

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY**

**APPLICATION**

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

This application by applicant respectfully states:

APPLICANT: 1385 Washington Avenue Property Associates, LLC

APPLICANT'S ADDRESS: c/o Corporation Service Company – 2711 Centerville Rd, Suite 400

CITY: Wilmington STATE: Delaware ZIP CODE: 19808

PHONE NO.: 410.230.0003 FAX NO.: 443.782.0653 E-MAIL: jgrant@grantarchitects.com

NAME OF PERSON(S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO THIS APPLICATION: Donald Zee, Jon Grant, Patrick Rhodes, Cheryl Henry-Fawcett

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

NAME OF ATTORNEY: Donald Zee

ATTORNEY'S ADDRESS: 1 Winners Circle, Suite 140

CITY: Albany STATE: New York ZIP CODE: 12205

PHONE NO.: 518-489-9423 FAX NO.: 518-489-9428 E-MAIL: donaldzeepc@msn.com

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

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## INSTRUCTIONS

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

each application. THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS ACCOMPANIED BY THE APPLICATION FEE.

10. The Agency has also established an administrative fee equal to (A) one percent (1%) of the cost of the Project in the case of an Agency Straight Lease Transaction, and (B) one percent (1%) of the aggregate principal amount of the bonds to be issued by the Agency in the case of an Agency Bond Transaction. The Agency has also established an administrative fee for the issuance of refunding bonds for Agency Bond Transactions. The formula for the calculation of the administrative fee for the issuance of refunding bonds is outlined in the Agency's Policy Manual. THESE FEES ARE PAYABLE ON THE CLOSING DATE.

FOR AGENCY USE ONLY

1. Project Number	_____
2. Date application Received by Agency	_____, 20____
3. Date application referred to attorney for review	_____, 20____
4. Date copy of application mailed to members	_____, 20____
5. Date notice of Agency meeting on application posted	_____, 20____
6. Date notice of Agency meeting on application mailed	_____, 20____
7. Date of Agency meeting on application	_____, 20____
8. Date Agency conditionally approved application	_____, 20____
9. Date scheduled for public hearing	_____, 20____
10. Date Environmental Assessment Form ("EAF") received	_____, 20____
11. Date Agency completed environmental review	_____, 20____
12. Date of final approval of application	_____, 20____

## SUMMARY OF PROJECT

Applicant: 1385 Washington Ave Property Associates, LLC

Contact Person: Jon M. Grant

Phone Number: 410-230-0003

Occupant: Owned and operated by Applicant

Project Location: 1385 Washington Avenue, Albany, NY

Approximate Size of Project Site: 4.3 AC

### Description of Project:

A to-be-constructed four-story student housing complex consisting of approximately 322 student housing beds (101 units) over a partial underground parking level of 146 parking spaces, with total parking spaces of 170-178.

Type of Project:

☐ Manufacturing

☐ Warehouse/Distribution

☐ Commercial ☒ X

☐ Not-For-Profit

Other-Specify  
[student housing]

Employment Impact: Existing Jobs 3 FTE + 4 P/T Seasonally

New Jobs 90 construction jobs  
7 ongoing FTE Jobs Associated  
(5 during lease-up period)

Project Cost: \$ 30,535,000 est.

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

Amount of Bonds Requested: \$ N/A

Estimated Value of Tax-Exemptions:

N.Y.S. Sales and Compensating Use Tax:	\$ 820,000 (est)
Mortgage Recording Taxes:	\$ 267,185 (est)
Real Property Tax Exemptions:	\$ 1,400,597 (aggregate, non-discounted)
Other (please specify):	\$ _____

Provide estimates for the following:

Number of Full Time Employees at the Project Site before IDA Status:	3
Estimate of Jobs to be Created:	7
Estimate of Jobs to be Retained:	0
Average Estimated Annual Salary of Jobs to be Created:	\$ 43,965
Annualized Salary Range of Jobs to be Created:	\$20,000-\$60,000
Estimated Average Annual Salary of Jobs to be Retained:	N/A

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

A. Identity of Company:

1. Company Name: 1385 Washington Ave Property Associates, LLC  
  
Present Address: 2711 Centerville Rd, Ste 400 Wilmington, DE  
  
Zip Code: 19808  
  
Employer's ID No.: 81-1582431
2. If the Company differs from the Applicant, give details of relationship: N/A
3. Indicate type of business organization of Company:
  - a. \_\_\_\_\_ Corporation (If so, incorporated in what country?  
What State? \_\_\_\_\_ Date Incorporated? Type of  
Corporation? \_\_\_\_\_ Authorized to do business in New York?  
Yes \_\_\_\_; No \_\_\_\_).
  - b. Partnership (if so, indicate type of partnership \_\_\_\_\_, Number  
of general partners \_\_\_\_\_, Number of limited partners \_\_\_\_).
  - c. ☒ Limited liability company,  
Date created? 02/16/2016
  - d. \_\_\_\_\_ Sole proprietorship
4. Is the Company a subsidiary or direct or indirect affiliate of any other  
organization(s)? If so, indicate name of related organization(s) and relationship:  
No.

B. Management of Company:

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

NAME (First, Middle, Last) HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
GSX Solutions, LLC 7 Old Solomon's Island Rd Suite 200 Annapolis, MD 21401	Sole Member	Real Estate Development

2. Is the Company or management of the Company now a plaintiff or a defendant in any civil or criminal litigation? Yes \_\_\_\_; No **X**.
3. Has any person listed above ever been convicted of a criminal offense (other than a minor traffic violation)? Yes \_\_\_\_; No **X**..
4. Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated a bankrupt? Yes \_\_\_\_; No **X**... (If yes to any of the foregoing, furnish details in a separate attachment).
5. If the answer to any of questions 2 through 4 is yes, please, furnish details in a separate attachment.

C. Principal Owners of Company:

1. Principal owners of Company: Is Company publicly held? Yes \_\_\_\_; No **X**  
If yes, list exchanges where stock traded:
2. If no, list all stockholders having a 5% or more interest in the Company:



NAME	ADDRESS	PERCENTAGE OF HOLDING
1385 Washington Ave Partners LLC	c/o Corporation Service Company 2711 Centerville Rd, Suite 400 Wilmington, Delaware 19808	100%

- D. Company's Principal Bank(s) of account:  
To Be Determined

## II. DATA REGARDING PROPOSED PROJECT

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

A to-be-constructed four-story student housing complex consisting of approximately 322 student housing beds (101 units) over a partial underground parking level of 146 parking spaces, with total parking spaces of 170-178.

See attached narrative for more information.

- B. Location of Proposed Project:

1. Street Address 1385 Washington Avenue
2. City of Albany
3. Town of N/A
4. Village of N/A
5. County of Albany

- C. Project Site:

1. Approximate size (in acres or square feet) of Project site: 4.3 AC

Is a map, survey, or sketch of the project site attached? Yes ☒ ; No \_\_\_\_.

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

a. If yes, indicate number and approximate size (in square feet) of each existing building: 10,092 SF

b. Are existing buildings in operation? Yes ☒ ; No \_\_\_\_\_. If yes, describe present use of present buildings: Red Carpet Inn – Hotel

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

d. Attach photograph of present buildings. Attached

3. Utilities serving project site:

4. Water-Municipal: Yes

Other (describe)

Sewer-Municipal: Yes

Other (describe)

Electric-Utility: Yes

Other (describe)

Heat-Utility: N/A

Other (describe)

5. Present legal owner of project site:

a. If the Company owns project site, indicate date of purchase: \_\_\_\_\_, 20\_\_\_\_; Purchase price: \$\_\_\_\_\_. N/A

b. If Company does not own the Project site, does Company have option signed with owner to purchase the Project site? Yes ☒ ; No \_\_\_\_\_. If yes, indicate date option signed with owner: February 12, 2016; and the date the option expires: February 1, 2017.

c. If the Company does not own the project site, is there a relationship legally or by common control between the Company and the present owners of the project site? Yes ☒ ; No \_\_\_\_\_. If yes, describe: Signed Purchase and Sale agreement with extension option.

5. a. Zoning District in which the project site is located: **C-2 Highway Commercial**

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

Seeking Special Use Permit (§375-73C), Area Variances (§375-73D) and a Parking Lot Permit (§375-174) to allow for construction of a four (4) story, 314-bed student housing structure (SRO) to a height of +/- 55 feet, with project lot coverage of +/- 75.1% (structure lot coverage of 19.6%), a front yard setback of +/- 47.63 feet, a rear yard setback of +/- 27.19 feet, and parking spaces of 170-178.

**BZA Public Hearing scheduled for March 9<sup>th</sup>, 2016.**

**D. Buildings:**

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

**One (1) new building with a total floor area of approximately 142,000 Square Feet with a partially-underground parking garage area of approximately 48,000 Square Feet**

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

3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed, or expanded: **Ownership and operations of a rental student housing complex.**

**E. Description of the Equipment:**

1. Does a part of the Project consist of the acquisition or installation of machinery, equipment or other personal property (the "Equipment")? Yes **X** ; No \_\_\_\_\_. If yes, describe the Equipment:

**Furniture, fixtures and equipment related to the common areas of the building and individual units.**

2. With respect to the Equipment to be acquired, will any of the Equipment be Equipment which has previously been used? Yes\_\_\_\_; No **X** . If yes, please provide detail:
3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed:

Building décor and everyday utilization by rental residents.

F. Project Use:

1. What are the principal products to be produced at the Project?  
Student rental housing
2. What are the principal activities to be conducted at the Project?  
Student rental housing
3. Does the Project include facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities? Yes **X** ; No \_\_\_\_ . If yes, please provide detail:  
Student rental housing
4. If the answer to question 3 is yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project? 100%
5. If the answer to question 3 is yes, and the answer to question 4 is more than 33.33%, indicate whether any of the following apply to the Project:
  - a. Will the Project be operated by a not-for-profit corporation? Yes\_\_\_\_; No **X** ;. If yes, please explain:
  - b. Is the Project likely to attract a significant number of visitors from outside the economic development region in which the Project will be located? Yes\_\_\_\_; No **X** ;. If yes, please explain:

- c. Would the Project occupant, but for the contemplated financial assistance from the Agency, locate the related jobs outside the State of New York? Yes\_\_\_\_; No **X** ;. If yes, please explain:
- d. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonably accessible to the residents of the city, town or village within which the Project will be located, because of a lack of reasonably accessible retail trade facilities offering such goods or services? Yes\_\_\_\_; No **X** ;. If yes, please provide detail:
- e. Will the Project be located in one of the following: (i) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (ii) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most recent census data, has (x) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? Yes **X**; No\_\_\_\_. If yes, please explain: \_\_\_\_\_  
 Contiguous to census tract 7

6. If the answers to any of subdivisions c. through e. of question 5 is yes, will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York? Yes **X** ; No\_\_\_\_. If yes, please explain:

The project is expected to generate 7 new FTEs working on-site at stabilization. This is an increase of 4 FTEs from the previous business in operation.

7. Will the completion of the Project result in the removal of a plant or facility of the Company or another proposed occupant of the Project (a "Project Occupant") from one area of the State of New York to another area of the State of New York? Yes\_\_\_\_; No **X**. If yes, please explain:

8. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Company located in the State of New York? Yes\_\_\_\_; No **X**. If yes, please provide detail:

9. If the answer to either question 7 or question 8 is yes, indicate whether any of the following apply to the Project: **N/A**

- a. Is the Project reasonably necessary to preserve the competitive position of the Company or such Project Occupant in its industry? Yes\_\_\_\_; No\_\_\_\_. If yes, please provide detail:
  
- b. Is the Project reasonably necessary to discourage the Company or such Project Occupant from removing such other plant or facility to a location outside the State of New York? Yes\_\_\_\_; No\_\_\_\_. If yes, please provide detail:

G. Other Involved Agencies:

1. Please indicate all other local agencies, boards, authorities, districts, commissions or governing bodies (including any city, county and other political subdivision of the State of New York and all state departments, agencies, boards, public benefit corporations, public authorities or commissions) involved in approving or funding or directly undertaking action with respect to the Project. For example, do you need a municipal building permit to undertake the Project? Do you need a zoning approval to undertake the Project? If so, you would list the appropriate municipal building department or planning or zoning commission which would give said approvals.

City of Albany Planning Board, City of Albany Board of Zoning Appeals, City of Albany Water Board, New York State Department of Transportation, City of Albany Department of Buildings and Regulatory Compliance

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

Municipal zoning and planning board approval; local building permit approval; adequate public facilities.

H. Construction Status:

1. Has construction work on this Project begun? Yes \_\_\_\_; No **X**. If yes, please discuss in detail the approximate extent of construction and the extent of completion. Indicate in your answer whether such specific steps have been completed as site clearance and preparation; completion of foundations; installation of footings; etc.:

Please indicate amount of funds expended on this Project by the Company in the past three (3) years and the purposes of such expenditures: Project has spent and/or committed to approximately \$357,000 to date, and includes land deposits, letters of credit, architectural fees, MEP and structural engineering, travel expenses, surveys, civil engineering, traffic engineering, site assessment, environmental testing, economic analysis, etc.

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

July 2017.

I. Method of Construction After Agency Approval:

1. If the Agency approves the Project which is the subject of this application, there are two methods that may be used to construct the Project. The applicant can construct the Project privately and sell the Project to the Agency upon completion. Alternatively, the applicant can request to be appointed as "agent" of the Agency, in which case certain laws applicable to public construction may apply to the Project. Does the applicant wish to be designated as "agent" of the Agency for purposes of constructing the Project? Yes ☒; No \_\_\_\_.

2. If the answer to question 1 is yes, does the applicant desire such "agent" status prior to the closing date of the financing? Yes \_\_\_\_; No ☒.

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

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

Individual units and/or bedrooms will be leased to students on an annual or 9-month basis.

1. Sublessee name: N/A

Present Address:

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

Employer's ID No.:

Sublessee is: \_\_\_\_\_ Corporation: \_\_\_\_\_ Partnership: \_\_\_\_\_ Sole Proprietorship  
Relationship to Company:

Percentage of Project to be leased or subleased:

Use of Project intended by Sublessee:

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

2. Sublessee name: N/A

Present Address:

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

Employer's ID No.: Sublessee

is:

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

Relationship to Company:

Percentage of Project to be leased or subleased:

Use of Project intended by Sublessee:

Date of lease or sublease to Sublessee:

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

Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project?

Yes\_\_\_\_; No\_\_\_\_. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

3. Sublessee name: N/A

Present Address:

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

Employer's ID No.:

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

Relationship to Company:

Percentage of Project to be leased or subleased:

Use of Project intended by Sublessee:

Date of lease or sublease to Sublessee:

Term of lease or sublease to Sublessee:

Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project?

Yes\_\_\_\_; No\_\_\_\_. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

B. What percentage of the space intended to be leased or subleased is now subject to a binding written lease or sublease? None.

IV. Employment Impact

A. Indicate the number of people presently employed at the Project site and the **additional** number that will be employed at the Project site at the end of the first and second years after the Project has been completed, using the tables below for (1) employees of the Applicant, (2) independent contractors, and (3) employees of independent contractors.

(Do not include construction workers). Also indicate below the number of workers



employed at the Project site representing newly created positions as opposed to positions relocated from other project sites of the applicant. Such information regarding relocated positions should also indicate whether such positions are relocated from other project sites financed by obligations previously issued by the Agency.

<b>TYPE OF EMPLOYMENT</b> <b>Employees of Applicant</b>					
	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled	Totals
Present Full Time	2 (Full-Time)			1(FTE)	3
Present Part Time					
Present Seasonal				4 (Part-Time)	4
First Year Full Time	2 (Full-Time)	1(FTE)	1(FTE)	3 (FTEs)	7
First Year Part Time					
First Year Seasonal					
Second Year Full Time	2 (Full-Time)	1 (Full-Time)	1(FTE)	3 (FTEs)	7
Second Year Part Time					
Second Year Seasonal					

<b>TYPE OF EMPLOYMENT</b> <b>Independent Contractors - N/A</b>					
	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled	Totals
Present Full Time					
Present Part Time					
Present Seasonal					
First Year Full Time					
First Year Part Time					
First Year Seasonal					
Second Year Full Time					
Second Year Part Time					
Second Year Seasonal					

<b>TYPE OF EMPLOYMENT</b> <b>Employees of Independent Contractors – N/A</b>					
	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled	Totals
Present Full Time					
Present Part Time					
Present Seasonal					

First Year Full Time					
First Year Part Time					
First Year Seasonal					
Second Year Full Time					
Second Year Part Time					
Second Year Seasonal					

- B. Indicate below (1) the estimated salary and fringe benefit averages or ranges and (2) the estimated number of employees residing in the Capital District Economic Development Region for all the jobs at the Project site, both retained and created, listed in the tables described in subsection A above for each of the categories of positions listed in the chart below.

RELATED EMPLOYMENT INFORMATION				
	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled
Estimated Salary and Fringe Benefit Averages or Ranges	\$40,000 - \$60,000 Up to \$7,000	\$30,000 - \$45,000 Up to \$4,000	\$25,000 - \$35,000 Up to \$4,000	\$25,000 Up to \$2,000
Estimated Number of Employees Residing in the Capital District Economic Development Region <sup>1</sup>	1			1

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

Upon commencement of construction project will contract temporary lease-up/marketing staff to market and pre-lease units. Three to six (3-6) months prior to opening project will hire a full-time employee (FTE) to assist with the pre-leasing and marketing, and this employee will continue with company on an on-going basis. Two to four (2-4) months prior to opening company will hire a Location Manager, who will oversee all operations, an on-going position. End of July/Early August 2017 a Lead Maintenance, accountant/bookkeeper will be hired as well as three (3) employees for the Concierge Desk/Security.

<sup>1</sup> The Capital District Economic Development Region consists of the following counties: Albany, Schenectady, Rensselaer, Greene, Columbia, Saratoga, Warren and Washington.

- D. Description of activities and/or work performed is included in Schedule A – Description Included in Schedule A

V. Project Cost and Financing Sources

- A. Anticipated Project Costs. State the costs reasonably necessary for the acquisition of the Project site, the construction of the proposed buildings and the acquisition and installation of any machinery and equipment necessary or convenient in connection therewith, and including any utilities, access roads or appurtenant facilities, using the following categories:

<u>Description of Cost</u>	<u>Amount</u>
Land	\$ 2,850,000 (est)
Buildings	\$ 20,500,000 (est)
Machinery and equipment costs	\$ 992,000 (est)
Utilities, roads and appurtenant costs	\$ N/A
Architects and engineering fees	\$ 1,125,000 (est)
Costs of Bond Issue (legal, financial and printing)	\$ N/A
Construction loan fees and interest (if applicable)	\$ 892,000 (est)
Other (specify)	
Contingency (Hard & Soft)	\$ 1,462,000 (est)
Admin, Indirect Costs & Taxes during Construction	\$ 1,552,000 (est)
Other Soft Costs	\$ 1,162,000 (est)
<b>TOTAL PROJECT COSTS</b>	<b>\$ 30,535,000 (est)</b>

- B. Anticipated Project Financing Sources. State the sources reasonably necessary for the financing of the Project site, the construction of the proposed buildings and the acquisition and installation of any machinery and equipment necessary or convenient in connection therewith, and including any utilities, access roads or appurtenant facilities, using the following categories:

<u>Description of Sources</u>	<u>Amount</u>
Private Sector Financing	\$ 21,375,000 (est)
Public Sector	\$ 0
Federal Programs	\$ 0
State Programs	\$ 0
Local Programs	\$ 0
Applicant Equity	\$ 9,160,000 (est)
Other (specify, e.g., tax credits)	
_____	\$ _____
_____	\$ _____
_____	\$ _____
<b>TOTAL AMOUNT OF PROJECT FINANCING SOURCES</b>	<b>\$ 30,535,000 (est)</b>

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

Funds have been spent and/or committed on land deposits, due diligence, legal fees, surveys, traffic studies, market studies, environmental studies, architecture, engineering approvals, fees and other predevelopment expenses.

- D. Amount of loan requested: \$; **Not requested yet.**

Maturity requested: **30** years.

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

Yes \_\_\_\_; No ☒ . Institution Name: \_\_\_\_\_

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

Name: \_\_\_\_\_ Phone: \_\_\_\_\_

- F. The percentage of Project costs to be financed from public sector sources is estimated to equal the following: 0 %
- G. The total amount estimated to be borrowed to finance the Project is equal to the following: \$ 21,375,000

VI. BENEFITS EXPECTED FROM THE AGENCY

A. Financing

1. Is the applicant requesting that the Agency issue bonds to assist in financing the Project?  
Yes \_\_\_\_; No **X**. If yes, indicate:
  - a. Amount of loan requested: \_\_\_\_ Dollars;
  - b. Maturity requested: \_\_\_\_ Years.
2. Is the interest on such bonds intended to be exempt from federal income taxation?  
N/A Yes \_\_\_\_; No \_\_\_\_.
3. If the answer to question 2 is yes, will any portion of the Project be used for any of the following purposes: N/A
  - a. retail food and beverage services: Yes \_\_\_\_; No \_\_\_\_
  - b. automobile sales or service: Yes \_\_\_\_; No \_\_\_\_
  - c. recreation or entertainment: Yes \_\_\_\_; No \_\_\_\_
  - d. golf course: Yes \_\_\_\_; No \_\_\_\_
  - e. country club: Yes \_\_\_\_; No \_\_\_\_
  - f. massage parlor: Yes \_\_\_\_; No \_\_\_\_
  - g. tennis club: Yes \_\_\_\_; No \_\_\_\_
  - h. skating facility (including roller skating, skateboard and ice skating): Yes \_\_\_\_; No \_\_\_\_
  - i. racquet sports facility (including handball and racquetball court): Yes \_\_\_\_; No \_\_\_\_
  - j. hot tub facility: Yes \_\_\_\_; No \_\_\_\_
  - k. suntan facility: Yes \_\_\_\_; No \_\_\_\_
  - l. racetrack: Yes \_\_\_\_; No \_\_\_\_
4. If the answer to any of the above questions contained in question 3 is yes, please furnish details on a separate attachment. N/A
5. Is the Project located in the City's federally designated Enterprise Zone? Yes \_\_\_\_; No **X**.
6. Is the applicant requesting the Agency to issue federally tax-exempt Enterprise Zone bonds? Yes \_\_\_\_; No **X**.

B. Tax Benefits

1. Is the applicant requesting any real property tax exemption that would not be available to a project that did not involve the Agency? Yes ☒ ; No ☐

2. Is the applicant expecting that the financing of the Project will be secured by one or more mortgages? Yes ☒ ; No ☐. If yes, what is the approximate amount of financing to be secured by mortgages? \$21,375,000.

3. Is the applicant expecting to be appointed agent of the Agency for purposes of avoiding payment of N.Y.S. Sales Tax or Compensating Use Tax? Yes ☒ .No ☐. If yes, what is the approximate amount of purchases which the applicant expects to be exempt from the N.Y.S. Sales and Compensating Use Taxes? \$ 10,250,000 est.

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

a.	N.Y.S. Sales and Compensating Use Taxes:	\$820,000
b.	Mortgage Recording Taxes:	\$267,185
c.	Real Property Tax Exemptions:	\$1,400,597 (aggregate, non-discounted)
d.	Other (please specify):	
		\$ _____
		\$ _____

*The present value of the requested real property tax exemption is \$1,110,000 (rounded) based on a 9.0% discount rate, which is the unlevered discount rate typically utilized to calculate the value of real property tax abatements that occur over multiple periods.*

5. Are any of the tax-exemptions being sought in connection with the Project inconsistent with the Agency's Uniform Tax Exemption Policy? Yes ☒ ; No ☐. If yes, please explain.

*The applicant is seeking deviation from the Agency's Uniform Tax Exemption Policy.*

6. Is the Project located in the City's state designated Empire Zone? Yes ☐ ; No ☒.

C. Project Cost/Benefit Information. Complete the attached Cost/Benefit Analysis so that the Agency can perform a cost/benefit analysis of undertaking the Project. Such information should consist of a list and detailed description of the benefits of the Agency undertaking the Project (e.g., number of jobs created, types of jobs created, economic development in the area, etc.). Such information should also consist of a list and detailed description of the costs of the Agency undertaking the Project (e.g., tax revenues lost, buildings abandoned, etc.).

VII. REPRESENTATIONS BY THE APPLICANT. The applicant understands and agrees with the Agency as follows:

- A. Job Listings. Except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the “DOC”) and with the administrative entity (collectively with the DOC, the “JTPA Entities”) of the service delivery area created by the federal job training partnership act (Public Law 97-300) (“JTPA”), as replaced by the Workforce Investment Act of 1998 (Public Law 105-220), in which the Project is located.
- B. First Consideration for Employment. In accordance with Section 858-b(2) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.
- C. City Human Rights Law. The applicant has reviewed the provisions of Chapter 48, Article III of the City Code, entitled “The Omnibus Human Rights Law” and agrees to comply with such provisions to the extent that such provisions are applicable to the applicant and the Project.
- D. Annual Sales Tax Filings. In accordance with Section 874(8) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the applicant and all consultants or subcontractors retained by the applicant.
- E. Annual Employment Reports. The applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the Project site, including (1) the NYS-45 – Quarterly Combined Withholding, Wage Reporting and Unemployment Insurance Return – for the quarter ending December 31 (the “NYS-45”), and (2) the US Dept. of Labor BLS 3020 Multiple Worksite report if applicable. The applicant also agrees, whenever requested by the Agency, to provide and certify or cause to be provided and certified such information concerning the participation of individuals from minority groups as employees or applicants for employment with regard to the project.
- F. Local Labor Information. The applicant is aware of and understands the provisions of Part 24 of the Policy Manual of the Agency. Pursuant to Part 24 of the Policy Manual of the Agency, the applicant agrees to provide information, in form and substance satisfactory to the Agency, relating to construction activities for projects; specifically: (i) the Company’s contact person responsible and accountable for providing information about the bidding for and awarding of construction contracts relative to this Application and the Project, (ii) the nature of construction jobs created by the Project, including the number, type, and duration of construction positions; and (iii) submit to the Agency a “Construction



Completion Report” listing the names and business locations of prime contractors, subcontractors, and vendors who were engaged in the construction phase of the Project.

- G. Additional Fee for Low Income Housing/Tax Credit (9% only) Projects. An annual administrative fee equal to \$10,000 shall be payable annually by the applicant on each January 1 for a term equal to ten (10) years. This annual administrative fee is in addition to the standard administrative fee for Agency Straight Lease Transactions and Agency Bond Transactions and is applicable to Projects which provide for low income housing/tax credit (9% only) projects.
- H. Project Benefits Agreement. The applicant agrees to enter into a project benefits agreement with the Agency where the applicant agrees that (1) the amount of Financial Assistance to be received shall be contingent upon, and shall bear a direct relationship to the success or lack of success of such project in delivering certain described public benefits (the “Public Benefits”) and (2) the Agency will be entitled to recapture some or all of the Financial Assistance granted to the applicant if the project is unsuccessful in whole or in part in delivering the promised Public Benefits.
- I. Assignment of Agency Abatements. In connection with any Agency Straight Lease Transaction or Agency Bond Transaction, the Agency may grant to the applicant certain exemptions from mortgage recording taxes, sales and use taxes and real property taxes. The applicant understands that the grant of such exemptions by the Agency is intended to benefit the applicant. Subsequently, if the applicant determines to convey the Project and, in connection with such conveyance to assign such exemptions to the purchaser, the applicant understand that any such assignment is subject to review and consent by the Agency, together with the satisfaction of any conditions that may be imposed by the Agency.
- J. Post Closing Cost Verification. The applicant agrees (1) the scope of the Project will not vary significantly from the description in the public hearing resolution for the project and (2) to deliver to the Agency within sixty (60) days following the completion date of a project an affidavit providing the total costs of the project. In the event that the amount of the total project costs described in the affidavit at the completion date exceeds the amount described in an affidavit provided by the applicant on the closing date of the project, the applicant agrees to adjust the amounts payable by the applicant to the Agency by such larger amount and to pay to the Agency such additional amounts. In the event that the amount described is less, there shall not be any adjustment to the Agency fees.
- K. Representation of Financial Information. Neither this Application nor any other agreement, document, certificate, project financials, or written statement furnished to the Agency or by or on behalf of the applicant in connection with the project contemplated by this Application contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading. There is no fact within the special knowledge of any of the officers of the applicant which has not been disclosed herein or in writing by them to the Agency and which materially adversely affects or in the future in their opinion may, insofar as they can now reasonably foresee, materially adversely affect the business, properties, assets or condition, financial or otherwise, of the applicant.

- L. Agency Financial Assistance Required for Project. The Project would not be undertaken but for the Financial Assistance provided by the Agency or, if the Project could be undertaken without the Financial Assistance provided by the Agency, then the Project should be undertaken by the Agency for the following reasons:
- M. Relocation or Abandonment . The provisions of subdivision one of Section 862 of the General Municipal Law will not be violated if Financial Assistance is provided for the Project.
- N. Compliance with Federal, State, and Local Laws. The applicant is in substantial compliance with applicable local, state, and federal tax, worker protection, and environmental laws, rules, and regulations.
- O. False or Misleading Information. The applicant understands that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemptions claimed by reason of Agency involvement in the Project.
- P. Absence of Conflicts of Interest. The applicant acknowledges that the members, officers and employees of the Agency are listed on the Agency's website. No member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:
- Q. Additional Information. Additional information regarding the requirements noted in this Application and other requirements of the Agency is included the Agency's Policy Manual which can be accessed at [www.albanyida.com](http://www.albanyida.com).

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



By:

Applicant  
Jon M. Grant

Title:

Managing Member

-----  
NOTE: APPLICANT MUST ALSO COMPLETE THE APPROPRIATE VERIFICATION APPEARING  
ON PAGES 26 THROUGH 29 HEREOF BEFORE A NOTARY PUBLIC AND MUST  
SIGN AND ACKNOWLEDGE THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 30  
-----

VERIFICATION

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

(If Applicant is a Corporation)

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

Jon M. Grant deposes and says that he is the

Managing Member of 1385 Washington Ave Property Associates, LLC,  
the corporation named in the attached application; that he has read the foregoing application and knows the  
contents thereof; and that the same is true and complete and accurate to the best of his knowledge. Deponent  
further says that the reason this verification is made by the deponent and not by said company is because  
the said company is a corporation. The grounds of deponent's belief relative to all matters in the said  
application which are not stated upon his own personal knowledge are investigations which deponent has  
caused to be made concerning the subject matter of this application as well as information acquired by  
deponent in the course of his duties as an officer of and from the books and papers of said corporation.

\_\_\_\_\_  
(officer of applicant)

Sworn to before me this \_\_\_\_ day  
of \_\_\_\_\_, 20\_\_.

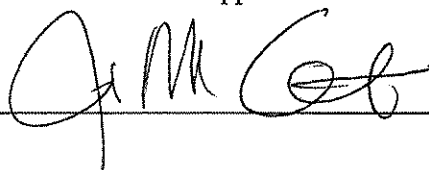
\_\_\_\_\_  
(Notary Public)

(If applicant is sole proprietor)


VERIFICATION

STATE OF MD )  
 ) SS.:  
COUNTY OF AA )

Jon M. Grant, deposes and says  
that he has read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application.




Sworn to before me this 24 day  
of February, 2016

  
(Notary Public)

MICHAEL DOUGLAS STEINHICE JR  
NOTARY PUBLIC  
QUEEN ANNES COUNTY  
MARYLAND  
My Commission Expires 01-14-2020

(If applicant is limited liability company)

  
Jon M Grant, deposes and says

that he is one of the members of the firm of 1385 Washington Ave Property Associates LLC,

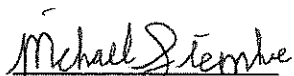
VERIFICATION

STATE OF Maryland )  
 ) SS.:  
COUNTY OF Anne Arundel )

1385 Washington Ave Property Associates LLC the partnership named in the attached application; that he has read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as a member of and from the books and papers of said partnership.



Sworn to before me this 24 day  
of February, 2016

  
(Notary Public)

MICHAEL DOUGLAS STEINHICE JR  
NOTARY PUBLIC  
QUEEN ANNES COUNTY  
MARYLAND  
My Commission Expires 01-14-2020

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NOTE: THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS THE HOLD  
HARMLESS AGREEMENT APPEARING ON PAGE 30 IS SIGNED BY THE APPLICANT.  
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## HOLD HARMLESS AGREEMENT

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

Jon M Grant/1385 Washington Ave Property Associates LLC

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

Sworn to before me this 24 day  
of February, 2016

Michael Steinhice  
(Notary Public)

MICHAEL DOUGLAS STEINHICE JR  
NOTARY PUBLIC  
QUEEN ANNES COUNTY  
MARYLAND  
My Commission Expires 01-14-2020

TO: Project Applicants  
FROM: City of Albany Industrial Development Agency  
RE: Cost/Benefit Analysis

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In order for the City of Albany Industrial Development Agency (the "Agency") to prepare a Cost/Benefit Analysis for a proposed project (the "Project"), the Applicant must answer the questions contained in this Project Questionnaire (the "Questionnaire") and complete the attached Schedules. This Questionnaire and the attached Schedule will provide information regarding various aspects of the Project, and the costs and benefits associated therewith.

VERIFICATION

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

1385 Washington Ave Property Associates LLC  
the limited liability company named in the attached application; that he has read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as a member of and from the books and papers of said limited liability company.

\_\_\_\_\_

Sworn to before me this \_\_\_\_ day  
of \_\_\_\_\_, 20\_\_.

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

(If applicant is partnership)

\_\_\_\_\_, deposes and says

Jon M Grant  
that he is one of the members of the firm of 1385 Washington Ave Property Associates LLC,



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"):	1385 Washington Ave Property Associates, LLC
2. Brief Identification of the Project:	322 bed student housing development
3. Estimated Amount of Project Benefits Sought:	
A. Amount of Bonds Sought:	N/A
B. Value of Sales Tax Exemption Sought	\$820,000
C. Value of Real Property Tax Exemption Sought	(aggregate, non-discounted) \$1,400,597
D. Value of Mortgage Recording Tax Exemption Sought	\$267,185

### **PROJECTED PROJECT INVESTMENT**

<b>A. Land-Related Costs</b>	
1. Land acquisition	<b>\$ 2,850,000</b>
2. Site preparation	\$ _____
3. Landscaping	\$ _____
4. Utilities and infrastructure development	\$ _____
5. Access roads and parking development	\$ _____
6. Other land-related costs (describe)	\$ _____
<b>B. Building-Related Costs</b>	
1. Acquisition of existing structures	\$ _____
2. Renovation of existing structures	\$ _____
3. New construction costs	<b>\$ 20,500,000 (est)</b>
4. Electrical systems	\$ _____
5. Heating, ventilation and air conditioning	\$ _____
6. Plumbing	\$ _____
7. Other building-related costs (describe)	\$ _____
<b>C. Machinery and Equipment Costs</b>	
1. Production and process equipment	\$ _____
2. Packaging equipment	\$ _____
3. Warehousing equipment	\$ _____
4. Installation costs for various equipment	\$ _____

5. Other equipment-related costs (describe)	\$ _____
D. Furniture and Fixture Costs	
1. Office furniture	\$ _____
2. Office equipment	\$ _____
3. Computers	\$ _____
4. Other furniture-related costs (common area and units)	\$ 992,000 (est)
E. Working Capital Costs	
1. Operation costs	\$108,500 (est)
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	\$ 1,125,000 (est)
2. Accounting/legal	\$ 231,500 (est)
3. Other service-related costs (studies and surveys)	\$ 103,000 (est)
G. Other Costs	
1. Construction Loan Fees & Interest Reserve	\$ 892,000 (est)
2. Permits & Impact Fees	\$ 394,000 (est)
3. Hard and Soft Contingency	\$ 1,462,000 (est)
4. Start-up Marketing Costs	\$ 325,000 (est)
5. Administrative, Indirect costs & Taxes during Construction	\$1,552,000 (est)
H. Summary of Expenditures	
1. Total Land-Related Costs	\$2,850,000
2. Total Building-Related Costs	\$20,500,000 (est)
3. Total Machinery and Equipment Costs	\$ _____
4. Total Furniture and Fixture Costs	\$992,000 (est)
5. Total Working Capital Costs	\$108,500 (est)
6. Total Professional Service Costs	\$1,462,000 (est)
7. Total Other Costs	\$4,622,500 (est)

### **PROJECTED PROFIT**

I. Please provide projected profit as defined by earnings after income tax but before depreciation and amortization:

YEAR	Without IDA benefits*	With IDA benefits*
1	\$ 477,794	\$ 708,272
2	\$ 618,055	\$ 854,016
3	\$ 641,926	\$ 762,704
4	\$ 666,161	\$ 765,066
5	\$ 690,753	\$ 766,678

\* Includes accrued losses carried forward

### **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	45	\$ 3,199,117	\$ 206,343
Year 1	45	\$ 3,199,117	\$ 206,343
Year 2		\$ _____	\$ _____
Year 3		\$ _____	\$ _____
Year 4		\$ _____	\$ _____
Year 5		\$ _____	\$ _____

*1. Includes only direct construction jobs. However, it should be noted that the project is expected to generate a significant amount of indirect and induced jobs and economic output.*

*2. Estimated \$32.9 million in one-time direct, indirect and induced economic output*

### **PROJECTED PERMANENT EMPLOYMENT IMPACT**

I. Estimates of the total number of existing permanent jobs to be preserved or retained as a result of the Project are described in the tables in Section IV of the Application.

II. Estimates of the total new permanent jobs to be created at the Project are described in the tables in Section IV of the Application.

III. Please provide estimates for the following:

A. Creation of New Job Skills relating to permanent jobs. Please complete Schedule A.

IV. Provide the projected percentage of employment that would be filled by City of Albany residents:  
30% (est)

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

1385 Washington Ave Property Associates is currently working with a local general contractor and all local professionals to advance the project. In all of our projects, we make a conscious effort to work with local labor and professionals to the extent possible.

### **PROJECTED OPERATING IMPACT**

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

Additional Purchases (1 <sup>st</sup> year following project completion)	\$ 78,500 (Repairs and Maintenance - est.)
Additional Sales Tax Paid on Additional Purchases	\$ 6,280
Estimated Additional Sales (1 <sup>st</sup> full year following project completion)	N/A
Estimated Additional Sales Tax to be collected on additional sales (1 <sup>st</sup> full year following project completion)	N/A

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

Year	Existing Real Property Taxes (Without IDA involvement)	New Pilot Payments (With IDA)	Total (Difference)
Current Year	\$72,922	\$72,922	0
Year 1	\$457,051	\$72,922	\$384,129
Year 2	\$466,192	\$72,922	\$393,270
Year 3	\$475,516	\$274,219	\$201,297
Year 4	\$485,026	\$320,184	\$164,842
Year 5	\$494,726	\$368,185	\$126,541
Year 6	\$504,621	\$418,281	\$86,340
Year 7	\$514,713	\$470,534	\$44,179
Year 8	\$535,008	-	
Year 9	\$546,218	-	
Year 10	\$557,142	-	

The proposed PILOT structure consists of a payment equal to the existing real estate taxes for the construction period (estimated to be 12–16 months) and the first two operating years before commencement of the prototypical abatement beginning at 50% of the incremental taxes amortizing over a five year period at 10% per year. This structure is a critically important risk mitigant that offsets the lease-up risk associated with the limited target market, which is a result of the subject site's use restriction.

An important aspect of the proposed PILOT structure is establishing a firm PILOT payment schedule in lieu of a schedule of percentages of assessed real property taxes. Based on all assessment information available, the full annual real estate taxes for the stabilized project are estimated to be \$1,419 per bed (est). 1385 Washington Ave Property Associates, LLC seeks to establish this assessment within the framework of the PILOT agreement with the IDA by way of fixing the full assessment based on guidance received from the assessor.

**III. Please provide a brief description for the impact of other economic benefits expected to be produced as a result of the Project:**

The subject is an older property and currently only generates approximately \$72,922 in annual real estate taxes. With the proposed improvements, the project will generate additional income of \$274,219 in year three with the PILOT program in place and escalate to a total tax income total of \$525,008 est in its first year of full assessment, an increase of approximately 85%. With the assistance of the Albany IDA, the proposed project, based on estimates to be confirmed, will be an economically impactful development solution with the benefit of supporting an estimated 190 jobs during its construction phase (direct, indirect and induced FTEs) and 7 new ongoing F/T jobs at stabilization. Those estimated 190 new jobs would be associated with more than \$10.6 million in employee compensation equating to over \$50,000 per position. Beyond the cost of purchasing the necessary materials for the project, a cost of approximately \$14 million, total Albany regional business sales are estimated to be augmented by almost \$33 million.

### 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:** February 24, 2016.

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

Name: Cheryl Henry-Fawcett  
Title: Executive Project Manager  
Phone Number: 410.230.0003 ext 3  
Address: 7 Old Solomon's Island Road, #200  
Annapolis, Maryland 21401

**Signature:**



## 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.