFICATIONS AND INDEMNIFICATION

[redacted] (name of CEO or another authorized representative of Applicant) confirms and says that he/she is the [redacted] (title) of [563 New Scotland Ave LL] (name of corporation or other entity) named in the attached Application (the "Applicant"), that he/she has read the foregoing Application and knows the contents thereof, and hereby represents, understands, and otherwise agrees with the Agency and as follows:

A. Job Listings. Except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOC") and with the administrative entity (collectively with the DOC, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA"), as replaced by the Workforce Investment Act of 1998 (Public Law 105-220), in which the Project is located.

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

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

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

E. Annual Employment Reports. The applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the Project site, including (1) the NYS-45 – Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return – for the quarter ending December 31 (the "NYS-45"), and (2) the US Dept. of Labor BLS 3020 Multiple Worksite report if applicable. The applicant also agrees, whenever requested by the Agency, to provide and certify or cause to be provided and certified such information concerning the participation of individuals from minority groups as employees or applicants for employment with regard to the project.

F. Local Labor Information. The applicant is aware of and understands the provisions of Part 24 of the Policy Manual of the Agency. Pursuant to Part 24 of the Policy Manual of the Agency, the applicant agrees to provide information, in form and substance satisfactory to the Agency, relating to construction activities for projects; specifically: (i) the Company's contact person responsible and accountable for providing information about the bidding for and awarding of construction contracts relative to this Application and the Project, (ii) the

nature of construction jobs created by the Project, including the number, type, and duration of construction positions; and (iii) submit to the Agency a “Construction Completion Report” listing the names and business locations of prime contractors, subcontractors, and vendors who were engaged in the construction phase of the Project.

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

H. Uniform Agency Project Agreement. The applicant agrees to enter into a uniform agency project agreement with the Agency where the applicant agrees that (1) the amount of Financial Assistance to be received shall be contingent upon, and shall bear a direct relationship to the success or lack of success of such project in delivering certain described public benefits (the “Public Benefits”) and (2) the Agency will be entitled to recapture some or all of the Financial Assistance granted to the applicant if (a) the project is unsuccessful in whole or in part in delivering the promised Public Benefits, (b) certain “recapture events” occur (e.g., failure to complete the Project, sale or transfer of the Project, failure to make the estimated investment, failure to maintain job employment levels and failure to make annual reporting filings with the Agency).

I. Assignment of Agency Abatements. In connection with any Agency Straight Lease Transaction or Agency Bond Transaction, the Agency may grant to the applicant certain exemptions from mortgage recording taxes, sales and use taxes and real property taxes. The applicant understands that the grant of such exemptions by the Agency is intended to benefit the applicant. Subsequently, if the applicant determines to convey the Project and, in connection with such conveyance to assign such exemptions to the purchaser, the applicant understand that any such assignment is subject to review and consent by the Agency, together with the satisfaction of any conditions that may be imposed by the Agency.

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

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

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

The Project would not be undertaken but for the final assistance provided by the Agency.

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

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

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

P. Absence of Conflicts of Interest. The applicant acknowledges that the members, officers and employees of the Agency are listed on the Agency's website. No member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

none

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

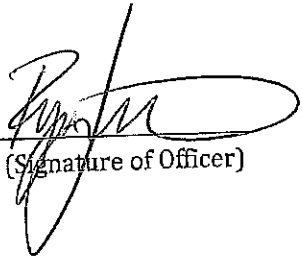
R. Onsite Visits. The applicant acknowledges that under the Agency's Policy Manual regarding monitoring and administration of projects, the Project is subject to periodic onsite visits by Agency staff.

DRAFT FOR DISCUSSION PURPOSES ONLY  
DATED: JULY 8, 2019

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

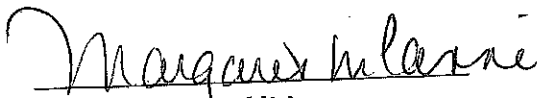
Ryan Jankow, being first duly sworn, deposes and says:

1. That I am the President/member [Corporate Office] of 563 New Scotland Ave LLC (Applicant) and that I am duly authorized on behalf of the Applicant to bind the Applicant.
2. That I have read the attached Application, I know the contents thereof, and that to the best of my knowledge and belief, this Application and the contents of this Application are true, accurate, and complete.

  
(Signature of Officer)

Subscribed and affirmed to me under penalties of perjury.

This 9<sup>th</sup> day of Sept., 2019

  
(Notary Public)

**MARGARET M LANNI**  
Notary Public, State of New York  
No. 01LA4920641  
Qualified in Schenectady County  
Commission Expires Feb. 16, 2022

DRAFT FOR DISCUSSION PURPOSES ONLY  
DATED: JULY 8, 2019

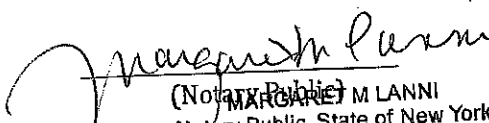
### HOLD HARMLESS AGREEMENT

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

(Applicant)

BY: 

Sworn to before me this  
9 day of Sept, 2019

  
(Notary Public) M LANNI  
Notary Public, State of New York  
No. 01LA4920641  
Qualified in Schenectady County  
Commission Expires Feb. 16, 2020

## SCHEDULE A

## CREATION OF NEW JOB SKILLS

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

[illegible]

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



**NEW YORK STATE FINANCIAL REPORTING  
REQUIREMENTS FOR INDUSTRIAL DEVELOPMENT AGENCIES**

Be advised that the New York General Municipal Law imposes certain reporting requirements on IDAs and recipients of IDA financial assistance. Of importance to IDA Applicants is Section 859 (<https://www.nysenate.gov/legislation/laws/GMU/859>). This section requires IDAs to transmit financial statements within 90 days following the end of an Agency's fiscal year ending December 31, prepared by an independent, certified public accountant, to the New York State Comptroller, and the Commissioner of the New York State Department of Economic Development. These audited financial statements shall include supplemental schedules listing the following information:

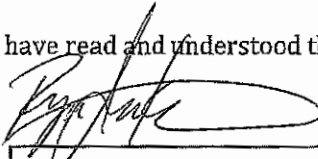
1. All straight-lease ("sale-leaseback") transactions and whether or not they are obligations of the Agency.
2. All bonds and notes issued, outstanding or retired during the period and whether or not they are obligations of the Agency.
3. All new bond issues shall be listed and for each new bond issue, the following information is required:
  - a. Name of the Project financed with the bond proceeds.
  - b. Whether the Project occupant is a not-for-profit corporation.
  - c. Name and address of each owner of the Project.
  - d. The estimated amount of tax exemptions authorized for each Project.
  - e. The purpose for which the bond was issued.
  - f. The bond interest rate at issuance and, if variable, the range of interest rates applicable.
  - g. Bond maturity date.
  - h. Federal tax status of the bond issue.
  - i. Estimate of the number of jobs created and retained for the Project.
4. All new straight lease transactions shall be listed and for each new straight lease transaction, the following information is required:
  - a. Name of the Project.

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DATED: JULY 8, 2019

- b. Whether the Project occupant is a not-for-profit corporation.
- c. Name and address of each owner of the Project.
- d. The estimated amount of tax exemptions authorized for each Project.
- e. The purpose for which each transaction was made.
- f. Method of financial assistance utilized for each Project, other than the tax exemptions claimed by the Project.
- g. Estimate of the number of jobs created and retained for the Project.

Sign below to indicate that you have read and understood the above.

Signature:



Name:

Ryan Jankow

Title:

President / member

Company:

563 New Scotland Ave LLC

Date:

9-8-19

NSV - PILOT PHASE I																
PILOT Year	City & County Tax Year	School Tax Year	Tax Rate <sup>(4)</sup>	Status Quo		Proposed Project										
				Estimated Total 2019 Assessment <sup>(5)</sup>	Estimated Total Taxes <sup>(6)</sup>	Base Assessment <sup>(7)</sup>	Estimated Total Improved Assessment <sup>(8)</sup>	Estimated Total Taxes w/o PILOT <sup>(9)</sup>	Estimated Total Taxes w/o PILOT Per Unit <sup>(10)</sup>	PILOT Payments to be the Greater of <sup>(11)</sup>						
										Estimated PILOT Payments <sup>(12)</sup>	Estimated PILOT Payments <sup>(12)</sup>	Estimated Abatement <sup>(13)</sup>	Estimated PILOT Payments Per Unit <sup>(14)</sup>	Estimated Abatement Per Unit <sup>(15)</sup>	% Abatement on Total Assessment <sup>(16)</sup>	% Abatement on Improved Assessment <sup>(17)</sup>
Construction <sup>(1)</sup>	2021	2021/2022	\$50.45	\$1,254,556	\$63,292		-	-	-	-		-	-	-	-	-
1 <sup>(2)</sup>	2022	2022/2023	\$51.46	\$1,254,556	\$64,558	\$1,254,556	\$9,636,000	\$495,859	\$9,182.57	\$107,688	Not Applicable	\$388,171	\$1,313	\$4,734	78.28%	90%
2	2023	2023/2024	\$52.49	\$1,254,556	\$65,849	\$1,254,556	\$9,636,000	\$505,776	\$9,366.22	\$109,842	Not Applicable	\$395,934	\$1,340	\$4,828	78.28%	90%
3	2024	2024/2025	\$53.54	\$1,254,556	\$67,166	\$1,254,556	\$9,636,000	\$515,892	\$9,553.55	\$112,039	Not Applicable	\$403,853	\$1,366	\$4,925	78.28%	90%
4	2025	2025/2026	\$54.61	\$1,254,556	\$68,510	\$1,254,556	\$9,636,000	\$526,209	\$9,744.62	\$114,280	Not Applicable	\$411,930	\$1,394	\$5,024	78.28%	90%
5	2026	2026/2027	\$55.70	\$1,254,556	\$69,880	\$1,254,556	\$9,636,000	\$536,734	\$9,939.51	\$116,565	Not Applicable	\$420,168	\$1,422	\$5,124	78.28%	90%
6	2027	2027/2028	\$56.81	\$1,254,556	\$71,277	\$1,254,556	\$9,636,000	\$547,468	\$10,138.30	\$118,897	Not Applicable	\$428,572	\$1,450	\$5,226	78.28%	90%
7	2028	2028/2029	\$57.95	\$1,254,556	\$72,703	\$1,254,556	\$9,636,000	\$558,418	\$10,341.07	\$121,274	Not Applicable	\$437,143	\$1,479	\$5,331	78.28%	90%
8	2029	2029/2030	\$59.11	\$1,254,556	\$74,157	\$1,254,556	\$9,636,000	\$569,586	\$10,547.89	\$123,700	Not Applicable	\$445,886	\$1,509	\$5,438	78.28%	90%
9	2030	2030/2031	\$60.29	\$1,254,556	\$75,640	\$1,254,556	\$9,636,000	\$580,978	\$10,758.85	\$126,174	Not Applicable	\$454,804	\$1,539	\$5,546	78.28%	90%
10	2031	2031/2032	\$61.50	\$1,254,556	\$77,153	\$1,254,556	\$9,636,000	\$592,597	\$10,974.02	\$128,697	Not Applicable	\$463,900	\$1,569	\$5,657	78.28%	90%
11	2032	2032/2033	\$62.73	\$1,254,556	\$78,696	\$1,254,556	\$9,636,000	\$604,449	\$11,193.50	\$157,559	Not Applicable	\$446,890	\$1,921	\$5,450	73.93%	85%
12	2033	2033/2034	\$63.98	\$1,254,556	\$80,270	\$1,254,556	\$9,636,000	\$616,538	\$11,417.37	\$187,524	Not Applicable	\$429,015	\$2,287	\$5,232	69.58%	80%
13	2034	2034/2035	\$65.26	\$1,254,556	\$81,875	\$1,254,556	\$9,636,000	\$628,869	\$11,645.72	\$245,973	11.5% of Project Gross Sales/Revenue	\$382,896	\$3,000	\$4,669	60.89%	70%
14	2035	2035/2036	\$66.57	\$1,254,556	\$83,513	\$1,254,556	\$9,636,000	\$641,446	\$11,878.64	\$278,790	11.5% of Project Gross Sales/Revenue	\$362,657	\$3,400	\$4,423	56.54%	65%
15	2036	2036/2037	\$67.90	\$1,254,556	\$85,183	\$1,254,556	\$9,636,000	\$654,275	\$12,116.21	\$284,365	11.5% of Project Gross Sales/Revenue	\$369,910	\$3,468	\$4,511	56.54%	65%
16	2037	2037/2038	\$69.26	\$1,254,556	\$86,887	\$1,254,556	\$9,636,000	\$667,361	\$12,358.53	\$319,076	11.5% of Project Gross Sales/Revenue	\$348,284	\$3,891	\$4,247	52.19%	60%
17	2038	2038/2039	\$70.64	\$1,254,556	\$88,625	\$1,254,556	\$9,636,000	\$680,708	\$12,605.70	\$355,062	11.5% of Project Gross Sales/Revenue	\$325,646	\$4,330	\$3,971	47.84%	55%
18	2039	2039/2040	\$72.06	\$1,254,556	\$90,397	\$1,254,556	\$9,636,000	\$694,322	\$12,857.82	\$392,360	11.5% of Project Gross Sales/Revenue	\$301,963	\$4,785	\$3,682	43.49%	50%
19	2040	2040/2041	\$73.50	\$1,254,556	\$92,205	\$1,254,556	\$9,636,000	\$708,209	\$13,114.97	\$431,007	11.5% of Project Gross Sales/Revenue	\$277,202	\$5,256	\$3,381	39.14%	45%
20	2041	2041/2042	\$74.97	\$1,254,556	\$94,049	\$1,254,556	\$9,636,000	\$722,373	\$13,377.27	\$471,043	11.5% of Project Gross Sales/Revenue	\$251,329	\$5,744	\$3,065	34.79%	40%
Permanent <sup>(3)</sup>	2042	2042/043	\$76.47	\$1,254,556	\$95,930	\$1,254,556	\$9,636,000	\$736,820	\$13,644.82	\$736,820		\$0			0.00%	0%
Estimated Total <sup>(18)</sup>					\$1,631,887			\$12,048,068		\$4,301,916		\$7,746,151				0

NSV - PILOT PHASE II																
PILOT Year	City & County Tax Year	School Tax Year	Tax Rate <sup>(4)</sup>	Status Quo		Proposed Project										
						Base Assessment <sup>(7)</sup>	Normal Tax			PILOT Payments to be the Greater of <sup>(11)</sup>						
				Estimated Total 2019 Assessment <sup>(5)</sup>	Estimated Total Taxes <sup>(6)</sup>		Estimated Total Improved Assessment <sup>(8)</sup>	Estimated Total Taxes w/o PILOT <sup>(9)</sup>	Estimated Total Taxes w/o PILOT Per Unit <sup>(10)</sup>	Estimated PILOT Payments <sup>(12)</sup>	Estimated PILOT Payments <sup>(12)</sup>	Estimated Abatement <sup>(13)</sup>	Estimated PILOT Payments Per Unit <sup>(14)</sup>	Estimated Abatement Per Unit <sup>(15)</sup>	% Abatement on Total Assessment <sup>(16)</sup>	% Abatement on Improved Assessment <sup>(17)</sup>
Construction <sup>(1)</sup>	2023	2023/2024	\$52.49	\$285,126	\$14,966	-	-	-	-	-		-	-	-	-	-
1 <sup>(2)</sup>	2024	2024/2025	\$53.54	\$285,126	\$15,266	\$285,126	\$2,190,000	\$117,252	\$6,514.01	\$25,464	Not Applicable	\$91,788	\$1,415	\$5,099	78.28%	90%
2	2025	2025/2026	\$54.61	\$285,126	\$15,571	\$285,126	\$2,190,000	\$119,597	\$6,644.29	\$25,974	Not Applicable	\$93,624	\$1,443	\$5,201	78.28%	90%
3	2026	2026/2027	\$55.70	\$285,126	\$15,882	\$285,126	\$2,190,000	\$121,989	\$6,777.17	\$26,493	Not Applicable	\$95,496	\$1,472	\$5,305	78.28%	90%
4	2027	2027/2028	\$56.82	\$285,126	\$16,200	\$285,126	\$2,190,000	\$124,429	\$6,912.72	\$27,023	Not Applicable	\$97,406	\$1,501	\$5,411	78.28%	90%
5	2028	2028/2029	\$57.95	\$285,126	\$16,524	\$285,126	\$2,190,000	\$126,918	\$7,050.97	\$27,563	Not Applicable	\$99,354	\$1,531	\$5,520	78.28%	90%
6	2029	2029/2030	\$59.11	\$285,126	\$16,854	\$285,126	\$2,190,000	\$129,456	\$7,191.99	\$28,115	Not Applicable	\$101,341	\$1,562	\$5,630	78.28%	90%
7	2030	2030/2031	\$60.29	\$285,126	\$17,192	\$285,126	\$2,190,000	\$132,045	\$7,335.83	\$28,677	Not Applicable	\$103,368	\$1,593	\$5,743	78.28%	90%
8	2031	2031/2032	\$61.50	\$285,126	\$17,535	\$285,126	\$2,190,000	\$134,686	\$7,482.55	\$29,250	Not Applicable	\$105,435	\$1,625	\$5,858	78.28%	90%
9	2032	2032/2033	\$62.73	\$285,126	\$17,886	\$285,126	\$2,190,000	\$137,380	\$7,632.20	\$29,835	Not Applicable	\$107,544	\$1,658	\$5,975	78.28%	90%
10	2033	2033/2034	\$63.99	\$285,126	\$18,244	\$285,126	\$2,190,000	\$140,127	\$7,784.84	\$30,432	Not Applicable	\$109,695	\$1,691	\$6,094	78.28%	90%
11	2034	2034/2035	\$65.26	\$285,126	\$18,609	\$285,126	\$2,190,000	\$142,930	\$7,940.54	\$37,257	Not Applicable	\$105,673	\$2,070	\$5,871	73.93%	85%
12	2035	2035/2036	\$66.57	\$285,126	\$18,981	\$285,126	\$2,190,000	\$145,788	\$8,099.35	\$44,342	Not Applicable	\$101,446	\$2,463	\$5,636	69.58%	80%
13	2036	2036/2037	\$67.90	\$285,126	\$19,360	\$285,126	\$2,190,000	\$148,704	\$8,261.34	\$58,164	11.5% of Project Gross Sales/Revenue	\$90,541	\$3,231	\$5,030	60.89%	70%
14	2037	2037/2038	\$69.26	\$285,126	\$19,748	\$285,126	\$2,190,000	\$151,678	\$8,426.57	\$65,923	11.5% of Project Gross Sales/Revenue	\$85,755	\$3,662	\$4,764	56.54%	65%
15	2038	2038/2039	\$70.64	\$285,126	\$20,143	\$285,126	\$2,190,000	\$154,712	\$8,595.10	\$67,242	11.5% of Project Gross Sales/Revenue	\$87,470	\$3,736	\$4,859	56.54%	65%
16	2039	2039/2040	\$72.06	\$285,126	\$20,545	\$285,126	\$2,190,000	\$157,806	\$8,767.00	\$75,450	11.5% of Project Gross Sales/Revenue	\$82,356	\$4,192	\$4,575	52.19%	60%
17	2040	2040/2041	\$73.50	\$285,126	\$20,956	\$285,126	\$2,190,000	\$160,962	\$8,942.34	\$83,959	11.5% of Project Gross Sales/Revenue	\$77,003	\$4,664	\$4,278	47.84%	55%
18	2041	2041/2042	\$74.97	\$285,126	\$21,376	\$285,126	\$2,190,000	\$164,181	\$9,121.19	\$92,778	11.5% of Project Gross Sales/Revenue	\$71,403	\$5,154	\$3,967	43.49%	50%
19	2042	2042/2043	\$76.47	\$285,126	\$21,803	\$285,126	\$2,190,000	\$167,465	\$9,303.61	\$101,917	11.5% of Project Gross Sales/Revenue	\$65,548	\$5,662	\$3,642	39.14%	45%
20	2043	2043/2044	\$78.00	\$285,126	\$22,239	\$285,126	\$2,190,000	\$170,814	\$9,489.68	\$111,384	11.5% of Project Gross Sales/Revenue	\$59,430	\$6,188	\$3,302	34.79%	40%
Permanent <sup>(3)</sup>	2044	2044/2045	\$79.56	\$285,126	\$22,684	\$285,126	\$2,190,000	\$174,231	\$9,679.47	\$174,231		\$0			0.00%	0%
Estimated Total <sup>(18)</sup>					\$385,880			\$2,848,919		\$1,017,243		\$1,831,677				

NSV - PILOT PHASE III																
PILOT Year	City & County Tax Year	School Tax Year	Tax Rate <sup>(4)</sup>	Status Quo		Proposed Project										
						Normal Tax				PILOT Payments to be the Greater of <sup>(11)</sup>						
				Estimated Total 2019 Assessment <sup>(5)</sup>	Estimated Total Taxes <sup>(6)</sup>	Base Assessment <sup>(7)</sup>	Estimated Total Improved Assessment <sup>(8)</sup>	Estimated Total Taxes w/o PILOT <sup>(9)</sup>	Estimated Total Taxes w/o PILOT Per Unit <sup>(10)</sup>	Estimated PILOT Payments <sup>(12)</sup>	Estimated PILOT Payments <sup>(12)</sup>	Estimated Abatement <sup>(13)</sup>	Estimated PILOT Payments Per Unit <sup>(14)</sup>	Estimated Abatement Per Unit <sup>(15)</sup>	% Abatement on Total Assessment <sup>(16)</sup>	% Abatement on Improved Assessment <sup>(17)</sup>
Construction <sup>(1)</sup>	2025	2025/2026	\$54.61	\$1,311,581	\$71,625		-	-	-	-		-	-	-	-	-
1 <sup>(2)</sup>	2026	2026/2027	\$55.70	\$1,311,581	\$73,058	\$1,311,581	\$10,074,000	\$561,144	\$6,376.64	\$121,867	Not Applicable	\$439,277	\$1,385	\$4,992	78.28%	90%
2	2027	2027/2028	\$56.82	\$1,311,581	\$74,519	\$1,311,581	\$10,074,000	\$572,367	\$6,504.17	\$124,304	Not Applicable	\$448,063	\$1,413	\$5,092	78.28%	90%
3	2028	2028/2029	\$57.95	\$1,311,581	\$76,009	\$1,311,581	\$10,074,000	\$583,814	\$6,634.25	\$126,790	Not Applicable	\$457,024	\$1,441	\$5,193	78.28%	90%
4	2029	2029/2030	\$59.11	\$1,311,581	\$77,530	\$1,311,581	\$10,074,000	\$595,490	\$6,766.94	\$129,326	Not Applicable	\$466,165	\$1,470	\$5,297	78.28%	90%
5	2030	2030/2031	\$60.29	\$1,311,581	\$79,080	\$1,311,581	\$10,074,000	\$607,400	\$6,902.28	\$131,912	Not Applicable	\$475,488	\$1,499	\$5,403	78.28%	90%
6	2031	2031/2032	\$61.50	\$1,311,581	\$80,662	\$1,311,581	\$10,074,000	\$619,548	\$7,040.32	\$134,551	Not Applicable	\$484,998	\$1,529	\$5,511	78.28%	90%
7	2032	2032/2033	\$62.73	\$1,311,581	\$82,275	\$1,311,581	\$10,074,000	\$631,939	\$7,181.13	\$137,242	Not Applicable	\$494,698	\$1,560	\$5,622	78.28%	90%
8	2033	2033/2034	\$63.98	\$1,311,581	\$83,921	\$1,311,581	\$10,074,000	\$644,578	\$7,324.75	\$139,986	Not Applicable	\$504,592	\$1,591	\$5,734	78.28%	90%
9	2034	2034/2035	\$65.26	\$1,311,581	\$85,599	\$1,311,581	\$10,074,000	\$657,470	\$7,471.25	\$142,786	Not Applicable	\$514,684	\$1,623	\$5,849	78.28%	90%
10	2035	2035/2036	\$66.57	\$1,311,581	\$87,311	\$1,311,581	\$10,074,000	\$670,619	\$7,620.67	\$145,642	Not Applicable	\$524,977	\$1,655	\$5,966	78.28%	90%
11	2036	2036/2037	\$67.90	\$1,311,581	\$89,057	\$1,311,581	\$10,074,000	\$684,031	\$7,773.08	\$178,303	Not Applicable	\$505,728	\$2,026	\$5,747	73.93%	85%
12	2037	2037/2038	\$69.26	\$1,311,581	\$90,838	\$1,311,581	\$10,074,000	\$697,712	\$7,928.55	\$212,213	Not Applicable	\$485,499	\$2,412	\$5,517	69.58%	80%
13	2038	2038/2039	\$70.64	\$1,311,581	\$92,655	\$1,311,581	\$10,074,000	\$711,666	\$8,087.12	\$278,358	11.5% of Project Gross Sales/Revenue	\$433,308	\$3,163	\$4,924	60.89%	70%
14	2039	2039/2040	\$72.06	\$1,311,581	\$94,508	\$1,311,581	\$10,074,000	\$725,900	\$8,248.86	\$315,495	11.5% of Project Gross Sales/Revenue	\$410,404	\$3,585	\$4,664	56.54%	65%
15	2040	2040/2041	\$73.50	\$1,311,581	\$96,398	\$1,311,581	\$10,074,000	\$740,418	\$8,413.84	\$321,805	11.5% of Project Gross Sales/Revenue	\$418,612	\$3,657	\$4,757	56.54%	65%
16	2041	2041/2042	\$74.97	\$1,311,581	\$98,326	\$1,311,581	\$10,074,000	\$755,226	\$8,582.11	\$361,086	11.5% of Project Gross Sales/Revenue	\$394,140	\$4,103	\$4,479	52.19%	60%
17	2042	2042/2043	\$76.47	\$1,311,581	\$100,293	\$1,311,581	\$10,074,000	\$770,330	\$8,753.75	\$401,810	11.5% of Project Gross Sales/Revenue	\$368,521	\$4,566	\$4,188	47.84%	55%
18	2043	2043/2044	\$78.00	\$1,311,581	\$102,299	\$1,311,581	\$10,074,000	\$785,737	\$8,928.83	\$444,018	11.5% of Project Gross Sales/Revenue	\$341,719	\$5,046	\$3,883	43.49%	50%
19	2044	2044/2045	\$79.56	\$1,311,581	\$104,345	\$1,311,581	\$10,074,000	\$801,452	\$9,107.41	\$487,754	11.5% of Project Gross Sales/Revenue	\$313,698	\$5,543	\$3,565	39.14%	45%
20	2045	2045/2046	\$81.15	\$1,311,581	\$106,432	\$1,311,581	\$10,074,000	\$817,481	\$9,289.55	\$533,061	11.5% of Project Gross Sales/Revenue	\$284,420	\$6,058	\$3,232	34.79%	40%
Permanent <sup>(3)</sup>	2046	2046/2047	\$82.77	\$1,311,581	\$108,560	\$1,311,581	\$10,074,000	\$833,830	\$9,475.35	\$833,830		\$0			0.00%	0%
Estimated Total <sup>(18)</sup>					\$1,846,741			\$13,634,322		\$4,868,309		\$8,766,014				

**NET BENEFIT TO THE TAXING JURISDICTIONS**

	STATUS QUO			PILOT	PILOT	PILOT
	Phase I	Phase II	Phase III	Phase I	Phase II	Phase III
Year 1	\$64,558			\$107,688		
Year 2	\$65,849	\$14,966		\$109,842		
Year 3	\$67,166	\$15,266		\$112,039	\$25,464	
Year 4	\$68,510	\$15,571	\$71,625	\$114,280	\$25,974	
Year 5	\$69,880	\$15,882	\$73,058	\$116,565	\$26,493	\$121,867
Year 6	\$71,277	\$16,200	\$74,519	\$118,897	\$27,023	\$124,304
Year 7	\$72,703	\$16,524	\$76,009	\$121,274	\$27,563	\$126,790
Year 8	\$74,157	\$16,854	\$77,530	\$123,700	\$28,115	\$129,326
Year 9	\$75,640	\$17,192	\$79,080	\$126,174	\$28,677	\$131,912
Year 10	\$77,153	\$17,535	\$80,662	\$128,697	\$29,250	\$134,551
Year 11	\$78,696	\$17,886	\$82,275	\$157,559	\$29,835	\$137,242
Year 12	\$80,270	\$18,244	\$83,921	\$187,524	\$30,432	\$139,986
Year 13	\$81,875	\$18,609	\$85,599	\$245,973	\$37,257	\$142,786
Year 14	\$83,513	\$18,981	\$87,311	\$278,790	\$44,342	\$145,642
Year 15	\$85,183	\$19,360	\$89,057	\$284,365	\$58,164	\$178,303
Year 16	\$86,887	\$19,748	\$90,838	\$319,076	\$65,923	\$212,213
Year 17	\$88,625	\$20,143	\$92,655	\$355,062	\$67,242	\$278,358
Year 18	\$90,397	\$20,545	\$94,508	\$392,360	\$75,450	\$315,495
Year 19	\$92,205	\$20,956	\$96,398	\$431,007	\$83,959	\$321,805
Year 20	\$94,049	\$21,376	\$98,326	\$471,043	\$92,778	\$361,086
Year 21		\$21,803	\$100,293		\$101,917	\$401,810
Year 22		\$22,239	\$102,299		\$111,384	\$444,018
Year 23			\$104,345			\$487,754
Year 24			\$106,432			\$533,061
	TOTAL				TOTAL	
					\$10,187,467	

TOTAL BENEFIT:        \$6,386,252

Broadway 915, LLC  
54 State Street, Suite 800  
Albany, New York 12207

Mark L. Aronowitz  
[mlaronowitz@gmail.com](mailto:mlaronowitz@gmail.com)

Tel: (518-694-4720)

November 29, 2019

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

Dear Ms. Metzger:

Attached is a completed application, as well as the appropriate supplementary material, required by the City of Albany Industrial Development Agency for consideration of financial assistance associated with the development of a mixed-use project at 745 Broadway.

The Applicant proposes to construct a six-story mixed use building consisting of approximately 80 residential apartment units and 12,000 square feet of commercial (6,600 sf retail and 5,400 sf rental office and amenities) and approximately 75 surface parking spaces.

Without the Agency's financial assistance this project is not viable. Therefore, as detailed in the Application, the Applicant requests exemption from mortgage recording taxes as well as New York State sales and use taxes relating to the construction and fit up of the project. In addition, the Applicant seeks a 18 year payment in lieu of tax agreement.

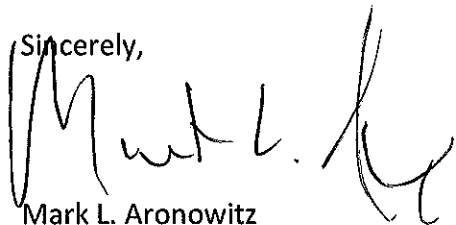
We believe the project will satisfy 11 of the Community Benefit Metrics outlined in the IDA's Project Evaluation and Assistance Framework: (i) High Vacancy Census Tract (ii) Downtown (iii) Neighborhood Plan (iv) Downtown Residential (v) Vacant (vi – viii) Financial Commitment (x) Regional Labor (xii) Estimate 4 Permanent Jobs and (xiii – xiv) Estimated 150 Construction Jobs.

The project will be located on an existing vacant parcel that is currently being used as a parking lot in the heart of the Clinton Square neighborhood. The Applicant seeks to expand on the transformative developments already under way in Clinton Square by creating additional walkable residential and retail opportunities.

The project will generate additional tax revenue for the City of Albany and the Albany School District while the construction of additional residential housing and retail opportunities will have a positive impact on jobs and business in the surrounding area. The Applicant is requesting assistance from the Agency in order to provide the City of Albany with new housing opportunities which are consistent with existing zoning the trend towards urban living.

Please do not hesitate to contact me should you have any questions or need additional information. We look forward to working with the Agency on this project. Thank you for your consideration.

Sincerely,

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

Mark L. Aronowitz  
Managing Member  
Broadway 915, LLC



## *City of Albany Industrial Development Agency*

### Application for Assistance

Date: 11/29/19

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

This application respectfully states:

#### APPLICANT:

Name: Broadway 915, LLC  
Address: 54 State St. Suite 800  
City: Albany State: NY Zip: 12207  
Federal ID/EIN: 01-0810003 Website:  
Primary Contact: Mark Aronowitz  
Title: Managing Member  
Phone: (518) 694-4720 Email: mlaronowitz@gmail.com

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

Mark Aronowitz

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

NAME OF ATTORNEY: N/A

ATTORNEY'S ADDRESS:

PHONE:

E-MAIL:

**NOTE: PLEASE READ THE INSTRUCTIONS ON PAGE 3 HEREOF BEFORE FILLING OUT THIS FORM.**

## INSTRUCTIONS

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

DATED: JULY 8, 2019

Answer all questions. Use "None" or "Not Applicable" where necessary.

**SUMMARY OF PROJECT**

Applicant: Broadway 915, LLC

Contact Person: Mark Aronowitz

Phone Number: (518) 694-4720

Occupant: N/A

Project Location (include Tax Map ID): 745 Broadway 65.83-1-28

Approximate Size of Project Site: 1.38 Acres

Description of Project: Construction of a five-story mixed-use building consisting of approximately 80 apartments, approximately 12,000 sf of first floor commercial space and approximately 75 surface parking spaces.

Type of Project: ☐ Manufacturing ☐ Warehouse/Distribution  
☐ Commercial ☐ Not-For-Profit  
☒ Other-Specify Mixed Use

Employment Impact: Existing FTE Jobs: N/A  
 Retained FTE Jobs: N/A  
 FTE Jobs Created: 4 ESTIMATED  
 Construction Jobs Created: 150 ESTIMATED

Project Cost: \$22,800,000

Type of Financing: ☐ Tax-Exempt ☐ Taxable ☒ Straight Lease

Amount of Bonds Requested: \$0

Estimated Value of Tax-Exemptions:

N.Y.S. Sales and Compensating Use Tax:	\$524,800
Mortgage Recording Taxes:	\$171,000
Real Property Tax Exemptions: (auto-calculated)	\$4,290,347
Other (please specify):	

Provide estimates for the following:

Average Estimated Annual Salary of Jobs to be Created:	\$38,000
Annualized Salary Range of Jobs to be Created:	\$35k-\$45k
Estimated Average Annual Salary of Jobs to be Retained:	\$0

## I. APPLICANT INFORMATION

### A) Applicant:

Name: Broadway 915, LLC  
Address: 54 State St. Suite 800  
City: Albany State: NY Zip: 12207  
Federal ID/EIN: 01-0810003 Website:   
Primary Contact: Mark Aronowitz  
Title: Managing Member  
Phone: (518) 694-4720 Email: mlaronowitz@gmail.com

### B) Real Estate Holding Company (if different from Applicant):

*Will a separate company hold title to/own the property related to this Project? If yes:*

Name: N/A  
Address:   
City: State: Zip:   
Federal ID/EIN: Website:   
Primary Contact:   
Title:   
Phone: Email:

Describe the terms and conditions of the lease between the Applicant and the Real Estate Holding Company. If there is an option to purchase the property, provide the date option was signed and the date the option expires:



**C) Current Project Site Owner (if different from Applicant or Real Estate Holding Company):**

Name: Applicant  
Title:  
Address:  
City: State: Zip:  
Phone: Email:

**D) Attorney:**

Name: TBD  
Firm Name:  
Address:  
City: State: Zip:  
Phone: Email:

**E) General Contractor:**

Name: BRENT KOSOC  
Firm Name: BBL CONSTRUCTION SERVICES  
Address: 302 WASHINGTON AVE EXT.  
City: ALBANY State: NY Zip: 12203  
Phone: (518) 452-8200 Email: BKOSOC@BBLINC.COM

## II. APPLICANT'S COMPANY OWNERSHIP & HISTORY

### A) Company Organization:

Year founded:  Founded in which state:  NAICS Code:

Type of ownership (e.g., C-Corp, LLC):

### B) Company Management

Name	Office Held	Other Principal Business
Mark Aronowitz	Managing Member	Real Estate
Norman Nichols	Managing Member	Banking

#### **Company Ownership:**

List all stockholders, members, or partners with ownership of greater than 5% and attach an organizational ownership chart with complete name, TIN, DOB, home address, office held, and other principal businesses (if applicable).

Name	Office Held	% of Ownership	% of Voting Rights
Mark Aronowitz	Managing Member	50%	50%
Norman Nichols	Managing Member	50%	50%

Is the Applicant or management of the company now a plaintiff or a defendant in any civil or criminal litigation? ☐ Yes ☒ No

If yes, describe:

Has any person listed above ever been a plaintiff or a defendant in any civil or criminal litigation? ☐ Yes ☒ No

If yes, describe:

Has any person listed above ever been charged with a crime other than a minor traffic violation? ☐ Yes ☒ No

If yes, describe:

Has any person listed above ever been convicted of a crime other than a minor traffic violation? ☐ Yes ☒ No

If yes, describe:

Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated a bankrupt? ☐ Yes ☒ No

If yes, describe:

**C) Company Description:**

Describe in detail the Company's background, products, customers, goods and services:

Broadway 915, LLC is a single purpose entity which previously owned 915 Broadway a 30,000 +/- sf office building in Albany's Warehouse District. Upon sale of the office building the entity purchased 745 Broadway, which is currently operated as a parking lot.

Mr Aronowitz has 40 years experience in real estate development, financing and property management.

Mr Nichols has 35 years experience in financing of commercial and multi-family real estate.

Existing Banking Relationship(s): Community Bank, Key Bank, M&T Bank and Berkshire Bank

Has the Company ever received incentives tied to job creation? ☐ Yes ☒ No

If yes, describe:

Were the goals met?

☐ Yes ☐ No ☒ N/A

If no, why not?

*Additional sheets may be attached, if necessary.*



### III. PROJECT DESCRIPTION AND DETAILS

#### A) Assistance requested from the Agency:

Select all that apply:

- ☒ Exemption from Sales Tax
- ☒ Exemption from Mortgage Tax
- ☒ Exemption from Real Property Tax
- ☐ Taxable Bonds
- ☐ Tax-exempt Bonds (typically for non-for-profits or qualified manufacturers)
- ☐ Other, specify: N/A

#### B) Project Description:

Attach a map, survey or sketch of the Project site, identifying all existing or new buildings/structures.

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

Construction of a five-story mixed-use building consisting of approximately 80 apartments, approximately 12,000 sf of first floor commercial space and approximately 75 surface parking spaces.

Location of Proposed Project:

Street Address - Tax Map ID(s): 745 Broadway 65.83-1-28

Is the Applicant the present legal owner of the Project site? ☒ Yes ☐ No

If yes:      Date of Purchase: 09/28/2017      Purchase Price: \$1,400,000

If no:

1. Present legal owner of the Project site: Applicant

2. Is there a relationship, legally or by common control, between the Applicant and the present owner of the Project site? ☐ Yes ☐ No

If yes:

3. Does the Applicant have a signed option to purchase the site? ☐ Yes ☐ No ☒ N/A

If yes:      Date option signed:       Date option expires:

Is the Project site subject to any property tax certiorari? ☐ Yes ☒ No



DRAFT FOR DISCUSSION PURPOSES ONLY

DATED: JULY 8, 2019

Describe the Project including, scope, purpose (e.g., new build, renovations, and/or equipment purchases, equipment leases, etc.), timeline, and milestones. The Project scope must entail only future work, as the Agency's benefits are not retroactive:

How many units will the project encompass (include total of number of commercial and residential units)?

How many square feet of commercial space will the project entail?

THE PROJECT INCLUDES THE NEW CONSTRUCTION AND FIT-UP OF A FIVE-STORY MIXED USE BUILDING WITH A GROSS BUILDING AREA OF 99,535+/- SQUARE FEET ON A 1.38 ACRE PARCEL THAT IS CURRENTLY BEING USED AS A PARKING LOT. THE BUILDING WILL CONTAIN APPROXIMATELY 80 APARTMENTS AND 12,000 +/- SQUARE FEET OF COMMERCIAL SPACE ON THE FIRST FLOOR (6,600 +/- SF RETAIL SPACE & 5,000 +/- SF RENTAL OFFICE AND RESIDENT AMENITIES). EQUIPMENT PURCHASES/LEASES SHALL INCLUDE THOSE ITEMS INCIDENTAL TO THE CONSTRUCTION AND MANAGEMENT OF A MULTI-FAMILY APARTMENT PROJECT INC; LUDING BUT NOT LIMITED TO PLUMBING, ELECTRICAL, HVAC, ELEVATORS, SPRINKLERS, TELECOMMUNICATION SYSTEMS, APPLIANCES, MAINTENANCE EQUIPMENT ETC. IT IS ANTICIPATED THAT CONSTRUCTION WILL START IN SPRING/SUMMER OF 2020 AND BE COMPLETED WITHIN 16 MONTHS.

Would this Project be undertaken **but for** the Agency's financial assistance? ☐ Yes ☒ No

If yes, describe why the Agency's financial assistance is necessary and the effect the Project will have on the Applicant's business or operations:

### C) Project Site Occupancy

Select Project type for all end-users at Project site (choose all that apply):

- |   |  |
|---|--|
| <input type="checkbox"/> Industrial                       | <input checked="" type="checkbox"/> Service*             |
| <input type="checkbox"/> Acquisition of existing facility | <input type="checkbox"/> Back-office                     |
| <input checked="" type="checkbox"/> Housing               | <input checked="" type="checkbox"/> Mixed use            |
| <input checked="" type="checkbox"/> Multi-tenant          | <input type="checkbox"/> Facility for Aging              |
| <input checked="" type="checkbox"/> Commercial            | <input type="checkbox"/> Civic facility (not-for-profit) |
| <input checked="" type="checkbox"/> Retail*               | <input type="checkbox"/> Other                           |

\* The term "retail sales" means (1) sales by a registered vendor under Article 28 of the Tax Law of New York (the "Tax Law") primarily engaged in the retail sale of tangible personal property, as defined in Section 1101(b)(4)(i) of the Tax Law, or (2) sales of a service to customers who personally visit the Project location. If "retail" or "service" is checked, complete the Retail Questionnaire contained in Section IV.

Note that it is the position of the Agency that housing projects constitute "retail projects," as such term is defined under the IDA Statute.

List the name(s) of the expected tenant(s), nature of the business(es), and percentage of total square footage to be used by each tenant. Additional sheets may be attached, if necessary:

Company:	Nature of Business:	% of total square footage:
1. TBD		
2.		
3.		

Are there existing buildings on project site? ☐ Yes ☒ No

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

b. Are existing buildings in operation? ☐ Yes ☐ No ☒ N/A

If yes, describe present use of present buildings:

c. Are existing buildings abandoned? ☐ Yes ☐ No ☒ N/A

About to be abandoned?

☐ Yes ☐ No ☒ N/A

If yes, describe:

d. Attach photograph of present buildings.

#### IV. RETAIL QUESTIONNAIRE

(Fill out if end users are "retail" or "service" as identified in Section III)

To ensure compliance with Section 862 of the New York General Municipal Law, the Agency requires additional information if the proposed Project is one where customers personally visit the Project site to undertake either a retail sale transaction or purchase services.

- A) Will any portion of the Project consist of facilities or property that will be primarily used in making sales of goods or services to customers who personally visit the Project site?<sup>1</sup> ☒ Yes ☐ No

If yes, continue with the remainder of the Retail Questionnaire. If no, do not complete the remainder of the Retail Questionnaire.

- B) What percentage of the cost of the Project will be expended on such facilities or property primarily used in making sales of goods or services to customers who personally visit the Project?

Note that it is the position of the Agency that housing projects constitute "retail projects," as such term is defined under the IDA Statute. Accordingly, please answer "yes" and insert "100%" if your project is a housing project. If the answer is less than 33.33% do not complete the remainder of the Retail Questionnaire. If the answer to Question A is Yes and the answer to Question B is greater than 33.33%, complete the remainder of the Retail Questionnaire:

1. Is the Project location or facility likely to attract a significant number of visitors from outside the Capital Region Economic Development Region (i.e., Albany, Schenectady, Rensselaer, Greene, Columbia, Saratoga, Warren, and Washington counties)? ☒ Yes ☐ No
2. Will the Project make available goods or services which are not currently reasonably accessible to the residents of the municipality within which the proposed Project would be located? ☒ Yes ☐ No
3. Will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York? ☒ Yes ☐ No  
If yes, explain:
4. Will the Project be located in an area designated as an economic development zone pursuant to Article 18-B of the General Municipal Law (Source: <https://esd.ny.gov/empire-zones-program>)? ☐ Yes ☒ No  
If yes, explain:
5. Will the Project be in a "highly distressed" census tract (as defined by the United States Census Bureau <https://factfinder.census.gov/>) ☒ Yes ☐ No

If yes, explain:

Located in census tract 11 which is contiguous to census tract 25

Note that it is the position of the Agency that housing projects constitute "retail projects," as such term is defined under the IDA Statute. Accordingly, please answer "yes" and insert "100%" if your project is a housing project.<sup>1</sup>



DATED: JULY 8, 2019

**V. ENVIRONMENTAL REVIEW AND PERMITTING**

*The Applicant must comply with the State Environmental Quality Review Act (SEQRA) before the Agency can vote on proposed financial incentives. It is the Applicant's responsibility to provide a copy of the final SEQRA determination to the Agency.*

Environmental Assessment Form: ☐ Short Form ☒ Long Form

Lead Agency: City of Albany Planning Department

Agency Contact: Bradley Glass

Date of submission: 10/07/2019

Status of submission: Pending

Final SEQRA

determination: TBD

**A) Site Characteristics:**

Describe the present zoning and land use regulation: MU-CU Mixed Use Community Urban

Will the Project meet zoning and land use regulations for the proposed location? ☒ Yes ☐ No

Is a change in zoning and land use regulation is required? ☐ Yes ☒ No

If yes, specify the required change and status of the change request:

If the proposed Project is located on a site where the known or potential presence of contaminants is complicating the development/use of the property, describe the potential Project challenge:

N/A

Does part of the Project consist of a new building or buildings?

☒ Yes ☐ No

If yes, indicate number and size of new buildings:

One building of approximately 99,535 +/- Gross Square Feet

Does part of the Project consist of additions and/or renovations to the existing buildings?

☐ Yes ☒ No

If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation:

## VI. INTER-MUNICIPAL MOVE DETERMINATION

*The Agency is required by State law to make a determination that, if completion of a Project benefiting from the Agency's financial assistance results in the removal of a plant of the Project occupant from one area of the State to another area of the State or in the abandonment of one or more plants or facilities of the Project occupant located within the State, Agency financial assistance is required to prevent the Project occupant from relocating out of the State, or it is reasonably necessary to preserve the Project occupant's competitive position in its respective industry.*

Will the Project result in the removal of a plant of the Project occupant from one area of the State to another area of the State? ☐ Yes ☒ No

Will the Project result in the abandonment of one or more plants or facilities of the Project occupant located within the State? ☐ Yes ☒ No

If yes to either question above, explain how notwithstanding the aforementioned closing or activity reduction, the Agency's financial assistance is required to prevent the Project from relocating out of the State or is reasonably necessary to preserve the Project occupant's competitive position in its respective industry:

Does the Project involve relocation or consolidation of a Project occupant from another municipality?

Within New York State: ☐ Yes ☒ No

Within the City of Albany: ☐ Yes ☒ No

If yes, explain:



**VII. EMPLOYMENT INFORMATION****A) Current and Projected Employee FTEs ("Year One" will begin upon the issuance of Certificate of Occupancy or a Temporary Certificate of Occupancy):**

	Current FTEs	Projected FTEs			
		New Year 1- 20 <sup>21</sup>	New Year 2 - 20 <sup>22</sup>	New Year 3 - 20 <sup>23</sup>	Total Year 4-20 <sup>24</sup>
Full-time		4	4	4	4
Part-time		1	1	1	1
Seasonal					

**B) Employment Plan in FTE**

Estimate the number of full-time equivalent (FTE) jobs that are expected to be retained and created as part of this Project. One FTE is equivalent to 35 hours of work per week or 1,820 hours per year. Convert part-time jobs into FTE by dividing the total number of hours for all part-time resources by 35 hours per week or 1,820 hours per year. ("Year One" will begin upon the issuance of Certificate of Occupancy or a Temporary Certificate of Occupancy):

Attach a list that describes in detail the types of employment for this Project, including the types of activities or work performed and the projected timeframe for creating new jobs.

Occupation in Company	Current (Retained) Permanent FTE		Projected New Permanent FTE			
	Average Annual Salary or Hourly Wage <sup>2</sup>	Number of Current FTE	FTE in Year 1 20 <sup>21</sup>	FTE in Year 2 20 <sup>22</sup>	FTE in Year 3 20 <sup>23</sup>	Total New FTE by Year 4 20 <sup>24</sup>
Professional/ Management						
Administrative						
Sales	\$35,000 estimate	0	3/4	1/3	1/3	1/3
Services	\$15.00 hour estimate	0	3	3	3	3
Manufacturing						
High-Skilled						
Medium-Skilled						
Basic-Skilled						
Other (specify)						
Maintenance	\$40,000 estimate	0	1	1	1	1
Total (auto-calculated)		0	4 3/4	4 1/3	4 1/3	4 1/3

<sup>2</sup> Wages are defined as all remuneration paid to an employee. Remuneration means every form of compensation for employment paid by an employer to an employee; whether paid directly or indirectly by the employer, including salaries, commissions, bonuses, and the reasonable money value of board, rent, housing, lodging, or similar advantage received. Where gratuities are received from a person other than the employer, the value of such gratuities shall be included as part of the remuneration paid by the employer. Source: <https://labor.ny.gov>.

## VIII. INDEPENDENT CONTRACTOR RESOURCES

*Estimate the number of full-time equivalent (FTE) jobs that are contracted to independent contractors (e.g., contractors or subcontractors) that would be retained and created as part of this Project.*

*Attach a list that describes in detail the types of contract resources for this Project, including the types of activities or work performed and the projected timeframe for creating new contractor positions. ("Year One" will begin upon the issuance of Certificate of Occupancy or a Temporary Certificate of Occupancy):*

	Current FTEs	Projected			
		New Year 1-20	New Year 2-20	New Year 3-20	Total Year 4-20
Full-time	0	0	0	0	0
Part-time	0	0	0	0	0
Seasonal	0	0	0	0	0

## IX. CONSTRUCTION LABOR

*\*Construction Jobs are defined by the number of persons individually identified on the pay roll of the General Contractor/Subcontractor in relation to the project.*

Number of construction workers expected to be hired for this Project: 150 estimate

When does the applicant anticipate the start of construction? 06/01/2020

When does the applicant anticipate the completion of construction? 09/30/2022

What is the total value of construction contracts to be executed? \$16,400,000

Describe the general contractor's plans and selection process for using regional and/or City of Albany construction labor or regional and/or City of Albany sub-contractors:

The General Contractor will send out multiple BID Packages to Regional and/or City of Albany sub-contractors, including MWBE/DBE sub-contractors. All BID Packages will ask sub-contractors, to the best of their ability, to staff the project with Regional Labor with a priority to City of Albany residents.



## X. PROJECT COSTS AND FINANCING

Attach additional

### A) Project Costs

Description of Cost	Amount
Land	\$1,400,000
Buildings	\$14,950,000
Machinery and Equipment Cost	
Utilities, roads and appurtenant costs	\$1,450,000
Architects and engineering fees	\$492,000
Cost of Bond Issue (legal, financial and printing)	
Construction loan fees and interest (if applicable)	\$1,000,500
Other (specify)	
Soft Costs	\$3,407,500
FF&E	\$100,000
<b>TOTAL PROJECT COST</b>	<b>\$22,800,000</b>

Have any of the above costs been paid or incurred as of the date of this application? ☒ Yes ☐ No

If yes, describe:

Approximately \$1,500,000 for due diligence, land purchase, closing costs and architect and engineer fees.

### B) Sources of Funds for Project Costs

Equity:

\$5,700,000

Bank Financing:

\$17,100,000

Tax Exempt Bond Issuance:

\$0

Taxable Bond Issuance

\$0

Public Sources (Include total of all State and Federal grants and tax credits):

Identify each State and Federal program:

n/A

\$0

Public Funds Total

\$0

Additional sheets may be attached, as necessary.

TOTAL:

\$0

Amount of total financing requested from lending institutions:

\$17,100,000

Amount of total financing related to existing debt refinancing:

\$840,000

Has a commitment for financing been received?

☐ Yes ☒ No

If yes:

Lending Institution:

Pending

Contact:

Phone:



## XI. PROJECT EVALUATION AND ASSISTANCE FRAMEWORK

**Project Evaluation and Assistance Framework.** If applicable, complete the following Matrix that is part of the Agency's Project Evaluation and Assistance Framework.

### Baseline Requirements (Must Achieve All)

<input checked="" type="checkbox"/> Complete Application	<input checked="" type="checkbox"/> Albany 2030 Aligned	<input checked="" type="checkbox"/> Meet Project Use Definition
<input checked="" type="checkbox"/> Meets NYS/CAIDA Requirements	<input checked="" type="checkbox"/> Planning Approval (if applicant) Approval Date: <input type="text" value="TBD"/>	<input checked="" type="checkbox"/> "But For" Requirement

### Community Benefit Metrics (Must Achieve 10)

<b>Revitalization Target Geography</b> <input type="checkbox"/> Distressed Census Tract <input checked="" type="checkbox"/> High Vacancy Census Tract <input checked="" type="checkbox"/> Downtown <input type="checkbox"/> BID <input checked="" type="checkbox"/> Neighborhood Plan	<b>Investment Financial Commitment (cumulative)</b> <input checked="" type="checkbox"/> 2.5M - 10M <input checked="" type="checkbox"/> 10.1 - 17.5M <input checked="" type="checkbox"/> 17.6M - 25M	<b>Employment Permanent Jobs (cumulative)</b> <input checked="" type="checkbox"/> 3 - 40 <input type="checkbox"/> 41 - 80 <input type="checkbox"/> 81 - 120 <input type="checkbox"/> 121 - 180 <input type="checkbox"/> > 180
<b>Identified Priority</b> <input checked="" type="checkbox"/> Downtown Residential <input type="checkbox"/> Tax Exempt/Vacant <input type="checkbox"/> Identified Catalyst Site <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Community Catalyst	<b>Community Commitment</b> <input type="checkbox"/> MWBE/DBE Participation <input type="checkbox"/> EEO Workforce Utilization <input type="checkbox"/> Inclusionary Housing <input checked="" type="checkbox"/> Regional Labor <input type="checkbox"/> City of Albany Labor <input type="checkbox"/> Apprenticeship Program	<b>Retained Jobs (cumulative)</b> <input type="checkbox"/> 3 - 40 <input type="checkbox"/> 41 - 80 <input type="checkbox"/> 81 - 120 <input type="checkbox"/> 121 - 180 <input type="checkbox"/> > 180
<b>Identified Growth Area</b> <input type="checkbox"/> Manufacturing/Distribution <input type="checkbox"/> Technology <input type="checkbox"/> Hospitality <input type="checkbox"/> Existing Cluster <input type="checkbox"/> Conversion to Residential		<b>Construction Jobs (cumulative)</b> <input checked="" type="checkbox"/> 6 - 80 <input checked="" type="checkbox"/> 81 - 160 <input type="checkbox"/> 161 - 240 <input type="checkbox"/> > 240

## XII. ESTIMATED VALUE OF INCENTIVES

### A) Property Tax Exemption:

Agency staff will complete this section with the Applicant based on information submitted by the Applicant and the City of Albany Assessor. If you are requesting an exception to the PILOT schedule that cannot be accommodated by the UTEP or the CAIDA Project Evaluation and Assistance Framework, please provide additional sheets indicating the proposed PILOT payments.

Does your project meet the definition of "large project" as defined in the Framework (\$25 Million, 15 Total Acres or Full Service Hotel)? ☒ Yes ☐ No

Current assessed full assessed value of the property **before** Project improvements or the **purchase price of the property**, whichever is higher:

Estimated new assessed full value of property **after** Project improvement based on letter from the City of Albany Assessor:

Estimated real property 2019 tax rate per dollar of full assessment (auto-calculated):

*\*assume 2% annual increase in tax rate*

Estimated Completed Assessed Value per Unit based on letter from the City of Albany Assessor:

PILOT Year	Existing Real Property Taxes	Estimated Real Property Taxes on Improved Value <b>Without</b> PILOT <sup>3</sup>	Estimated Total <b>Without</b> PILOT	PILOT Abatement % based on Framework schedule <b>Abatement</b> percentages must be entered in decimals	*Estimated PILOT Payments
1	\$ 25,957	\$274,836	\$346,090	90%	\$57,970
2	\$ 26,476	\$280,333	\$353,011	90%	\$ 59,129
3	\$ 27,005	\$285,939	\$360,072	90%	\$ 60,312
4	\$ 27,545	\$291,658	\$367,273	90%	\$ 61,518
5	\$ 28,096	\$297,491	\$374,619	90%	\$ 62,749
6	\$ 28,658	\$303,441	\$382,111	90%	\$ 109,014
7	\$ 29,231	\$309,510	\$389,753	90%	\$ 111,194
8	\$29,816	\$315,700	\$397,548	90%	\$ 113,418
9	\$30,412	\$322,014	\$405,499	90%	\$ 115,687
10	\$31,021	\$328,454	\$413,609	85%	\$ 134,423
11	\$31,641	\$335,023	\$421,881	80%	\$ 153,863
12	\$32,274	\$341,724	\$ 430,319	70%	\$ 191,112
13	\$32,919	\$348,558	\$ 438,925	60%	\$ 276,151
14	\$33,578	\$355,530	\$ 447,704	50%	\$ 281,522
15	\$34,249	\$362,640	\$ 456,658	45%	\$ 287,000
16	\$34,934	\$369,893	\$ 465,791	40%	\$ 305,492
17	\$35,633	\$377,291	\$ 475,107	30%	\$ 347,866
18	\$36,346	\$384,837	\$ 484,609	20%	\$ 391,813
19				0%	
20				0%	
			\$ 7,410,580		\$ 3,120,233

\*PILOT payments may not fall short of \$675 per door or .97 per Square Foot as applicable from Framework

Please note that after year twelve (12) of any Multi-Family Commercial PILOT, a bifurcated structure commences whereby projects shall pay the greater of: (a) scheduled pilot payments as stated by assistance schedule or (b) 11.5% of gross revenue.

Notwithstanding anything herein to the contrary, if the project consists of an **affordable housing project**, the applicant shall make annual payments in lieu of property taxes pursuant to the PILOT Agreement with respect to the project as follows: (i) An amount equal to ten percent (10%) of the shelter rents (rents, excluding the component thereof, if any, attributable to energy and utility costs paid by the applicant) payable by the tenants in connection with the housing project.

If the applicant is requesting assistance that is a deviation from the Agency's UTEP, please refer to the Agency's Project Evaluation and Assistance Framework to determine the appropriate, potential standard deviation abatement schedule: <http://albanyida.com/wp-content/uploads/2012/03/CAIDA-PILOT-Program-Board-Revised-1.pdf>

<sup>3</sup> The figures in this column assume that the Project is completed as described in the Application and without the involvement of the Agency and, therefore, subject to real property taxes. However, as provided in this Application, the Applicant has certified that it would not undertake the Project without the financial assistance granted by the Agency. Accordingly, this column is prepared solely for the purpose of determining the estimated amount of the real property tax abatement being granted by the Agency.



If the Applicant is requesting assistance that is greater than the Agency's standard UTEP deviations identified in the Project Evaluation and Assistance Framework, describe the incentives and provide a justification for this PILOT request:

Applicant is requesting that the assessment for the first five years of the PILOT Payment be set at the current property assessment of \$510,000 instead of the \$1,400,000 purchase price. Beginning with year six the proposed PILOT Payment reverts to the Standard CAIDA Framework and the \$1,400,000 base assessment.

Note from years 13 - 18 the estimated PILOT Payment is based upon 11.5% of Gross Revenue which is higher than scheduled PILOT Payments.

The deviation from the Standard CAIDA Framework for the first five years is necessary because the average return on investment for the same time frame is 5.78% which is an unacceptable return given the risk associated with the project. The applicant will not be able to attract investors at such a low return which will make the project unfeasible.

The requested deviation boosts the average return for the first five years to approximately 6.5% which is viable.

**B) Sales and Use Tax Benefit:**

*Note: The figures below will be provided to the New York State Department of Taxation and Finance and represents the maximum amount of sales and use tax benefit that the Agency may authorize with respect to the application.*

Costs for goods and services that are subject to State and local sales and use tax<sup>4</sup>:

\$6,560,000

Estimated State and local sales and use tax benefit (sales tax amount multiplied by 8.0% plus additional use tax amounts):

\$524,800

**C) Mortgage Recording Tax Benefit:**

Mortgage amount (include construction, permanent, bridge financing or refinancing):

\$17,100,000

Estimated mortgage recording tax exemption benefit (mortgage amount multiplied by 1% )<sup>5</sup>:

\$171,000

**D) Percentage of Project Costs Financed from Public Sector:**

Percentage of Project costs financed from public sector: 0  
(Total B + C + D + E below / A Total Project Cost)

A. Total Project Cost:

\$22,800,000

B. Estimated Value of PILOT (auto-filled):

\$4,290,347

C. Estimated Value of Sales Tax Incentive:

\$524,800

D. Estimated Value of Mortgage Tax Incentive:

\$171,000

E. Total Other Public Incentives (tax credits, grants, ESD incentives, etc.):

\$0

<sup>4</sup> Sales and use tax (sales tax) is applied to: tangible personal property (unless specifically exempt); gas, electricity, refrigeration and steam, and telephone service; selected services; food and beverages sold by restaurants, taverns, and caterers; hotel occupancy; and certain admission charges and dues. For a definition of products, services, and transactions subject to sales tax see the following links:

<https://www.tax.ny.gov/bus/st/subject.htm> and

[https://www.tax.ny.gov/pubs\\_and\\_bulls/tg\\_bulletins/st/quick\\_reference\\_guide\\_for\\_taxable\\_and\\_exempt\\_property\\_and\\_services.htm](https://www.tax.ny.gov/pubs_and_bulls/tg_bulletins/st/quick_reference_guide_for_taxable_and_exempt_property_and_services.htm).

<sup>5</sup> The Mortgage Recording Tax in Albany County is equal to 1.25%. However, the Agency is authorized under the IDA Statute to exempt only 1.00%.

### XIII. COST BENEFIT ANALYSIS

In order for the City of Albany Industrial Development Agency (the "Agency") to prepare a Cost/Benefit Analysis for a proposed project (the "Project"), the Applicant must answer the questions contained in this Project Questionnaire (the "Questionnaire"). Such information should consist of a list and detailed description of the benefits of the Agency undertaking the Project (e.g., number of jobs created, types of jobs created, economic development in the area, community benefits (including community commitment as described in the Agency's Project Evaluation and Assistance Framework), etc.). Such information should also consist of a list and detailed description of the costs of the Agency undertaking the Project (e.g., tax revenues lost, buildings abandoned, etc.).

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

#### PROJECT QUESTIONNAIRE

1. Name of Project Beneficiary ("Company"):	Broadway 915, LLC	
2. Brief Identification of the Project:	Construction of a five story mixed used building.	
3. Estimated Amount of Project Benefits Sought:	\$ 4,986,147	
A. Amount of Bonds Sought:		\$0
B. Value of Sales Tax Exemption Sought		\$524,800
C. Value of Real Property Tax Exemption Sought		\$4,290,347
D. Value of Mortgage Recording Tax Exemption Sought		\$171,000
4. Likelihood of accomplishing the Project in a timely fashion (please explain):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Principals of Company have approx 75 combined years of experience in real estate development and financing.		

**PROJECTED PROJECT INVESTMENT**

<b>A. Land-Related Costs</b>	
1. Land acquisition	\$ 1,400,000
2. Site preparation	\$ 1,450,000
3. Landscaping	
4. Utilities and infrastructure development	
5. Access roads and parking development	
6. Other land-related costs (describe)	
<b>B. Building-Related Costs</b>	
1. Acquisition of existing structures	
2. Renovation of existing structures	
3. New construction costs	\$ 14,950,000
4. Electrical systems	
5. Heating, ventilation and air conditioning	
6. Plumbing	
7. Other building-related costs (describe)	
<b>C. Machinery and Equipment Costs</b>	
1. Production and process equipment	
2. Packaging equipment	
3. Warehousing equipment	
4. Installation costs for various equipment	
5. Other equipment-related costs (describe)	
<b>D. Furniture and Fixture Costs</b>	
1. Office furniture	
2. Office equipment	
3. Computers	
4. Other furniture-related costs (describe)	\$ 100,000
<b>E. Working Capital Costs</b>	
1. Operation costs	
2. Production costs	
3. Raw materials	
4. Debt service	
5. Relocation costs	
6. Skills training	
7. Other working capital-related costs (describe)	
<b>F. Professional Service Costs</b>	
1. Architecture and engineering	\$ 492,000
2. Accounting/legal	\$ 80,000
3. Other service-related costs (describe)	
<b>G. Other Costs</b>	
1. _____	\$ 1,000,500
2. _____	\$ 3,327,500
<b>H. Summary of Expenditures</b>	
1. Total Land-Related Costs	\$ 2,850,000
2. Total Building-Related Costs	\$ 14,950,000
3. Total Machinery and Equipment Costs	\$ 0
4. Total Furniture and Fixture Costs	\$ 100,000
5. Total Working Capital Costs	\$ 0
6. Total Professional Service Costs	\$ 572,000
7. Total Other Costs	\$ 4,328,000
	\$ 22,800,000



**PROJECTED NET OPERATING INCOME**

- I. Please provide projected Net Operating Income:

YEAR	Without IDA benefits	With IDA benefits
1	\$ 856,515	\$ 1,144,635
2	\$ 1,155,484	\$ 1,449,366
3	\$ 1,176,037	\$ 1,475,797
4	\$ 1,196,624	\$ 1,502,379
5	\$ 1,217,569	\$ 1,529,439

**PROJECTED CONSTRUCTION EMPLOYMENT IMPACT**

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

Year	Number of Construction Jobs	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax
Current Year	0	0	
Year 1	140	7,560,000	475548
Year 2	75	4,200,000	265860
Year 3			
Year 4			
Year 5			

**PROJECTED PERMANENT EMPLOYMENT IMPACT**

- I. Estimates of the total number of existing permanent FTE jobs to be preserved or retained as a result of the Project are described in the tables in Section VII of the Application.
- II. Estimates of the total new permanent FTE jobs to be created at the Project are described in the tables in Section VII of the Application.
- III. Please provide estimates for the following:
- A. Creation of New Job Skills relating to permanent jobs. Please complete Schedule A.

**PROJECTED OPERATING IMPACT**

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

Additional Purchases (1 <sup>st</sup> year following project completion)	\$ 10,000
Additional Sales Tax Paid on Additional Purchases	\$ 800
Estimated Additional Sales (1 <sup>st</sup> full year following project completion)	\$ 500,000
Estimated Additional Sales Tax to be collected on additional sales (1 <sup>st</sup> full year following project completion)	\$ 40,000

II. Please provide estimates for the impact of Project on existing real property taxes and new payments in lieu of taxes ("Pilot Payments"): If you are requesting an exception that cannot be accommodated by the auto-calculated fields, please provide additional sheets indicating the proposed PILOT payments.

Year	Existing Real Property Taxes (Without Project)	New Pilot Payments (With IDA)	Total (Difference)
Current Year	\$0	\$0	\$0
Year 1	\$ 25,957	\$57,970	\$32,013
Year 2	\$ 26,476	\$ 59,129	\$32,654
Year 3	\$ 27,005	\$ 60,312	\$33,307
Year 4	\$ 27,545	\$ 61,518	\$33,973
Year 5	\$ 28,096	\$ 62,749	\$34,652
Year 6	\$ 28,658	\$ 109,014	\$80,356
Year 7	\$ 29,231	\$ 111,194	\$81,963
Year 8	\$29,816	\$ 113,418	\$83,602
Year 9	\$30,412	\$ 115,687	\$85,274
Year 10	\$31,021	\$ 134,423	\$103,402
Year 11	\$31,641	\$ 153,863	\$122,222
Year 12	\$32,274	\$ 191,112	\$158,838
Year 13	\$32,919	\$ 276,151	\$243,232
Year 14	\$33,578	\$ 281,522	\$247,944
Year 15	\$34,249	\$ 287,000	\$252,751
Year 16	\$34,934	\$ 305,492	\$270,558
Year 17	\$35,633	\$ 347,866	\$312,233
Year 18	\$36,346	\$ 391,813	\$355,467
Year 19			
Year 20			
			\$ 2,564,440

**ADDITIONAL COMMUNITY BENEFITS**

The City of Albany Industrial Development Agency is supportive of inclusionary development practices. Please indicate which of the below described community benefits (as defined in the Agency's Project Evaluation and Assistance Framework) will be provided as a result of the Project, and please provide a detailed description of such benefits, together with any other economic benefits and community benefits expected to be produced as a result of the Project (attach additional pages as needed for a complete and detailed response). Examples of these benefits include:

- |                                |                                 |
|--------------------------------|---------------------------------|
| (A) MWBE/DBE Participation;    | (L) Downtown Residential;       |
| (B) EEO;                       | (M) Tax Exempt/Vacant Property; |
| (C) Workforce Utilization;     | (N) Identified Catalyst Site;   |
| (D) Inclusionary Housing;      | (O) Historic Preservation;      |
| (E) Regional Labor;            | (P) Community Catalyst;         |
| (F) City of Albany Labor;      | (Q) Manufacturing/Distribution; |
| (G) Apprenticeship Program;    | (R) Technology;                 |
| (H) Distressed Census Tract;   | (S) Hospitality;                |
| (I) High Vacancy Census Tract; | (T) Existing Cluster; and       |
| (J) Downtown BID;              | (U) Conversion to Residential.  |
| (K) Neighborhood Plan;         |                                 |

(A), (E) & (F) The General Contractor will send out multiple BID Packages to Regional and/or City of Albany sub-contractors, including MWBE/DBE sub-contractors. All BID Packages will ask sub-contractors, to the best of their ability, to staff the project with Regional Labor with a priority to City of Albany residents.

(D) The Project will include 5% of the apartments as affordable housing units per the City of Albany Zoning Code.

(H) The Project is adjacent to a Distressed Census Tract and will provide employment opportunities both during construction and at the on-site retail establishments.

(I) The Project is located within a High Vacancy Census Tract and will provide further impetus to residents and businesses to locate within this tract.

(J), (K) & (L) The Project is located within the Clinton Square District which is part of New York State's and the City of Albany's Downtown Revitalization Initiative and will offer Downtown Residential opportunities.

(M) The Project Site is currently vacant.



#### **XIV. OTHER**

Is there anything else the Agency's board should know regarding this Project?

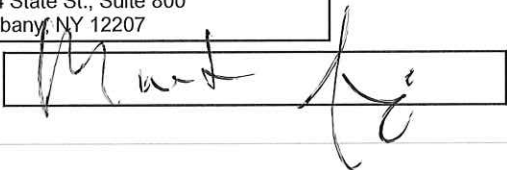
See attached

**CERTIFICATION**

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

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

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

<b>Date Signed:</b> 11/29/2019	<b>Name of Person Completing Project Questionnaire on behalf of the Company.</b>
	Name: Mark Aronowitz
	Title: Managing Member
	Phone Number: 518-694-4720
	Address: 54 State St., Suite 800 Albany, NY 12207
	<b>Signature:</b> 

## REPRESENTATIONS, CERTIFICATIONS AND INDEMNIFICATION

Mark Aronowitz (name of CEO or another authorized representative of Applicant) confirms and says that he/she is the Managing Member (title) of Broadway 915, LLC (name of corporation or other entity) named in the attached Application (the "Applicant"), that he/she has read the foregoing Application and knows the contents thereof, and hereby represents, understands, and otherwise agrees with the Agency and as follows:

A. Job Listings. Except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOC") and with the administrative entity (collectively with the DOC, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA"), as replaced by the Workforce Investment Act of 1998 (Public Law 105-220), in which the Project is located.

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

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

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

E. Annual Employment Reports. The applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the Project site, including (1) the NYS-45 – Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return – for the quarter ending December 31 (the "NYS-45"), and (2) the US Dept. of Labor BLS 3020 Multiple Worksite report if applicable. The applicant also agrees, whenever requested by the Agency, to provide and certify or cause to be provided and certified such information concerning the participation of individuals from minority groups as employees or applicants for employment with regard to the project.

F. Local Labor Information. The applicant is aware of and understands the provisions of Part 24 of the Policy Manual of the Agency. Pursuant to Part 24 of the Policy Manual of the Agency, the applicant agrees to provide information, in form and substance satisfactory to the Agency, relating to construction activities for projects; specifically: (i) the Company's contact person responsible and accountable for providing information about the bidding for and awarding of construction contracts relative to this Application and the Project, (ii) the

nature of construction jobs created by the Project, including the number, type, and duration of construction positions; and (iii) submit to the Agency a "Construction Completion Report" listing the names and business locations of prime contractors, subcontractors, and vendors who were engaged in the construction phase of the Project.

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

H. Uniform Agency Project Agreement. The applicant agrees to enter into a uniform agency project agreement with the Agency where the applicant agrees that (1) the amount of Financial Assistance to be received shall be contingent upon, and shall bear a direct relationship to the success or lack of success of such project in delivering certain described public benefits (the "Public Benefits") and (2) the Agency will be entitled to recapture some or all of the Financial Assistance granted to the applicant if (a) the project is unsuccessful in whole or in part in delivering the promised Public Benefits, (b) certain "recapture events" occur (e.g., failure to complete the Project, sale or transfer of the Project, failure to make the estimated investment, failure to maintain job employment levels and failure to make annual reporting filings with the Agency).

I. Assignment of Agency Abatements. In connection with any Agency Straight Lease Transaction or Agency Bond Transaction, the Agency may grant to the applicant certain exemptions from mortgage recording taxes, sales and use taxes and real property taxes. The applicant understands that the grant of such exemptions by the Agency is intended to benefit the applicant. Subsequently, if the applicant determines to convey the Project and, in connection with such conveyance to assign such exemptions to the purchaser, the applicant understand that any such assignment is subject to review and consent by the Agency, together with the satisfaction of any conditions that may be imposed by the Agency.

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

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

DATED: JULY 8, 2019

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

N/A

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

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

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

P. Absence of Conflicts of Interest. The applicant acknowledges that the members, officers and employees of the Agency are listed on the Agency's website. No member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

N/A

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

R. Onsite Visits. The applicant acknowledges that under the Agency's Policy Manual regarding monitoring and administration of projects, the Project is subject to periodic onsite visits by Agency staff.

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

Mark Bronovitz, being first duly sworn, deposes and says:

1. That I am the Managing Member (Corporate Office) of Bronovitz 95, LLC (Applicant) and that I am duly authorized on behalf of the Applicant to bind the Applicant.
2. That I have read the attached Application, I know the contents thereof, and that to the best of my knowledge and belief, this Application and the contents of this Application are true, accurate, and complete.

Mark Bronovitz  
(Signature of Officer)

Subscribed and affirmed to me under penalties of perjury.

This 20<sup>th</sup> day of Nov, 2019

Maria Lisa Reddy  
(Notary Public)

MARIA LISA REDDY  
Notary Public, State of New York  
No. 01RE4976665  
Qualified in Albany County  
Commission Expires 11/22/23

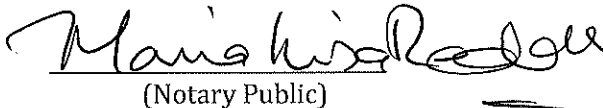
HOLD HARMLESS AGREEMENT

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

(Applicant)

BY: 

Sworn to before me this  
29<sup>th</sup> day of Nov., 2019

  
(Notary Public)

MARIA LISA REDDY  
Notary Public, State of New York  
No. 01RE4976665  
Qualified in Albany County  
Commission Expires 1/20/23

SCHEDULE A

## CREATION OF NEW JOB SKILLS

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

[illegible]

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



**NEW YORK STATE FINANCIAL REPORTING  
REQUIREMENTS FOR INDUSTRIAL DEVELOPMENT AGENCIES**

Be advised that the New York General Municipal Law imposes certain reporting requirements on IDAs and recipients of IDA financial assistance. Of importance to IDA Applicants is Section 859 (<https://www.nysenate.gov/legislation/laws/GMU/859>). This section requires IDAs to transmit financial statements within 90 days following the end of an Agency's fiscal year ending December 31, prepared by an independent, certified public accountant, to the New York State Comptroller, and the Commissioner of the New York State Department of Economic Development. These audited financial statements shall include supplemental schedules listing the following information:

1. All straight-lease ("sale-leaseback") transactions and whether or not they are obligations of the Agency.
2. All bonds and notes issued, outstanding or retired during the period and whether or not they are obligations of the Agency.
3. All new bond issues shall be listed and for each new bond issue, the following information is required:
  - a. Name of the Project financed with the bond proceeds.
  - b. Whether the Project occupant is a not-for-profit corporation.
  - c. Name and address of each owner of the Project.
  - d. The estimated amount of tax exemptions authorized for each Project.
  - e. The purpose for which the bond was issued.
  - f. The bond interest rate at issuance and, if variable, the range of interest rates applicable.
  - g. Bond maturity date.
  - h. Federal tax status of the bond issue.
  - i. Estimate of the number of jobs created and retained for the Project.
4. All new straight lease transactions shall be listed and for each new straight lease transaction, the following information is required:
  - a. Name of the Project.

DATED: JULY 8, 2019

- b. Whether the Project occupant is a not-for-profit corporation.
- c. Name and address of each owner of the Project.
- d. The estimated amount of tax exemptions authorized for each Project.
- e. The purpose for which each transaction was made.
- f. Method of financial assistance utilized for each Project, other than the tax exemptions claimed by the Project.
- g. Estimate of the number of jobs created and retained for the Project.

Sign below to indicate that you have read and understood the above.

Signature:

*Mark Aronburg*

Name:

Mark Aronburg

Title:

Managing Member

Company:

Brooklyn 95 LLC

Date:

11/29/2019

## Section XIV. Other

745 Broadway is currently a vacant lot in the heart of the Clinton Square District. The construction of the proposed six-story 80 unit apartment building with 6,600 square feet of retail space will have a significant economic impact on the downtown area.

This Project will add employment opportunities, retail spending and foot traffic to the economic landscape of four downtown neighborhoods (Clinton Square, Arbor Hill, Warehouse District and Central Business District).

During the estimated 16 month construction period upwards of 150 construction workers will be frequenting neighborhood restaurants, coffee shops and retail stores. Once completed, the project will continue to make a significant contribution to the economic revitalization of downtown Albany by increasing the number of permanent jobs and introducing over 125 new residents to the downtown market. Residents who will be spending money at the shops, restaurants and entertainment venues.

745 Broadway meets several of the Strategic Initiatives contained in recent development strategies for Downtown Albany as follows:

### Albany 2030

- Increase job opportunities for all residents.
- Encourage investment in urban land and historic buildings for employment and housing.
- Provide a variety of housing types to meet the varied needs of Albany's households, including market, moderate and low income housing.
- Encourage diverse intergenerational housing. Diverse housing includes options for residents throughout different stages of life (e.g. students, couples, families with children, seniors) in the same neighborhood.
- Provide a foundation for economic activity and increase economic diversity.

### Impact Downtown Albany

- Establish a greater critical mass of housing along Broadway.
- Encourage development proposals along Broadway compatible with a mixed-use pedestrian oriented setting.

### Downtown Revitalization Initiative

- Establish a clear and engaging gateway into the Capital City.
- Make Clinton Square a connected hub of activity
- Create mixed-income urban living options while maintaining future affordability
- Connect Albany's workforce to local employers.



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

KATHY SHEEHAN  
MAYOR

TREY KINGSTON  
CITY ASSESSOR

September 18, 2019

Joseph Landy  
21 Lodge Street  
Albany, New York 12207

**Re: 745 Broadway**

Dear Mr. Landy:

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

A six story structure consisting of:

- 80 Apartment units
  - Ranging from studio to two-bedroom
  - Fitness facility/ Rooftop terrace for apartment tenant use;
- 2 ground floor commercial units;
- Rental office.

Based on the above and consistent with the income capitalization methodology utilized by this office for other mixed-use properties throughout the City, we are projecting the current total assessed value for the subject property, consistent with the assumption that the property was in an "as-stabilized" condition as of March 1, 2019 and its value estimate was as of July 1, 2018, to be:

**\$6,800,000**

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

As such, all such financial information provided by the Applicant is assumed to be true, correct and reliable and the total assessed value set forth above was predicated, in large measure, based on such data. However, it should be noted that this value may not be valid in other time periods or as

conditions change. If new information of significance is brought to this office, the above total assessed value would be subject to change, consistent with such new information.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'TB KBB' with a long horizontal flourish extending to the right.

Trey Kingston, Esq.  
Assessor, City of Albany

**DRAFT FOR DISCUSSION PURPOSES ONLY**

**PROFESSIONAL SERVICES AGREEMENT**

**Between**

**CITY OF ALBANY**

**and**

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY**

**and**

**CITY OF ALBANY CAPITAL RESOURCE CORPORATION**

This professional services agreement, made this \_\_\_\_ day of January, 2020 (the “Agreement”) between the CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY, a public benefit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 21 Lodge Street, Albany, New York (hereinafter referred to as the “Agency”), the CITY OF ALBANY CAPITAL RESOURCE CORPORATION a not-for-profit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 21 Lodge Street, Albany, New York (hereinafter referred to as the “Corporation”), and the CITY OF ALBANY, having its principal office at City Hall, Eagle Street, Albany, New York (hereinafter referred to as the “City”):

**WITNESSETH:**

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

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

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

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

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

The office of the Corporation Counsel (the “General Counsel”) shall perform the general legal services set forth under Article 2 entitled “SCOPE OF PROFESSIONAL SERVICES” during the period commencing on January 1, 2020 and continuing until December 31, 2020. In the performance and acceptance of the services herein, the parties understand, acknowledge, and agree that the General Counsel is assuming no managerial role, nor undertaking any oversight responsibilities with regard to the powers and duties of the Agency or the Corporation or the actions or non-actions of its members and board of directors. Nothing in this Agreement should be construed to transfer governance, oversight, or fiduciary responsibilities from the Agency or the Corporation to General Counsel.

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

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

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

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

In consideration of the terms and conditions of this Agreement, the Agency and the Corporation agree to pay and the City agrees to accept, as full compensation for all services rendered under this Agreement an amount equal to \$42,000 per year. The General Counsel shall provide professional staff time towards fulfillment of this Agreement, including all administrative clerical, secretarial, accounting, compliance, and information technology support as required.

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

The Agency and the Corporation will pay the City the professional services fee referenced under Article 3 of this Agreement in a single installment due and payable no later than December 31, 2020.



## **ARTICLE 5 – TERMINATION**

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

## **ARTICLE 6 - EQUAL EMPLOYMENT OPPORTUNITY**

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

## **ARTICLE 7 - ACCOUNTING RECORDS**

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

## **ARTICLE 8 –ASSIGNING AGREEMENT**

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

## **ARTICLE 9 – OWNERSHIP OF WORK PRODUCT**

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

## **ARTICLE 10 - SURETY AND INSURANCE**

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

## **ARTICLE 11 – ARBITRATION**

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

## **ARTICLE 12 - EXTRA WORK**

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

## **ARTICLE 13 – AMENDMENT**

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

## **ARTICLE 14 - SUCCESSORS AND ASSIGNS**

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

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

**CITY OF ALBANY INDUSTRIAL  
DEVELOPMENT AGENCY**

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

**CITY OF ALBANY CAPITAL RESOURCE  
CORPORATION**

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

**CITY OF ALBANY**

By: \_\_\_\_\_  
William G. Kelly, Jr.

DRAFT FOR DISCUSSION PURPOSES ONLY

January \_\_, 2020

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

Re: City of Albany Industrial Development Agency  
Legal Services - 2020

Dear Chair Metzger:

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

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

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

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

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

Tracy L. Metzger, Chair  
January \_\_, 2020  
Page 2

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

We appreciate the opportunity to represent you.

Very truly yours,

HODGSON RUSS LLP

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

Agreed and Accepted as of this  
\_\_\_\_ day of January, 2020

CITY OF ALBANY  
INDUSTRIAL DEVELOPMENT AGENCY

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

## SCHEDULE A

### **Applicant Projects**

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

If the Agency or the Applicant requests that we perform additional services beyond those described above, our fee for those additional services will be based on the time which we devote to said additional services. Our firm’s hourly rates presently range between \$210 and \$815 for lawyers and between \$110 and \$410 for legal assistants. The current hourly rate for A. Joseph Scott, III is \$480/hour. Periodic statements showing the current legal fee due will be made available for review by the Applicant and/or the Agency upon request.

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

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

## SCHEDULE B

### **Non-Applicant Projects**

#### General

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

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

#### Calendar Year 2020 Non-Applicant Projects

We understand that the Agency desires to retain the Firm for various administrative work for the 2020 calendar year. Such work shall include the following:

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

We agree to bill such work at our normal hourly rates and we will deliver itemized bills to the Agency on a quarterly basis. We understand that the Agency has budgeted \$20,000 for such work and we agree to perform such services within that cap.

## SCHEDULE C

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

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

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

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

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

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

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

6. **PHOTOCOPIES:** Photocopies are charged at a rate of 10 cents per page. For large quantities of photocopying which do not require immediate turnaround, we will use a local photocopying service if it can provide copies at a lower rate.
7. **SHIPPING AND LOCAL DELIVERY:** The cost of shipment by Federal Express, United Parcel Service, Express Mail, U.S. Mail or other delivery service at the retail price charged for such service is invoiced directly to the client. The actual amount of the charges will depend upon the number, weight, and carrier of packages and letters sent. The client will also be charged for local delivery by outside couriers at their normal rates, and for our in-house courier (\$7.50 per delivery or package).
8. **TELEPHONE:** The Firm's telephone system allows for the attribution of long distance charges to the appropriate client and file. These charges include long distance charges for telecopies, as well as conference calls arranged through Soundpath Conferencing Services. Most of our long distance calls are placed through RCI Long Distance Service at rates approximately the same as AT&T rates.
9. **TELECOPY:** Telecopies are charged at 50 cents per page. The charge is designed to amortize the cost of acquiring and maintaining our telecopiers, as well as to cover the cost of administrative expenses associated with telecopy charges, the cost of collection and the time-value of money.
10. **TRAVEL:** The actual cost of travel, including charges for mileage for firm-owned or attorney-owned automobiles at 58 cents per mile, parking, plane or train fares, taxi, hotel, meals, etc., will be invoiced to the client.

## SCHEDULE D

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

#### General

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

#### Attorney Representation Conflicts and Waivers

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

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

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



### Client Communications

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

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

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

**and**

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

**and**

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

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

**WITNESSETH:**

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

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

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

**ARTICLE 1 -SERVICES TO BE PERFORMED**

The CAC shall perform the professional and administrative support services set forth under Article 2 entitled "SCOPE OF PROFESSIONAL SERVICES" during the period commencing on January 1, 2020 and continuing until December 31, 2020. In the performance and acceptance of the services herein, the parties understand, acknowledge and agree that the CAC is

assuming no managerial role, nor undertaking any oversight responsibilities with regard to the powers and duties of the CAIDA or the CACRC or the actions or non-actions of its Board of Directors. Nothing in this agreement should be construed to transfer governance, oversight or fiduciary responsibilities from the CAIDA or the CACRC to CAC.

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

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

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

In consideration of the terms and conditions of this agreement, the AIDA agrees to pay and the CAC agrees to accept, as full compensation for all services rendered under this agreement an amount not to exceed \$494,228. The CAC shall provide professional staff time towards fulfillment of this agreement, including all administrative clerical, secretarial, accounting, compliance, and information technology support as required.

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

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

## **ARTICLE 5 - TERMINATION**

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

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

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

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

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

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

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

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

## **ARTICLE 8 - ACCOUNTING RECORDS**

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

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

### **City of Albany Industrial Development Agency**

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

### **City of Albany Capital Resource Corporation**

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

### **Capitalize Albany Corporation**

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

## **SCHEDULE A**

### **DESCRIPTION OF SERVICES**

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

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

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



(“PARA”), including, but not limited to, working with CAIDA Agency Counsel and CAIDA Bond Counsel with respect to such policies.

B. City of Albany Capital Resource Corporation:

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

DRAFT

## CONTRACT FOR SERVICES

THIS **AGREEMENT** dated as of January xx, 2020 (the “Agreement”) between **CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY** (the “Agency”), a public benefit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 21 Lodge Street, Albany, New York, and **CAPITALIZE ALBANY CORPORATION** (the “CAC”), a not-for-profit-corporation organized and existing under the laws of the State of New York, having an office for the transaction of business located at 21 Lodge Street, Albany, New York;

### WITNESSETH:

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

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

WHEREAS, pursuant to a professional services agreement dated January XX, 2020 (the “Services Agreement”) by and between the Agency, the City of Albany Capital Resource Corporation (“the CACRC”), and the CAC, the Agency has contracted with the CAC for the administration of the Agency; and

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

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

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

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

1. **Services and Program.** The Agency and the CAC agree as follows:
  - (a) That the Agency will make available to the CAC an aggregate amount equal to \$250,000.
  - (b) That the proceeds will be used for the express purpose of funding a portion of the costs, both capital and operating costs, of the Economic Development Program of the CAC, including, but not limited to the following: (i) implementation of the Capitalize Albany strategy, (ii) general business development, including Empire Zone administration, (iii) lending programs (including loan origination, loan capitalization, and loan servicing), (iv) Downtown Residential Program, and (v) coordination and fiscal support of neighborhood and riverfront re-development.
2. **Disbursement.** Proceeds shall be paid quarterly by the Agency to the CAC in an amount equal to \$62,500 on or about the last day of the quarter, commencing on March 31, 2020 and ending on December 31, 2020. Disbursement of proceeds under this agreement based upon available cash.
3. **Compliance with Law.** The CAC covenants that it will use the moneys disbursed under this Agreement only in the manner authorized by this Agreement.
4. **Repayment.** Nothing herein shall be construed to require the CAC to reimburse the Agency.
5. **Information.** The CAC agrees to furnish to the Agency, the following: (a) progress reports regarding the Economic Development Program, (b) upon request, a financial report indicating how the proceeds are allocated; and (c) such other information as the Agency may request. In addition, the CAC shall provide the Agency with an annual report regarding the Economic Development Program.
6. **Indemnification.**
  - a. To the fullest extent permitted by law, the CAC shall defend, indemnify and hold harmless the Agency and its agents and employees from and against claims, damages, losses and expenses, including, but not limited to reasonable attorneys' fees, arising out of or resulting from the negligence or willful misconduct of CAC in CAC's performance of the tasks detailed in this Agreement, except if such claims, damages, losses or expenses are caused by the Agency's negligence or willful misconduct.
  - b. To the fullest extent permitted by law, the Agency shall defend, indemnify and hold harmless the CAC and its agents and employees from and against claims, damages, losses and expenses, including, but not limited to reasonable attorneys' fees, arising out of or resulting from the negligence or willful misconduct of Agency related to Agency's obligations in this Agreement, except if such claims, damages, losses or expenses are caused by the CAC's negligence or willful misconduct.
7. **Notices.** (a) All notices and other communications hereunder shall be in writing and shall be deemed given when mailed by United States registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

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

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

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

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

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

CITY OF ALBANY INDUSTRIAL  
DEVELOPMENT AGENCY

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

CAPITALIZE ALBANY CORPORATION

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

## CONTRACT FOR SERVICES

THIS AGREEMENT dated as of January XX, 2020 (the "Agreement") between **CITY OF ALBANY CAPITAL RESOURCE CORPORATION** (the "Corporation"), a not-for-profit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 21 Lodge Street, Albany, New York, and **CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency"), a public benefit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 21 Lodge Street, Albany, New York;

### WITNESSETH:

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

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

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

WHEREAS, pursuant to a professional services contract dated January XX, 2020 (the "Professional Services Agreement") by and among the Corporation, the Agency and Capitalize Albany Corporation (the "CAC"), the Corporation has contracted with the CAC for the management of the operations of the Corporation; and

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

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

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

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

1. **Services and Program.** The Corporation and the Agency agree as follows:
  - (a) That the Corporation will make available to the Agency an aggregate amount not to exceed the current budgeted amount of \$30,691. Actual aggregate amount due will be based on the Corporation's percentage of total project fees collected of both the Agency and the Corporation in 2020.
  - (b) That the proceeds will be used for the express purpose of funding a portion of the costs of the amounts payable under the Professional Services Agreement.
2. **Disbursement.** Proceeds shall be paid by the Corporation to the Agency on or about the last day of 2019. Disbursement of proceeds is based upon available cash.
3. **Compliance with Law.** The Agency covenants that it is aware of the laws governing the Corporation and the use of moneys of the Corporation, and the Agency agrees to use the moneys disbursed under this Agreement only in the manner so allowed.
4. **Repayment.** Nothing herein shall be construed to require the Agency to reimburse the Corporation.
5. **Information.** The Agency agrees to furnish to the Corporation, the following: (a) a financial report indicating how the proceeds are being spent; and (b) such other information as the Corporation may request. In addition, the Agency shall provide the Corporation with a copy of an annual report regarding the Economic Development Program.
6. **Indemnification.** To the fullest extent permitted by law, the Agency shall defend, indemnify and hold harmless the Corporation and its agents and employees from and against claims, damages, losses and expenses, including, but not limited to reasonable attorneys' fees, arising out of or resulting from the negligence or willful misconduct of Agency related to Agency's obligations in this Agreement, except if such claims, damages, losses or expenses are caused by the Corporation's gross negligence or willful misconduct.

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

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

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

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

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

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

CITY OF ALBANY CAPITAL RESOURCE  
CORPORATION

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

CITY OF ALBANY INDUSTRIAL  
DEVELOPMENT AGENCY

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



## **MEMO**

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

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

**RE:** Financing Guidelines

**DATE:** December 6, 2018

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

## SCHEDULE L

### STATEMENT OF INTENT AND FINANCING GUIDELINES REGARDING DEBT

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

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

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

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

City of Albany  
**Industrial Development Agency**  
21 Lodge Street  
Albany, New York 12207  
(p): 518.434.2532  
(f): 518.434.9846

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

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

## **CAIDA Finance Committee 2019 Self Evaluation**

### **1. Meetings**

- During 2019, the Finance Committee met a twelve (12) times (the charter requires the Committee to meet a minimum of 2 times per year, plus any additional meetings as needed).
- All meetings were properly noticed and open to the public as required, and all agendas, meeting materials and minutes were made available to the public in advance of each meeting on the Agency's website.
- Meeting materials were provided to board members in advance of each meeting.
- Minutes of each meeting were regularly prepared, distributed to board members and posted on the Agency's website.

### **2. 2019 Summary of Activities**

The following is a summary of the Finance Committee's activities and recommendations to the Board of Directors regarding Agency operations during 2019.

Actions taken:

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

Other Activities:

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

**3. Compliance**

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