

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*
Marisa Franchini, *Agency Counsel*

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

Cc: Robert Schofield
Susan Pado

Sarah Reginelli
Mark Opalka
Marisa Franchini
Joe Scott
Andy Corcione
Tammie Fanfa

Date: January 3, 2020

IDA FINANCE COMMITTEE AGENDA

A meeting of the Finance Committee of the City of Albany Industrial Development Agency will be held on Wednesday, January 8th 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 December 11, 2019

Report of Chief Financial Officer

- A. Quarterly Budget Report

Unfinished Business

- A. 563 New Scotland Ave, LLC
 - Discussion/Possible positive/negative recommendation for Approving Resolutions
- B. Broadway 915, LLC (745 Broadway)
 - Discussion/Possible positive/negative recommendation for Public Hearing Resolution

New Business

- A. Property Acquisition/Disposition Report
- B. Annual Investment Report

Other Business

- B. Agency Update
- C. Compliance Update

Adjournment

The next regularly scheduled Finance Committee meeting will be held Wednesday, February 12, 2019 at 21 Lodge Street, Albany, NY. Please check the website www.albanyida.com for updated meeting information.

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

IDA MINUTES OF FINANCE COMMITTEE MEETING

Wednesday, December 11, 2019

Attending: Darius Shahinfar, Tracy Metzger and Dominick Calsolaro

Absent: Lee Eck, Jahkeen Hoke

Also Present: Susan Pedo, Sarah Reginelli, Mark Opalka, Amy Lavine, Joe Scott, Tammie Fanfa, Ashley Mohl, Andy Corcione, Chris Medve and Mike Bohne

Public Present: Mark Aronowitz, David Phaff, Deb Lambek, Ryan Jankow, Miachael Hipp, Judy Doesschete

Chair Darius Shahinfar called the Finance Committee meeting of the IDA to order at 12:45 p.m.

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

Chair Darius Shahinfar reported that all Committee members were present, with the exception of Lee Eck and Jahkeen Hoke. 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 November 13, 2019. Dominick Calsolaro moved and Tracy Metzger seconded to accept the minutes as presented. A vote being taken, the motion passed unanimously.

Report of Chief Financial Officer

None.

Unfinished Business

563 New Scotland Ave, LLC

The Committee Chair introduced *the 563 New Scotland Ave, LLC* project to the Committee for recommendation to the Board for Approving Resolutions. Staff reviewed the project summary, which had been previously provided to the Committee. This project involves acquisition of approximately 3 acre parcel of land, construction on the land of approximately 188 residential apartment units and approximately 15,000 square feet of retail space. The Project will be constructed in three (3) phases and will create approximately 8 permanent FTE jobs and approximately 85 construction jobs. The Applicant is seeking real property, sales, and mortgage recording tax exemptions. The Applicant was present to respond to Committee questions. Staff provided a detailed review of the project summary, which had been previously distributed to the Committee. The Committee discussed the staff-provided analysis of the project's performance using the project evaluation and assistance framework (PEAF), which provided details on each point achieved. The Committee noted that this project is requesting assistance outside of the PEAF due to its estimated \$39.8 million investment total. Because the Applicant's request and the Project's qualification as a "Large Project" per the PEAF due to its size, the Committee had

requested a third-party review be commissioned to analyze the reasonableness of the Applicant's assumptions and the appropriateness of the request for assistance. The third-party review was presented to the Board prior to the meeting and an executive summary was made part of the materials posted to the Agency's website. Staff reviewed the contents of the analysis with the Committee.

A motion to go into Executive Session was made by Tracy Metzger and seconded by Dominick Calsolaro, the motion was approved unanimously. The basis for going into Executive Session was to discuss a potential real estate transaction the details of which could substantially impact the cost and/or timing of the transaction. The Committee entered into Executive Session at 1:20 p.m., and Staff, Counsel and the project applicant, Ryan Jankow and Debra Lambek remained in the room. A motion to exit Executive Session was made by Tracy Metzger and seconded by Dominick Calsolaro, the motion was approved unanimously. The Committee left Executive Session at 1:45 p.m. and returned to its regular session. No action was taken during the Executive Session

The Committee discussed with the Applicant the potential likelihood that more than 8 FTE jobs would be created as a result of the project. The Applicant stressed that they had not determined with certainty the number and type of commercial uses and tenants the property may have when complete. However, the Applicant felt that 15 FTEs was a more accurate representation of the expected FTEs on site at project completion and would update the documents to reflect that. The Committee discussed the Project's projected rental rates and comparisons. The Applicant noted the rental rates are inclusive of amenities such as cable and internet. General Counsel noted they would examine a possible restrictive covenant placed on the site by the owner, FM Promontory Capital, LLC, referenced during the public hearing.

A motion to advance the *563 New Scotland Ave, LLC* project to the full board was tabled in order to allow additional time for the reasonableness of the request at hand to be properly analyzed. No action was taken.

New Business

Broadway 915, LLC

Staff introduced the FC 705 Broadway, LLC project to the Committee. Project representatives were present for the meeting to discuss the project and to answer any questions. The application is for a mixed-use project, which entails the development/construction of an approx. 99,000 SF eighty (80) unit market rate apartment complex at 745 Broadway. The five story structure will also include +/- 6,600 SF of retail commercial space on the ground floor and 75 off-street parking spaces. It is anticipated that this project will create approximately 4 full time equivalent jobs. The total investment in the project will be approximately \$22.8 million. The Committee indicated that staff should proceed with further analysis.

No action was taken.

2020 Professional Services Agreements

Legal Services – General Counsel

The Committee reviewed the 2020 Professional Services Agreement for General Counsel Services for the Agency with the Committee. There are no changes to the agreement from the previous year. A motion to advance the contract to the full Board with positive recommendation was made by Tracy Metzger and seconded by Dominick Calsolaro. A vote being taken, the motion passed unanimously.

Legal Services – Bond/Special Counsel

The Committee reviewed the 2020 Professional Services Agreement for Bond/Special Counsel services for the Agency. The Committee discussed Counsel's previous excellent service, and the benefits of continuing relationships with professional service providers with prior excellent experience with the Agency. A motion to advance the contract to the full Board with positive recommendation was made by Tracy Metzger and seconded by Dominick Calsolaro. A vote being taken, the motion passed unanimously.

Professional Services

Susan Pedo and staff reminded the Committee that Susan is on the Capitalize Albany Corporation Board of Directors and that staff is employed by Capitalize Albany. The Committee reviewed the Professional Services Agreement between Capitalize Albany Corporation, and Capital Resource Corporation, in which Capitalize Albany Corporation provides professional economic development management and administrative support services to the Capital Resource Corporation. At the direction of the Board in the 2020 Budget, the amount in the Agreement has increased by \$100,000. This amount more closely aligns with services provided, and was approved by the Board for the 2020 Budget in October. Staff offered to leave the room to facilitate/allow further discussion, but the committee declined the offer. A motion to advance the contract to the full Board with positive recommendation was made by Tracy Metzger and seconded by Dominick Calsolaro. A vote being taken, the motion passed unanimously. Susan Pedo, although present, is not a member of the Finance Committee, and as such did not vote.

Contract for Services – Economic Development

Susan Pedo and staff reminded the Committee that Susan is on the Capitalize Albany Corporation Board of Directors and that staff is employed by Capitalize Albany. The Committee reviewed the Contract for Services for economic development between the City of Albany IDA and Capitalize Albany Corporation. There are no changes to the agreement from the previous year. A motion to advance the contract to the full Board with positive recommendation was made by Tracy Metzger and seconded by Dominick Calsolaro. A vote being taken, the motion passed unanimously. Susan Pedo, although present, is not a member of the Finance Committee and as such did not vote.

Contract for Services – IDA

The Committee reviewed the Contract for Services between the City of Albany IDA and the Capital Resource Corporation. A motion to advance the contract to the full Board with positive recommendation was made by Tracy Metzger and seconded by Dominick Calsolaro. A vote being taken, the motion passed unanimously. Susan Pedo, although present, is not a member of the Finance Committee and as such did not vote.

Counsel noted there were no amendments/updates to any applicable law that would necessitate changes to any of the aforementioned contracts

Financing Guideline Review

The Committee reviewed the Statement of Intent and Financing Guidelines Regarding Debt. Staff explained that that it is a best practice that the Committee reviews these guidelines annually. There were no recommended changes.

Finance Committee Self Evaluation

Staff reviewed the Finance Committee's Self Evaluation with the Committee. Staff explained that it is a best practice that the Committee performs this evaluation annually. Staff summarized the meetings, activities and accomplishments taken place over the course of the year. There were no recommended changes.

Other Business

Agency Update:

Staff updated the Committee on the technology upgrade and related expenses anticipated to be incurred as a result of new NYS Legislation that will require all IDA meetings to be live Streamed in 2020.

Staff reminded the Committee that the NYEDC Annual Meeting and Conference would be held January 29th in the Albany Capital Center.

Staff introduced a new staff member of Capitalize Albany Corporation, Chris Medve, to the Committee.

Compliance Update:

Staff informed the Committee that default letters for three projects (Dilek LLC, Nipper Apartments, LLC and 960 Broadway, LLC) had been sent. Staff will provide ongoing updates on the process and the projects.

Staff reminded the Board that board members are required to undergo the appropriate ABO training, with best practice being to undergo the training on an annual basis. The next scheduled ABO training session would be distributed to the Board and staff would follow up with members to ensure their training was up to date.

There being no further business, Chair Darius Shahinfar adjourned the meeting at 2:15 PM.

Respectfully submitted,

Lee Eck, Assistant Secretary

**City of Albany Industrial Development Agency
Statement of Revenue and Expenses to Budget
For the Quarter Ended December 31, 2019**

| | 4th Qtr Actual | 4th Qtr Budget | Variance | 2019 YTD Actual | 2019 YTD Budget | Variance | Annual Budget |
|---|----------------------------|---------------------------|----------------------------|----------------------------|----------------------------|--------------------------|--------------------------|
| Revenues: | | | | | | | |
| Agency Fees | \$ 88,501 | \$ 236,246 | \$ (147,745) | \$ 1,679,461 | \$ 981,404 | \$ 698,057 | \$ 981,404 |
| Interest | <u>7,757</u> | <u>2,933</u> | <u>4,824</u> | <u>26,724</u> | <u>11,593</u> | <u>15,131</u> | <u>11,593</u> |
| Total Revenues | <u>96,257</u> | <u>239,179</u> | <u>(142,922)</u> | <u>1,706,185</u> | <u>992,997</u> | <u>713,188</u> | <u>992,997</u> |
| Expenses: | | | | | | | |
| Professional Service Contracts | 171,520 | 160,556 | 10,964 | 494,191 | 493,224 | 967 | 493,224 |
| Sub-lease AHCC | 17,005 | 18,750 | (1,745) | 54,454 | 75,000 | (20,546) | 75,000 |
| Economic Development Support | 62,500 | 62,500 | - | 250,000 | 250,000 | - | 250,000 |
| Other Miscellaneous | 1,002 | 1,650 | (648) | 7,480 | 16,600 | (9,120) | 16,600 |
| Insurance | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,564</u> | <u>1,700</u> | <u>(136)</u> | <u>1,700</u> |
| Total Expenses | <u>252,026</u> | <u>243,456</u> | <u>8,570</u> | <u>807,690</u> | <u>836,524</u> | <u>(28,834)</u> | <u>836,524</u> |
| Excess of Revenues over expenses | <u><u>\$ (155,769)</u></u> | <u><u>\$ (4,277)</u></u> | <u><u>\$ (151,492)</u></u> | <u><u>\$ 898,495</u></u> | <u><u>\$ 156,473</u></u> | <u><u>\$ 742,022</u></u> | <u><u>\$ 156,473</u></u> |

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: January 3, 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 | \$3,750,484 | \$10,753,971 | \$7,003,487 |

| | 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

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 (\$) |
|------------------------|------------|-------------------|------------------|-----------------|
| Direct Effect | 255.00 | \$12,897,088.09 | \$16,789,942.64 | \$31,385,408.71 |
| Indirect Effect | 69.37 | \$4,123,925.27 | \$6,205,561.93 | \$10,427,658.05 |
| Induced Effect | 50.62 | \$2,696,387.97 | \$4,819,259.84 | \$7,676,772.62 |
| Total Effect | 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 (\$) |
|------------------------|------------|-------------------|------------------|--------------|
| Direct Effect | 9.51 | \$314,484.07 | \$336,001.94 | \$500,433.68 |
| Indirect Effect | 0.63 | \$41,039.97 | \$67,733.73 | \$111,902.08 |
| Induced Effect | 0.96 | \$51,228.70 | \$91,540.83 | \$145,896.52 |
| Total Effect | 11.10 | \$406,752.74 | \$495,276.50 | \$758,232.28 |

**Excerpt from IMPLAN Economic Impact Analysis 11.8.19*

Employment Impact:

- Projected Permanent: 15 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 has been received and reviewed by staff. The third party determined that the assumptions included within the application in addition to the abatement requested were within reasonable parameters.

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 also 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: \$17,929,717
- 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

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

| | | | |
|-----------------------|-------------------------------|-----------|--|
| Revitalization | Target Geography | | |
| | Distressed Census Tract | | |
| | High Vacancy Census Tract | | |
| | Downtown | | |
| | BID | | |
| | Neighborhood Plan | 1 | Midtown Colleges and Universities Study Plan |
| | Identified Priority | | |
| | Downtown Residential | | |
| | Tax Exempt/Vacant | | |
| | Identified Catalyst Site | | |
| | Historic Preservation | | |
| | Community Catalyst | 1 | Supports multiple initiatives in Albany 2030 plan |
| | Identified Growth Area | | |
| | Manufacturing / Distribution | | |
| | Technology | | |
| | Hospitality | | |
| | Existing Cluster | 1 | Medical |
| | Conversion to Residential | | |
| | <i>Subtotal</i> | 3 | |
| Job Creation | Permanent Jobs | | |
| | 3 - 40 | 1 | |
| | 41-80 | | |
| | 81 - 120 | | |
| | 121-180 | | |
| | >180 | | |
| | Retained Jobs | | |
| | 3 - 40 | | |
| | 41-80 | | |
| | 81 - 120 | | |
| | 121-180 | | |
| | >180 | | |
| | Construction Jobs | | |
| | 1 - 80 | 1 | |
| | 81 - 160 | 1 | 85 construction jobs |
| | 161 - 240 | | |
| | > 241 | | |
| | <i>Subtotal</i> | 3 | |
| Investment | Financial Commitment | | |
| | 2.5M - 10M | 1 | |
| | 10.1M-17.5M | 1 | |
| | 17.6M-25M | 1 | |
| | <i>Subtotal</i> | 3 | |
| | Community Commitment | | |
| | 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> | 1 | |
| Total: | | 10 | <i>*Must achieve threshold of 10 to qualify for deviation</i> |

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

***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

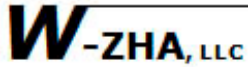
The Project consists of 188 dwelling units and 15,000 square feet of commercial space.

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

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.

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: 13
 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 | in the Project and will update | this application | prior to closing |
| if necessary | | | |
| | | | |

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?

☐ 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:

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?¹ ☒ 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.¹

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:

Agency Contact:

Date of submission:

Status of submission:

Final SEQRA

determination:

A) Site Characteristics:

Describe the present zoning and land use regulation:

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:

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

☒ Yes ☐ No

If yes, indicate number and size of 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 ²¹ | New Year 2 - 20 ²² | New Year 3 - 20 ²³ | Total Year 4-20 ²⁴ |
| Full-time | 2 | 2 | 5 | | |
| Part-time | 1 | 0 | 13 | | |
| 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 ² | Number of Current FTE | FTE in Year 1 20 ²¹ | FTE in Year 2 20 ²² | FTE in Year 3 20 ²³ | Total New FTE by Year 4 20 ²⁴ |
| Professional/Management | \$35,000-\$50,000 | 2 | 2 | 4 | | |
| Administrative | | | | | | |
| Sales | | | | | | |
| Services | | | | | | |
| Manufacturing | | | | | | |
| High-Skilled | \$41,000-\$60,000 | | | 1 | | |
| Medium-Skilled | \$15,000-\$25,000 | | | 10 | | |
| Basic-Skilled | | | | | | |
| Other (specify) | | | | | | |
| | | | | | | |
| Total (auto-calculated) | | 2 | 2 | 15 | 0 | 0 |

² 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)

| | | |
|--|--|--|
| Revitalization Target Geography <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 | Investment Financial Commitment (cumulative) <input checked="" type="checkbox"/> 2.5M - 10M <input checked="" type="checkbox"/> 10.1 - 17.5M <input checked="" type="checkbox"/> 17.6M - 25M | Employment Permanent Jobs (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 |
| Identified Priority <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 | Community Commitment <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 | Retained Jobs (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 |
| Identified Growth Area <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 | | Construction Jobs (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 Without PILOT ³ | Estimated Total Without 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>

³ 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 ⁴ : | \$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%) ⁵ : | \$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 |

⁴ 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.

⁵ 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;"> We anticipate constructing the project over a 4-5 year period in three phases </div> | | |

DATED: JULY 8, 2019

PROJECTED PROJECT INVESTMENT

| | |
|---|---------------|
| A. Land-Related Costs | |
| 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. Building-Related Costs | |
| 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) | |
| C. Machinery and Equipment Costs | |
| 1. Production and process equipment | |
| 2. Packaging equipment | |
| 3. Warehousing equipment | |
| 4. Installation costs for various equipment | |
| 5. Other equipment-related costs (describe) | |
| D. Furniture and Fixture Costs | |
| 1. Office furniture | |
| 2. Office equipment | |
| 3. Computers | |
| 4. Other furniture-related costs (describe) | |
| E. Working Capital Costs | |
| 1. Operation costs | |
| 2. Production costs | |
| 3. Raw materials | |
| 4. Debt service | |
| 5. Relocation costs | |
| 6. Skills training | |
| 7. Other working capital-related costs (describe) | |
| F. Professional Service Costs | |
| 1. Architecture and engineering | |
| 2. Accounting/legal | |
| 3. Other service-related costs (describe) | |
| G. Other Costs | |
| 1. _____ | \$ 780,000 |
| 2. _____ | |
| H. Summary of Expenditures | |
| 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 st year following project completion) | \$ 0 |
| Additional Sales Tax Paid on Additional Purchases | \$ 0 |
| Estimated Additional Sales (1 st full year following project completion) | \$ 100,000 |
| Estimated Additional Sales Tax to be collected on additional sales (1 st 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

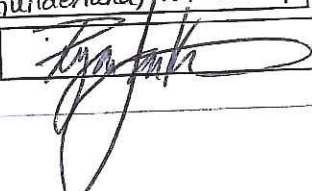
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DATED: JULY 8, 2019

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

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:

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.

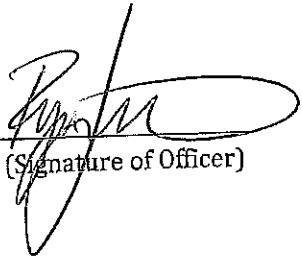
R. Onsite Visits. The applicant acknowledges that under the Agency's Policy Manual regarding monitoring and administration of projects, the Project is subject to periodic onsite visits by Agency staff.

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DATED: JULY 8, 2019

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

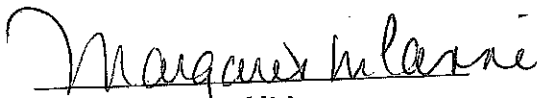
Ryan Jankow, being first duly sworn, deposes and says:

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 9th 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

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DATED: JULY 8, 2019

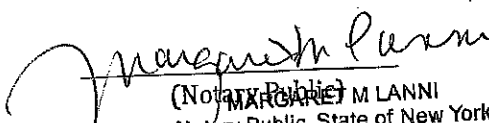
HOLD HARMLESS AGREEMENT

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.

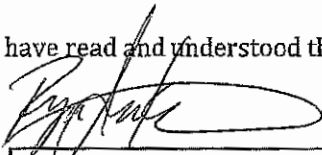
Signature:

Name:

Title:

Company:

Date:

| |
|---|
|  |
| Ryan Jankow |
| President / member |
| 563 New Scotland Ave LLC |
| 9-8-19 |

| NSV - PILOT PHASE I | | | | | | | | | | | | | | | | |
|---------------------------------|------------------------|-----------------|-------------------------|--|--------------------------------------|--------------------------------|--|--|--|---|--|-------------------------------------|---|--|---|--|
| PILOT Year | City & County Tax Year | School Tax Year | Tax Rate ⁽⁴⁾ | Status Quo | | Proposed Project | | | | | | | | | | |
| | | | | Estimated Total 2019 Assessment ⁽⁵⁾ | Estimated Total Taxes ⁽⁶⁾ | Base Assessment ⁽⁷⁾ | Estimated Total Improved Assessment ⁽⁸⁾ | Estimated Total Taxes w/o PILOT ⁽⁹⁾ | Estimated Total Taxes w/o PILOT Per Unit ⁽¹⁰⁾ | PILOT Payments to be the Greater of ⁽¹¹⁾ | | | | | | |
| | | | | | | | | | | Estimated PILOT Payments ⁽¹²⁾ | Estimated PILOT Payments ⁽¹²⁾ | Estimated Abatement ⁽¹³⁾ | Estimated PILOT Payments Per Unit ⁽¹⁴⁾ | Estimated Abatement Per Unit ⁽¹⁵⁾ | % Abatement on Total Assessment ⁽¹⁶⁾ | % Abatement on Improved Assessment ⁽¹⁷⁾ |
| Construction ⁽¹⁾ | 2021 | 2021/2022 | \$50.45 | \$1,254,556 | \$63,292 | | - | - | - | - | | - | - | - | - | - |
| 1 ⁽²⁾ | 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 ⁽³⁾ | 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 ⁽¹⁸⁾ | | | | | \$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 ⁽⁴⁾ | Status Quo | | Proposed Project | | | | | | | | | | |
| | | | | | | Normal Tax | | | | PILOT Payments to be the Greater of ⁽¹¹⁾ | | | | | | |
| | | | | Estimated Total 2019 Assessment ⁽⁵⁾ | Estimated Total Taxes ⁽⁶⁾ | Base Assessment ⁽⁷⁾ | Estimated Total Improved Assessment ⁽⁸⁾ | Estimated Total Taxes w/o PILOT ⁽⁹⁾ | Estimated Total Taxes w/o PILOT Per Unit ⁽¹⁰⁾ | Estimated PILOT Payments ⁽¹²⁾ | Estimated PILOT Payments ⁽¹²⁾ | Estimated Abatement ⁽¹³⁾ | Estimated PILOT Payments Per Unit ⁽¹⁴⁾ | Estimated Abatement Per Unit ⁽¹⁵⁾ | % Abatement on Total Assessment ⁽¹⁶⁾ | % Abatement on Improved Assessment ⁽¹⁷⁾ |
| Construction ⁽¹⁾ | 2023 | 2023/2024 | \$52.49 | \$285,126 | \$14,966 | - | - | - | - | - | | - | - | - | - | - |
| 1 ⁽²⁾ | 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 ⁽³⁾ | 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 ⁽¹⁸⁾ | | | | | \$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 ⁽⁴⁾ | Status Quo | | Proposed Project | | | | | | | | | | |
| | | | | | | Normal Tax | | | | PILOT Payments to be the Greater of ⁽¹¹⁾ | | | | | | |
| | | | | Estimated Total 2019 Assessment ⁽⁵⁾ | Estimated Total Taxes ⁽⁶⁾ | Base Assessment ⁽⁷⁾ | Estimated Total Improved Assessment ⁽⁸⁾ | Estimated Total Taxes w/o PILOT ⁽⁹⁾ | Estimated Total Taxes w/o PILOT Per Unit ⁽¹⁰⁾ | Estimated PILOT Payments ⁽¹²⁾ | Estimated PILOT Payments ⁽¹²⁾ | Estimated Abatement ⁽¹³⁾ | Estimated PILOT Payments Per Unit ⁽¹⁴⁾ | Estimated Abatement Per Unit ⁽¹⁵⁾ | % Abatement on Total Assessment ⁽¹⁶⁾ | % Abatement on Improved Assessment ⁽¹⁷⁾ |
| Construction ⁽¹⁾ | 2025 | 2025/2026 | \$54.61 | \$1,311,581 | \$71,625 | | - | - | - | - | | - | - | - | - | - |
| 1 ⁽²⁾ | 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 ⁽³⁾ | 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 ⁽¹⁸⁾ | | | | | \$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 | |
| | | | \$3,801,216 | | | \$10,187,467 |

TOTAL BENEFIT: \$6,386,252

EXHIBIT A

DESCRIPTION OF THE PROJECT EVALUATION AND EXPECTED PUBLIC BENEFITS

563 NEW SCOTLAND AVE, LLC PROJECT

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

| Description of Evaluation Criteria/Benefit | | Applicable to Project (indicate Yes or No) | | Criteria Assessment/ Expected Benefit |
|--|--|--|-----------------------------|---|
| 1. | Retention of direct and indirect existing jobs | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | <p>Project will increase the level of activity in the Upper New Scotland Ave Corridor, thereby promoting the retention of existing jobs.</p> <p>The Company expects that the Project will result in the retention and creation of employment in the retail, restaurant, entertainment and office operations located in the surrounding area.</p> |
| 2. | Creation of direct and indirect new permanent jobs | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | <p>Project will increase the level of activity in the Upper New Scotland Ave Corridor, thereby promoting the creation of new permanent jobs.</p> <p>The Project will create 3 new full time equivalent jobs.</p> <p>The Company expects that the Project will result in the retention and creation of employment in the retail, restaurant, entertainment, service and office operations located in the surrounding area.</p> |

| | | | | |
|----|---|---|-----------------------------|--|
| 3. | Estimated value of tax exemptions | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | <p>The exemptions have been weighed against the cumulative benefits of the Project.</p> <p>NYS Sales and Compensating Use Tax Exemption: \$1,200,000 Mortgage Recording Tax Exemption: \$330,000 Real Property Tax Exemption: \$18,343,842</p> |
| 4. | Private sector investment | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | <p>Project applicant expects to invest over \$37.9 million of private investment in the Project.</p> |
| 5. | Likelihood of Project being accomplished in a timely fashion | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | <p>High likelihood that Project will be accomplished in a timely fashion.</p> <p>The Project has received full Planning Board approval.</p> <p>The Applicant expects to close on the purchase of the property in 4Q 2019.</p> |
| 6. | Extent of new revenue provided to local taxing jurisdictions. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | <p>Project will result in new revenue to local taxing jurisdictions under the proposed PILOT program through the City of Albany IDA.</p> <p>Project will result in an increase in assessed value from the current total assessment: \$2,851,263 (Per City of Albany Commissioner of Assessment and Taxation 2019 Assessment Roll) to the estimated improved total assessment: \$21,900,000 (Per City of Albany Commissioner of Assessment and Taxation).</p> |

| | | | | |
|----|--------|---|-----------------------------|---|
| 7. | Other: | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | <p>The Project will increase the consumer base to support local businesses and employers.</p> <p>The Project will have a positive revitalizing effect on the community by developing in a strategically identified neighborhood location.</p> <p>The Project meets the intent and furthers the implementation of the following City of Albany strategic initiatives: Albany 2030.</p> |
|----|--------|---|-----------------------------|---|

DRAFT

TO: City of Albany Industrial Development Finance Committee
FROM: City of Albany Industrial Development Agency Staff
RE: 915 Broadway, LLC - IDA Application Summary
DATE: January 3, 2020

Applicant: 915 Broadway, LLC

Managing Members (% of Ownership): Mark Aronowitz (50%) and Norman Nichols (50%)

Project Location: 745 Broadway, Albany, NY

Project Description: The Project proposes to construct a 5-story mixed-use residential commercial retail structure containing approximately 80 residential market rate apartment units and 6,600 SF of commercial retail space on the ground floor. The 1.38 acre project site, which is currently a parking lot, will also include approx. 75 off-street parking spaces.

Estimated Project Real Property Benefit Summary (18 Years):

| | Status Quo Taxes (no project) Non-Homestead Rate | Project Impact (PILOT Payments) | Net Benefit |
|--------------------------------------|---|------------------------------------|-------------|
| Revenue Gain to Taxing Jurisdictions | \$592,920 | \$3,556,711 | \$2,963,791 |

| | Current Value | Anticipated Future Value* | Net Increase |
|-------------------------|---------------|------------------------------|--------------|
| Property Value Increase | \$510,000 | \$6,800,000 | \$6,290,000 |

**Project Impact Assessed Value based on letter from the City of Albany Assessor dated 07-01-18*

At the end of the PILOT period, the project is anticipated to make annual tax payments to the taxing jurisdictions of \$537,664 based on an assessed value of **\$6,800,000** and an annual tax rate of 7.75%.

Estimated Investment: \$22,800,000 (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. The project is also located in a high vacancy census tract.
- *Identified Priority:* The project further supports the downtown residential initiative.
- *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 four (4) full-time equivalent and one hundred and fifty (150) construction jobs.
- *Investment:* The project is anticipating a project cost of more than \$22 million.

Employment Impact Analysis: The Capital District Regional Planning Commission has been engaged to run an Economic Impact Analysis through the IMPLAN platform. This analysis will examine both the construction and permanent operating impact of the project as it relates to employment, labor income, value added and total output dollars. This analysis will be available prior to the public hearing in February 2020.

Employment Impact:

- Projected Permanent: 4 jobs
- Projected Retained: 0 jobs
- Projected Construction: 150 jobs

Type of Financing: Straight Lease

Amount of Bonds Requested: None

Estimated Total Purchases Exempt from Sales Tax: \$6,560,000

Estimated Total Mortgage Amount: not to exceed \$17,100,000

Requested PILOT: The proposal entails the Applicant entering into a PILOT agreements with the IDA consistent with CAIDA Project Evaluation and Assistance Framework abatement percentages with a deviation is the base assessed value for the first five (5) years of the project.

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 well in advance of the Public Hearing in February 2020.

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: \$524,800
- Mortgage Recording Taxes: \$171,000
- Real Property Taxes: \$4,290,347
- 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 expected in 1Q 2020
- 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: \$228,000

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: | 915 Broadway, LLC | | |
| Total Score: | 10 | | |
| *Qualifies for a PILOT Deviation? | YES | **Qualifies for Community Commitment Enhancement? | NO |
| Total Improved Assessed Value Estimate: | \$6,800,000 | Units: | 81 |
| Notes/Applicable Program Restrictions: | Improved Assessed Value/Unit Estimate: \$83,950.62 | | |
| | Project address is 745 Broadway | | |

COMMENTS

| | | | | |
|----------------|------------------------------|---|--|--|
| Revitalization | Target Geography | | | |
| | Distressed Census Tract | | | |
| | High Vacancy Census Tract | 1 | Census tract 11 | |
| | Downtown | 1 | | |
| | BID | | | |
| | Neighborhood Plan | 1 | Within boundaries of Impact Downtown Plan | |
| | Identified Priority | | | |
| | Downtown Residential | 1 | | |
| | Tax Exempt/Vacant | | | |
| | Identified Catalyst Site | | | |
| | Historic Preservation | | | |
| | Community Catalyst | | | |
| | Identified Growth Area | | | |
| | Manufacturing / Distribution | | | |
| | Technology | | | |
| | Hospitality | | | |
| | Existing Cluster | | | |
| | Conversion to Residential | | | |
| Subtotal | | 4 | | |
| Job Creation | Permanent Jobs | | | |
| | 3 - 40 | 1 | 4 projected FTEs | |
| | 41-80 | | | |
| | 81 - 120 | | | |
| | 121-180 | | | |
| | >180 | | | |
| | Retained Jobs | | | |
| | 3 - 40 | | | |
| | 41-80 | | | |
| | 81 - 120 | | | |
| | 121-180 | | | |
| | >180 | | | |
| | Construction Jobs | | | |
| | 1 - 80 | 1 | | |
| | 81 - 160 | 1 | 150 projected construction jobs | |
| | 161 - 240 | | | |
| | > 241 | | | |
| | Subtotal | | 3 | |
| Investment | Financial Commitment | | | |
| | 2.5M - 10M | 1 | | |
| | 10.1M-17.5M | 1 | | |
| | 17.6M-25M | 1 | 22.8 Million | |
| | Subtotal | | 3 | |
| | Community Commitment | | | |
| | MWBE | | | |
| | EEO Workforce Utilization | | | |
| | Inclusionary Housing | | | |
| | Regional Labor | | Developer anticipates utilizing a significant percentage of Regional Labor for construction jobs | |
| | City of Albany Labor | | | |
| | Apprenticeship Program | | | |
| | Subtotal | | 0 | |
| | Total: | | 10 | *Must achieve threshold of 10 to qualify for deviation |

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

***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

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

Mark L. Aronowitz
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.

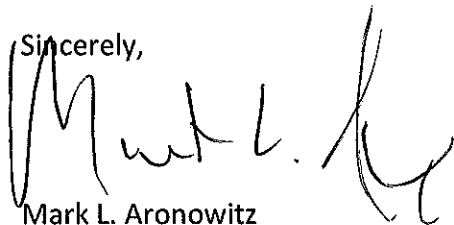
We believe the project will satisfy 11 of the Community Benefit Metrics outlined in the IDA's Project Evaluation and Assistance Framework: (i) High Vacancy Census Tract (ii) Downtown (iii) Neighborhood Plan (iv) Downtown Residential (v) Vacant (vi – viii) Financial Commitment (x) Regional Labor (xii)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

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.

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 approximately 75 surface parking spaces.

Type of Project:

| | |
|--|---|
| <input type="checkbox"/> Manufacturing | <input type="checkbox"/> Warehouse/Distribution |
| <input type="checkbox"/> Commercial | <input type="checkbox"/> Not-For-Profit |
| <input checked="" type="checkbox"/> Other-Specify <u>Mixed Use</u> | |

Employment Impact:

| | |
|----------------------------|----------------------|
| Existing FTE Jobs: | <u>N/A</u> |
| Retained FTE Jobs: | <u>N/A</u> |
| FTE Jobs Created: | <u>4 ESTIMATED</u> |
| Construction Jobs Created: | <u>150 ESTIMATED</u> |

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: | \$213,750 |
| Real Property Tax Exemptions: (auto-calculated) | \$4,303,982 |
| 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:

Address:

City: State: Zip:

Federal ID/EIN: Website:

Primary Contact:

Title:

Phone: Email:

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:

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:

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 approximately 75 surface parking spaces.

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

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 INCLUDING 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?¹ ☒ 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.¹

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):

| | | Projected FTEs | | | |
|-----------|--------------|---------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | Current FTEs | New Year 1- 20 ²¹ | New Year 2 – 20 ²² | New Year 3 – 20 ²³ | Total Year 4-20 ²⁴ |
| 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 ² | Number of Current FTE | FTE in Year 1 20 ²¹ | FTE in Year 2 20 ²² | FTE in Year 3 20 ²³ | Total New FTE by Year 4 20 ²⁴ |
| 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 |

² 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 |
| | |
| TOTAL PROJECT COST | \$22,800,000 |

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) | <input checked="" type="checkbox"/> "But For" Requirement |
| Approval Date: <input type="text" value="TBD"/> | | |

Community Benefit Metrics (Must Achieve 10)

| | | |
|--|--|--|
| Revitalization Target Geography <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 | Investment Financial Commitment (cumulative) <input checked="" type="checkbox"/> 2.5M - 10M <input checked="" type="checkbox"/> 10.1 - 17.5M <input checked="" type="checkbox"/> 17.6M - 25M | Employment Permanent Jobs (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 |
| Identified Priority <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 | Community Commitment <input type="checkbox"/> MWBE/DBE Participation <input type="checkbox"/> EEO Workforce Utilization <input type="checkbox"/> Inclusionary Housing <input type="checkbox"/> Regional Labor <input type="checkbox"/> City of Albany Labor <input type="checkbox"/> Apprenticeship Program | Retained Jobs (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 |
| Identified Growth Area <input type="checkbox"/> Manufacturing/Distribution <input type="checkbox"/> Technology <input type="checkbox"/> Hospitality <input type="checkbox"/> Existing Cluster <input type="checkbox"/> Conversion to Residential | | Construction Jobs (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 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 Without PILOT ³ | Estimated Total Without PILOT | PILOT Abatement % based on Framework schedule Abatement percentages must be entered in decimals | *Estimated PILOT Payments |
|------------|------------------------------|---|--------------------------------------|---|---------------------------|
| 1 | \$ 25,957 | \$274,836 | \$346,090 | 90% | \$55,350 |
| 2 | \$ 26,476 | \$280,333 | \$353,011 | 90% | \$ 56,457 |
| 3 | \$ 27,005 | \$285,939 | \$360,072 | 90% | \$ 57,586 |
| 4 | \$ 27,545 | \$291,658 | \$367,273 | 90% | \$ 58,738 |
| 5 | \$ 28,096 | \$297,491 | \$374,619 | 90% | \$ 59,913 |
| 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 | | \$ 3,106,598 |

**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>

³ 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 PILOT Payment for the first five years be set at \$675.00 per unit plus any increase in the annual tax rate, estimated to be 2% in the above chart. Beginning with year six the proposed PILOT Payment reverts to the Standard CAIDA Framework.

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 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 tax⁴:

\$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%)⁵:

\$213,750

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):

\$4,303,982

C. Estimated Value of Sales Tax Incentive:

\$524,800

D. Estimated Value of Mortgage Tax Incentive:

\$213,750

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

\$0

⁴ 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.

⁵ 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: | \$ 5,042,532 | |
| A. Amount of Bonds Sought: | \$0 | |
| B. Value of Sales Tax Exemption Sought | \$524,800 | |
| C. Value of Real Property Tax Exemption Sought | \$4,303,982 | |
| D. Value of Mortgage Recording Tax Exemption Sought | \$213,750 | |
| 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. | |

DATED: JULY 8, 2019

PROJECTED PROJECT INVESTMENT

| | |
|---|---------------|
| A. Land-Related Costs | |
| 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. Building-Related Costs | |
| 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) | |
| C. Machinery and Equipment Costs | |
| 1. Production and process equipment | |
| 2. Packaging equipment | |
| 3. Warehousing equipment | |
| 4. Installation costs for various equipment | |
| 5. Other equipment-related costs (describe) | |
| D. Furniture and Fixture Costs | |
| 1. Office furniture | |
| 2. Office equipment | |
| 3. Computers | |
| 4. Other furniture-related costs (describe) | \$ 100,000 |
| E. Working Capital Costs | |
| 1. Operation costs | |
| 2. Production costs | |
| 3. Raw materials | |
| 4. Debt service | |
| 5. Relocation costs | |
| 6. Skills training | |
| 7. Other working capital-related costs (describe) | |
| F. Professional Service Costs | |
| 1. Architecture and engineering | \$ 492,000 |
| 2. Accounting/legal | \$ 80,000 |
| 3. Other service-related costs (describe) | |
| G. Other Costs | |
| 1. _____ | \$ 1,000,500 |
| 2. _____ | \$ 3,327,500 |
| H. Summary of Expenditures | |
| 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 | \$ 1,147,255 |
| 2 | \$ 1,155,484 | \$ 1,452,038 |
| 3 | \$ 1,176,037 | \$ 1,478,523 |
| 4 | \$ 1,196,624 | \$ 1,505,159 |
| 5 | \$ 1,217,569 | \$ 1,532,275 |

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 st year following project completion) | \$ 10,000 |
| Additional Sales Tax Paid on Additional Purchases | \$ 800 |
| Estimated Additional Sales (1 st full year following project completion) | \$ 500,000 |
| Estimated Additional Sales Tax to be collected on additional sales (1 st 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 | \$55,350 | \$29,393 |
| Year 2 | \$ 26,476 | \$ 56,457 | \$29,981 |
| Year 3 | \$ 27,005 | \$ 57,586 | \$30,581 |
| Year 4 | \$ 27,545 | \$ 58,738 | \$31,192 |
| Year 5 | \$ 28,096 | \$ 59,913 | \$31,816 |
| 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 | | | |
| | | | \$ 2,550,805 |

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?

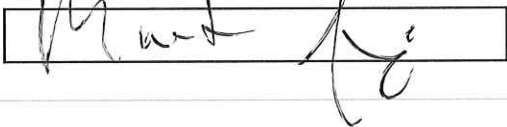
See attached

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.

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

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

DATED: JULY 8, 2019

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:

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.

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 915, 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 24th 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 11/28/23

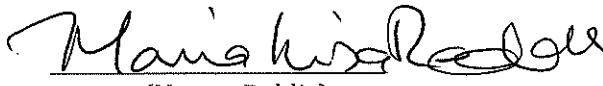
HOLD HARMLESS AGREEMENT

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
29th day of Nov, 2019


(Notary Public)

MARIA LISA REDDY
Notary Public, State of New York
No. 01RE4976665
Qualified in Albany County
Commission Expires 1/22/23

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:

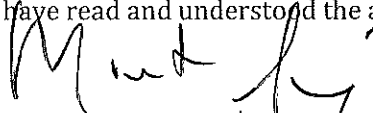
1. All straight-lease ("sale-leaseback") transactions and whether or not they are obligations of the Agency.
2. All bonds and notes issued, outstanding or retired during the period and whether or not they are obligations of the Agency.
3. All new bond issues shall be listed and for each new bond issue, 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:



Name:

Mark Aronowitz

Title:

Managing Member

Company:

Brooklyn 911 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 stylized flourish at the end.

Trey Kingston, Esq.
Assessor, City of Albany

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

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

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

**City of Albany Industrial Development Agency
Annual Investment Report
For the Year-Ending 12/31/19**

As required by the City of Albany IDA's (the Agency) investment policy, the annual investment report is hereby submitted for your review. The following chart identifies the depositories of Agency funds as well as balances invested at year-end.

| | |
|--|-------------|
| Community Bank, N.A. One Tallman Road Canton, NY 13617 | \$3,361,084 |
|--|-------------|

All Agency funds are held in either a money market or checking account at each of the financial institutions listed above and are either covered by FDIC insurance or collateralized. While not included in the New York State Authorities Budget Office definition of "investments," these holdings are considered "investments" by the Agency's policy manual. A summary of the activity in the Agency's checking and money market accounts for the year-ending December 31, 2019 is as follows:

Checking Accounts

| | <u>Community Bank N.A.</u> |
|--------------------------|----------------------------|
| Beginning Balance 1/1/19 | \$ 77,440 |
| Additions during year | 2,140,546 |
| Withdrawals during year | 2,170,599 |
| Interest Earned | <u>0</u> |
| Ending Balance 12/31/19 | <u>\$ 47,387</u> |

Money Market Accounts**Community Bank N.A.**

| | |
|--------------------------|--------------------|
| Beginning Balance 1/1/19 | \$2,486,390 |
| Additions during year | 1,328,416 |
| Withdrawals during year | 527,833 |
| Interest Earned | <u>26,724</u> |
| Ending Balance 12/31/18 | <u>\$3,313,697</u> |

Please note that a detailed summary of the cash activity of the Agency is provided at each Board meeting.

Interest Income:

Interest income for 2019 was equal to \$26,724 about \$14,324 more than 2018 interest income of \$12,400. This increase in interest income was a result of a higher average monthly balances in the agency's bank accounts due to increased fee revenue as well as higher interest rates earned during 2019.

Annual Audit:

The firm of Teal, Becker & Chiarmonte has been engaged to perform an audit of the 2019 financial activity of the Agency. As part of this engagement, Teal, Becker & Chiarmonte will audit the balances of the Agency's depository accounts. This audit is expected to be completed in March 2020.

City of Albany
Industrial Development Agency

**21 Lodge Street
Albany, New York 12207
(p): 518.434.2532
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Tracy Metzger, *Chair*
Susan Pedo, *Vice Chair*
Darius Shahinfar, *Treasurer*
Lee Eck, *Secretary*
Dominick Calsolaro
Robert Schofield
Jahkeen Hoke

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

In accordance with Section 2896(3) of PAL, the Agency is required to prepare a report at least annually of all real property of the Agency.

Real Property owned as of December 31, 2019: NONE

Mark Opalka, Chief Financial Officer
City of Albany Industrial Development Agency