

City of Albany Capital Resource Corporation

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

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

Sarah Reginelli, *Chief Executive Officer*
Mark Opalka, *Chief Financial Officer*
Marisa Franchini, *Agency Counsel*

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

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

Date: February 7, 2020

CRC FINANCE COMMITTEE MEETING AGENDA

A Finance Committee Meeting of the City of Albany Capital Resource Corporation will be held on **Wednesday, February 12th at 12:15 PM** (or directly after the Finance Committee Meeting of the City of Albany IDA) at 21 Lodge Street, Albany, NY 12207 in the Large Conference Room.

Roll Call, Reading and Approval of the Minutes of the Finance Committee Meeting of December 11, 2019

Unfinished Business

A. None

New Business

- A. Commercial Corridor Retail Grant Program
- Grant Agreement
 - Funding Allocation

Other Business

A. Corporation Update

Adjournment

The next regularly scheduled Finance Committee Meeting will be held on Wednesday, March 11, 2020 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, *Corporation*

CRC MINUTES OF FINANCE COMMITTEE MEETING

Wednesday, December 11th at 12:15 PM

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 and Andy Corcione

Public Present: None.

Chair Darius Shahinfar called the Finance Committee meeting of the CRC to order at 2:18 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.

Unfinished Business

Commercial Corridor Retail Grant Program

Staff introduced draft guidelines for the newly created Commercial Corridor Retail Grant Program. Staff addressed feedback the Finance Committee had previously provided on the types of desired business the program intends to attract, eligible/ineligible applicants, local labor participation, potential bidders and nuances regarding the insurance required for project applicants/bidders. Staff and Committee discussed the importance of geographic equity, providing healthy food options and supporting small businesses with limited resources. A motion to advance the *Commercial Corridor Retail Grants Program Guidelines Approval* request with a positive recommendation for an Approving Resolution was made by Tracy Metzger, and seconded by Dominick Calsolaro. A vote being taken, the motion passed unanimously.

New Business

2020 Professional Services Agreements

Legal Services – General Counsel

The Committee reviewed the 2020 Professional Services Agreement for General Counsel Services for the Corporation 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 Corporation. Staff and Committee commended the legal services team for their outstanding service and excellent performance to the 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.

Professional Services

Susan Pedo reminded the Committee of the disclosure that she is on the Capitalize Albany Corporation Board of Directors. Staff reminded the Committee of the disclosure that they are employed by Capitalize Albany Corporation. 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. The amount in the Agreement has increased by approximately \$100,000. This amount more closely aligns with services provided, and is approved by the Board for the 2020 Budget. Staff offered to leave the room to facilitate/allow further discussion, but the committee did not think that was necessary. A motion to advance the contract to the full Board with positive recommendation was made by Tracy Metzger and seconded by Dominick Calsolaro. Susan Pedo recused herself from the vote. A vote being taken, the motion passed with all other members voting aye.

Contract for Services – Economic Development

Susan Pedo reminded the Committee of the disclosure that she is on the Capitalize Albany Corporation Board of Directors. Staff reminded the Committee of the disclosure that they are employed by Capitalize Albany Corporation. The Committee reviewed the Contract for Services for economic development between the Capital Resource Corporation 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. Susan Pedo recused herself from the vote. A vote being taken, the motion passed with all other members voting aye.

Contract for Services – CRC

The Committee reviewed the Contract for Services between the Capital Resource Corporation of Albany IDA and the Capital Resource Corporation. Staff informed the Committee there is a minor change 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.

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

Annual Review of Corporation Policies

Counsel reviewed the Procurement and Investment Policies with the Committee and cited that no changes had been proposed.

Other Business

Corporation Update

Staff discussed the upcoming opportunity to sponsor the Annual EDC Conference on January 29th and January 30th.

There being no further business, the meeting was adjourned at 2:29 pm.

Respectfully submitted,

Lee Eck, Secretary

**GRANT AGREEMENT - COMMERCIAL
CORRIDOR RETAIL GRANT PROGRAM**

THIS GRANT AGREEMENT dated as of February __, 2020 (the “Grant Agreement”) between **CITY OF ALBANY CAPITAL RESOURCE CORPORATION** (the “Corporation”), a not-for-profit corporation organized and existing under the laws of the State of New York having an office for the transaction of business located at 21 Lodge Street, Albany, New York, and **CAPITALIZE ALBANY CORPORATION** (the “CAC”), a not-for-profit-corporation organized and existing under the laws of the State of New York, having an office for the transaction of business located at 21 Lodge Street, Albany, New York;

WITNESSETH:

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

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

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

WHEREAS, the CAC desires to implement an economic development program to be known as the Neighborhood Commercial Corridor Retail Grant Program (the “Commercial Corridor Retail Grant Program”); and

WHEREAS, the CAC is implementing the Commercial Corridor Retail Grant Program for the purpose of attracting new and enhancing existing retail businesses in specified areas in the City of Albany; and

WHEREAS, in order to assist the CAC in undertaking the Commercial Corridor Retail Grant Program, the Corporation proposes to enter into this Grant Agreement under which the Corporation will provide moneys to the CAC which will in turn be used by the CAC as program grants under the Commercial Corridor Retail Grant Program; and

WHEREAS, the Corporation will provide funds to the CAC as a grant in a single disbursement provided for under this Grant Agreement, to be hereinafter referred to as the “Grant”;

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

1. **Grant and Program.** The Corporation and the CAC agree as follows:
 - (a) That the Corporation will make available to the CAC the Grant in an amount equal to \$_____.
 - (b) That the Grant will be used for the express purpose of providing the moneys to fund the program grants to be made by the CAC under the Commercial Corridor Retail Grant Program.
 - (c) Attached as Schedule A is a copy of the Commercial Corridor Retail Grant Program, including the program guidelines and conditions. The CAC agrees not to make any changes in such program guidelines and conditions without first obtaining the written approval of the Corporation.
2. **Disbursement.** The Grant shall be paid in a single disbursement by the Corporation to the CAC on or about _____, 2020.

Should any portion of the Grant not be utilized by the CAC within five (5) years from the date of disbursement from the Corporation it shall be the responsibility of the CAC to request an extension of time with which to fulfill its obligations under this Grant Agreement or said unused portion of the Grant shall be returned to the Corporation.
3. **Compliance.** The CAC covenants that it shall use the moneys disbursed under this Grant Agreement pursuant to the terms and conditions in this Grant Agreement.
4. **Repayment.** Nothing herein shall be construed to require the CAC to reimburse the Corporation for the Grant.
5. **Information.** The CAC agrees to furnish to the Corporation, the following: (a) progress reports regarding the status of the Commercial Corridor Retail Grant Program, including financial information, indicating how the Grant is being spent and the progress of the Commercial Corridor Retail Grant Program; and (b) such other information as the Corporation may request.
6. **Reporting.** The CAC agrees to furnish to the Corporation a final report regarding the result of each grant awarded under the Commercial Corridor Retail Grant Program. The report shall include, but not be limited to the following: the amount of each individual grant awarded under the Program; employment/business opportunities that were created or retained; and the total amount of the Grant used by the CAC. The report shall be submitted to the Corporation within two years of the final disbursement of the program funds to Sub-recipients. The term of this Grant Agreement shall terminate upon the proper and complete filing of the required report with the CAC.
7. **Indemnification.** To the fullest extent permitted by law, the CAC shall defend, indemnify and hold harmless the Corporation and its agents and employees from and against claims, damages, losses and expenses, including, but not limited to reasonable attorneys' fees, arising out of or resulting from the granting of this Grant Agreement or

the work to be performed pursuant hereto, except if such claims, damages, losses or expenses are caused by the Corporation's negligence or willful misconduct.

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

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

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

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

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

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

CITY OF ALBANY CAPITAL RESOURCE CORPORATION

BY: _____
Authorized Officer

CAPITALIZE ALBANY CORPORATION

BY: _____
Authorized Officer

SCHEDULE A
COMMERCIAL CORRIDOR RETAIL GRANT PROGRAM



CAPITALIZE ALBANY
CORPORATION

**Commercial Corridor Retail Grant
Program**

Program Guidelines and Application
City of Albany, New York

December 2019

For more information, contact:
Capitalize Albany Corporation
21 Lodge Street
Albany, New York 12207
(518) 434-2532

INTRODUCTION

Capitalize Albany Corporation is a registered 501(c) (3) not-for-profit organization which implements programs and resources that create, retain, and attract business in the City of Albany, New York. Capitalize Albany Corporation facilitates transformational development projects guided by local and regional strategic planning initiatives, such as the City of Albany's Comprehensive Plan – Albany 2030.

Many existing retail facilities in the City of Albany require upgrades to suit today's business needs, and private investment cannot bear the burden of these costs alone. In order to make these projects feasible and to attract and retain the specific retail businesses that are most complementary to Albany's current housing, office, and visitor market, Capitalize Albany Corporation has designed the Commercial Corridor Retail Grant Program, a program intended to enhance, promote and strengthen neighborhood commercial centers.

PROGRAM DESCRIPTION

The Commercial Corridor Retail Grant Program is designed to create an incentive to attract new and enhance existing retail businesses in selected areas of Albany, New York. In the first phase of the program, Capitalize Albany Corporation will allocate \$50,000 in recoverable grants to eligible property or business owners with qualified projects to assist with paying some of the costs associated with renovating or preparing commercial space for an eligible retail use identified on page three (3). The program will offer direct grants from Capitalize Albany Corporation, which will be paid out to the business when the project is complete and the business is open.

Under this program, grants will be provided as a reimbursement to the applicant for the eligible costs indicated on page four (4) of these program guidelines, subject to approval by Capitalize Albany Corporation staff. The grant funds will be provided to the applicant when the project is complete and open for business. Under documented extenuating circumstances, grant funds may be provided to an applicant prior to all project costs being incurred and the project completed/business open and operating at the sole discretion of Capitalize Albany Corporation staff.

In order to produce the greatest impact on an identified neighborhood retail core, Capitalize Albany Corporation has created this program with two tracks of funding available. Track #1 has been established for new retail locations and Track #2 has been established for existing retail locations. Please note that the program guidelines for Track #1 and Track #2 will differ in some respects. However, where deviations in the program guidelines are not specifically stated, the program rules and regulations for Track #1 and Track #2 shall be the same.

Track #1 - New retail locations

Grants shall be at least \$10,000 and no more than \$25,000 and Capitalize Albany Corporation generally seeks to provide no more than eighty percent (80%) of the financing for any particular project; furthermore, Capitalize Albany Corporation reserves the right to modify such terms. The amount of funds will be awarded based on the project meeting the basic eligibility requirements, as well as factors such as the size of the project, the demonstrated need, feasibility of the project, and the strategic value of the project.

Track #2 – Existing retail locations

Grants shall be at least \$5,000 and no more than \$15,000 and Capitalize Albany Corporation generally seeks to provide no more than fifty percent (50%) of the financing for any particular project; furthermore, Capitalize Albany Corporation reserves the right to modify such terms. The amount of funds will be awarded based on the project meeting the basic eligibility requirements and additional factors such as the size of the project, the demonstrated need, feasibility of the project, and the strategic value of the project.

PROGRAM GOALS

To further the visions, recommendations and strategies of the Albany 2030 Plan, Capitalize Albany Corporation has

developed the following program goals:

- 1) To enhance existing and attract new businesses that provide a need/desired service within a commercial corridor in order to increase foot traffic and to create a vibrant commercial core
- 2) To strengthen the retail mix in the commercial corridor via variety and complementary stores
- 3) To improve the image of the commercial corridor as a destination for the community, visitors and tourists
- 4) To stimulate private retail investment within the commercial corridor through property improvement, business development, retention and expansion
- 5) To revitalize and improve the appearance of a neighborhood's streetscape by activating vacant properties
- 6) To encourage the creation of low barrier to entry jobs for City of Albany residents, as well as others in the region
- 7) To create induced and indirect economic spinoff including sales tax generation
- 8) To leverage public and private investment in the City of Albany and encourage more to occur

APPLICANT AND PROJECT ELIGIBILITY

To be eligible for this program, the application must be on behalf of a retail business, which is defined as a commercial enterprise that offers merchandise, food, or provides services to the public, the sale of which is subject to sales tax, and from which the revenue derived constitutes the majority of revenue for the business. Eligible businesses must be legal entities, which are registered and licensed (if required) to operate in New York State. Applicants must also be current on all property and/or business taxes prior to award and clear of any permitting or codes violations as a condition of reimbursement. Furthermore, the business must not be identified in the list of ineligible businesses contained in these program guidelines.

Eligible projects must be located in one of the identified commercial corridors within **West Hill, Arbor Hill, North Albany & the South End** which are four of the City's Neighborhood Strategy Areas. The boundaries are approximately defined as follows: West Hill – Lexington Avenue between Washington Avenue and Clinton Avenue; Arbor Hill – N. Swan Street between Clinton Avenue and Livingston Avenue; North Albany – Broadway between Tivoli Street North to the city line; South End – S. Pearl Street between Second Avenue and Madison Avenue. See Appendix A for the map of the boundaries for each of the program's commercial corridors. Eligible applicants must be commercial tenants of property located within the boundaries of the identified districts that possess a long-term lease of at least five years or property owners or jointly property owner and tenant. If the applicant is a lessee, written consent from the property owner giving permission to conduct the improvements will be required.

The program is available to both existing and new retail businesses that currently occupy/are planning to occupy first-floor space with street front presence and access. Businesses currently operating in the City of Albany that plan to relocate existing operations with assistance from this grant program may be ineligible for program assistance subject to the discretion of Capitalize Albany Corporation Staff.

Track #1 - New retail locations

In order to be eligible to apply for Track #1, the business must be a new retail business to the City of Albany or a current business that is expanding operations by adding an additional location in the identified commercial corridors described above. Track #1 projects may be inclusive of both interior and exterior improvement activities.

Track #2 – Existing retail locations

In order to be eligible to apply for Track #2, the business must be an existing retail business located in the identified commercial corridors described above. Track #2 projects will be limited to exterior façade improvement activities.

For both funding tracks, generally, renovation projects must exceed the minimum project costs described above before Capitalize Albany Corporation will consider the project for grant funding. Mixed-use projects improving multiple floors can qualify for funds, provided the ground floor will be used for retail. However, only renovations to the ground floor retail space are eligible as part of the Capitalize Albany Corporation Commercial Corridor Retail Program funding request.

Land use must be in conformity with the applicable zoning regulations. Non-conforming land uses, sites, and structures are eligible for grant funds only if the non-conformities are brought into compliance through the grant award.

Applications must include projected tangible benefits to the commercial district, such as annual sales, number of jobs created, etc. Please see the Scoring System section of these guidelines for additional detail.

Eligible applicants must be able to commit to remain in the location for at least two (2) years and must create or retain for two (2) years during the term of the agreement one (1) or more full-time equivalent jobs. For larger funding requests, additional job creation or retention may be required, at the discretion of Capitalize Albany Corporation.

DESIRED BUSINESSES

The City of Albany strives to nurture a unique retail mix. Retail will compete best if it offers a distinct type of product or experience different from what is available in other commercial corridors or suburban areas in the region. This will help the commercial corridor stand out as a retail destination of interest, while also reinforcing the neighborhood's appeal as a unique place to live and work. To this end, the following types of retail are most appropriate for Albany. The preferred business will create or enhance the economic activity in the area and drive more retail to locate here. The list below is not all inclusive but serves as a guide only. Preference will be given to following types of businesses:

- Soft Goods (Apparel/Shoes/Home Furnishings/Books/Gifts/Novelties)
- Health & wellness stores and pharmacies
- Full service restaurants/venues
- Grocery, Specialty Food Stores/Specialty Food Establishments
- Salons/Spas/Barbershops
- Professional service firms (which serve the public and operate year-round)
- Non-profits that serve the community

INELIGIBLE APPLICANTS – Track #1 “New Businesses”

Ineligible applicants include but are not limited to:

- Dollar/discount stores
- Check cashing stores/currency exchanges
- Adult entertainment venues
- Liquor stores

- Pre-paid cell phone stores
- Pawn shops
- Bars as a primary use
- Passive real estate ownership and management firms
- Tobacco/vape/glass/hookah shops
- Government agencies
- Seasonal businesses

INELIGIBLE APPLICANTS – Track #2 “Existing Businesses”

Ineligible applicants include but are not limited to:

- Pawn shops
- Adult entertainment venues
- Liquor stores
- Bars as a primary use
- Passive real estate ownership and management firms
- Business-to-business companies not serving the public
- Tobacco/vape/glass/hookah shops
- Government agencies
- Seasonal businesses

Capitalize Albany Corporation reserves the right to deem any business as eligible/ineligible on a case-by-case basis.

Albany is committed to eradicating food deserts in the City. Convenience retail stores (as defined by Rezone Albany) applying for funding under this program will be required to document and certify that a significant inventory of fresh produce is maintained for sale at the time of application and commit to do so for the term of the grant. As a requirement of the program, convenience retail stores that do not sell fresh produce at the time of application will need to produce an agreement with a fresh foods provider to be approved by Capitalize Albany Corporation staff in order to dedicate significant square footage of the store to fresh produce at the assisted business location.

INELIGIBLE PROPERTIES

At the sole discretion of Capitalize Albany Corporation, a building or property may be deemed ineligible for program funds if any of the below criteria are met:

- 1) Structure identified in the application (or the property the building is located on) is owned in whole or in part by the City of Albany, County of Albany, State of New York or Capitalize Albany Corporation or any other related government entity.

Capitalize Albany Corporation will review all applications on a case-by-case basis and reserves the right to exclude other business activities/properties if: the use is not consistent with the City of Albany’s redevelopment and development plans; the use does not benefit the health, safety, and welfare of the community; or the business activity does not meet the objectives of this program. Additionally, Capitalize Albany Corporation has the right to include other business activities/properties, in its sole discretion, if such activities/properties are deemed to be in alignment with the goals and objectives of the program.

QUALIFYING PROJECT EXPENDITURES

Tenant build-out improvements* –

*For Track #2, only the activities below that are a part of exterior façade improvements are eligible.

- Architecture and engineering fees as part of a comprehensive renovation project
- Interior demolition or site preparation costs as part of a comprehensive renovation project

- Permanent building improvements, which are likely to have universal functionality. Items including but not necessarily limited to demising walls, flooring, interior and exterior lighting, electrical, mechanical, and plumbing work for the build-out
- HVAC, fire suppression, costs of bringing building up to current code, including Fire and Life safety codes and/or Americans with Disabilities Act requirements
- Attached fixtures
- Exterior treatments including painting, murals, siding, and bricking
- Repairs, replacement, and installation of exterior doors, windows, and trim
- Structural improvements to the façade
- Lighting improvements
- Removal of elements that cover architectural details
- Restoration of details on historically significant buildings
- Awnings and signage, including installation costs
- Sidewalk cafes, including balconies, decks, and planters

INELIGIBLE PROJECT EXPENDITURES

- Renovating space on a speculative basis to help attract new tenants
- Acquisition of land or building
- Temporary or movable cubicles or partitions to subdivide space
- Inventory, furniture, equipment, moving expenses, and working capital
- Project costs incurred/improvements made prior to grant approval
- Routine building or site maintenance projects
- Non-fixed improvements
- Purchase of a business
- In-kind or donated services
- Non-permanent signage

Applicants will be encouraged during the application process to reuse, rehabilitate or restore historic architectural elements to retain the charm and character of older buildings and incorporate design principles sensitive to neighboring building structures.

APPLICATION PROCESS:

Potential applicants are encouraged to contact Capitalize Albany Corporation to discuss their project and their potential eligibility for the program as well as to ask any questions about the program, how to complete the application process, or to inquire about other programs and incentives available through Capitalize Albany Corporation. Potential applicants are also encouraged to complete the Capitalize Albany Corporation Project Questionnaire, so that staff has an opportunity to provide early feedback on the project. Contact Capitalize Albany Corporation to request a copy of the Project Questionnaire. Completed Project Questionnaires can be submitted to Development@CapitalizeAlbany.com or in person at our office at 21 Lodge Street, Albany, New York 12207.

Applicants must follow the adopted grant application process in order to be considered for a grant award. The full Commercial Corridor Retail Grant Program application (Appendix B) must be completed and submitted to Capitalize Albany Corporation, along with the \$250 application fee in order to be considered for this program.

Minority and women-owned business enterprises (MWBs) are strongly encouraged to apply.

Applications will be accepted on a rolling basis, until available funding is exhausted.

SUBMISSION REQUIREMENTS

All of the following should be submitted, and determined to be sufficient solely by Capitalize Albany Corporation staff, in order for an application to be considered complete:

- \$250 application fee
- Completed application
- Business Plan for the venture including:
 - Concept and target market
 - ✓ Advertising/marketing plan
 - ✓ Summary of management team's skills and experience
 - ✓ Number of job positions created
 - ✓ Detailed cost sheet for tenant space build-out
 - ✓ Funding description for the project, including a three year cash flow pro forma
 - ✓ Proposed timeline for project construction and projected opening date
 - ✓ Floor plan/layout of physical space, including square footage and existing fixtures
 - ✓ Photographs, renderings of proposed improvements to the interior and exterior, including design/layout/"feel" (photos of similar concepts, material samples, etc.)
 - ✓ Plan for merchandising (inventory levels, brands)
- Color photographs of existing conditions (including the building façade)
- If the applicant is a lessee, written consent from property owner giving permission to conduct improvements (Appendix C)
- At least one detailed proposal from a licensed (if required), insured contractor reflecting work to be performed and costs.
- A copy of the property tax bill or deed to confirm ownership of the property
- For lessees, a legally valid and binding lease for a period of at least five (5) years with use restricted to an allowable retail use. The landlord must show a concession to the tenant in the lease.
- Minimum one (1) year corporate and/or three (3) year's personal tax returns (exceptions will be considered)
- Copy of the business owner(s)'s credit report(s) and score(s) (must be dated less than sixty (60) days from application submittal)

Completed Project Questionnaires and full applications must be emailed to Development@CapitalizeAlbany.com or in person at our office at 21 Lodge Street, Albany, New York 12207.

Applicants will be notified of any missing items in the application and will be provided thirty (30) days to submit the remaining documentation. If missing documentation is not received within thirty (30) days of Capitalize Albany Corporation's notice to the applicant, the application may be deemed ineligible and not subject to further consideration under this program.

REVIEW PROCESS

Grant applications will not be evaluated until all of the requested information is included and approved by Capitalize Albany Corporation staff. All eligible, completed applications will be evaluated on a case-by-case basis by Capitalize Albany Corporation staff (as described below under "Scoring System and Scoring Process").

Capitalize Albany Corporation will - review applications on a monthly basis, unless no applications have been submitted. The applicant must discuss (in person) with Capitalize Albany Corporation staff the project concept, business plan and funding arrangement and articulate how the project meets the objective of the program. Capitalize Albany Corporation is looking for projects that will have a major impact on the selected neighborhood's retail environment.

Capitalize Albany Corporation reserves the right to reject any project. Throughout the review process, Capitalize Albany

Corporation staff will have the right to request more information, or to request specific design or operating changes. Capitalize Albany Corporation also reserves the right to recommend funding at a lesser amount than what is requested by the applicant based on project size, budget, priority of retail use, as well as funding availability. Capitalize Albany Corporation will award funds on a competitive, first-come, first-served basis until available funding is exhausted.

Among other criteria, the Corporation will analyze the investment level, strategic value and overall project impact of each proposed project. A building/parcel with an active Commercial Corridor Retail Grant Program application and/or award or other Capitalize Albany Corporation grant will be subject to additional review. Additionally, a building/parcel/applicant requesting more than one (1) grant in the same 12 month period will be subject to additional review.

SCORING SYSTEM

All applications will be scored on both the feasibility as well as the demonstrated strategic value of the project. The feasibility of the business and proposed project will serve as a threshold eligibility standard. A successful application will be the one that conveys the most promising combination of financial feasibility, product and market research, growth potential job creation, and financial need. Financial need or gap analysis must be included in the business plan and/or application.

The below scoring system is intended to be a guiding tool for Capitalize Albany Corporation staff:

0-25 Points – Feasibility Review (see point breakdown below):

0 – 5 Points	Application shows good short term profit potential and contains realistic financial projections
0 – 5 Points	Application shows how the business will target a clearly defined market and its competitive edge
0 – 5 Points	Application shows that the management team has the skills and experience to make the business successful
0 – 5 Points	Application shows that the entrepreneur will make a personal (equity) investment in the business venture
0 – 5 Points	Number of job positions created or retained in excess of the required one (1) full-time equivalent position

The maximum number of points for the Feasibility Review is twenty-five (25) points. An application must score a minimum of fifteen (15) points in order to progress to the Strategic Value Review. Following a successful evaluation under the Feasibility Review, the project will be subject to a Strategic Value Review, as supported by the Impact Downtown strategy.

0-25 Points – Strategic Value Review (see point breakdown below):

0-5 Points	Expansion of the local property tax base by stimulating new investment in older commercial properties
0-5 Points	Expansion of the state and local sales tax base by increasing sales for new or existing shops
0-5 Points	Uniqueness in the retail marketplace/right concept in the right location
0-5 Points	Brand recognition/ability to attract customers and other retailers to the area

0-5 Points	Expressive retail storefront design/high quality interior design
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The maximum number of points for the Strategic Value Review of the project is twenty-five (25) points.

5 Bonus Points – Track #1 applicants will qualify for additional automatic points if the concept is an existing regional chain-let or regional business, or the business owner is a City of Albany resident. Track #2 applicants are not eligible for these points.

Up to 5 Bonus Points – Track #1 applicants will qualify for additional points based on the percentage of projected employees that are anticipated to be City of Albany residents. Track #2 will qualify for additional points based on the percentage of employees that are City of Albany residents.

The maximum number of points for review of the application is fifty (50) points, with the opportunity to reach sixty (60) points with all bonus points.

SCORING PROCESS

I. FEASIBILITY REVIEW. Once the application is determined by Capitalize Albany Corporation staff to be complete, Capitalize Albany Corporation staff will complete the Feasibility Review. A minimum score of fifteen (15) points (out of a possible twenty-five (25) points) is required in order for the proposed project to continue to be considered for funding.

II. STRATEGIC VALUE REVIEW. Capitalize Albany Corporation staff will then score all feasibility-qualified projects (those projects which achieve at least fifteen (15) points during the Feasibility Review Process) based on their demonstrated strategic value (using the same criteria/scoring described above in the Strategic Value Review table) following the applicant’s presentation to Capitalize Albany Corporation. Special consideration will be given to ensuring geographic equity when awarding projects.

III. Applicants are highly encouraged to utilize local businesses and labor during the project’s construction period. Applicants will be provided with the Albany Community Development Agency’s list of pre-approved bidders and the City of Albany’s list of MWBE contractors to assist in the applicant’s search for skilled labor. While exclusive use of these firms is not required by the program, use of qualified firms that uphold the highest standards of employee care, insurance and local hiring is strongly preferred.

For applicants under Track #1, a minimum total score of forty (40) must be obtained in order to be eligible to receive a recommendation for award from Capitalize Albany Corporation. For applicants under Track #2, a minimum total score of thirty (30) must be obtained in order to be eligible to receive a recommendation for award from Capitalize Albany Corporation. Please note: if a project under Track #1 receives forty (40) points or higher or a project under Track #2 receives thirty (30) points or higher, it does not guarantee that the project will receive funding. These are minimum thresholds to be considered for award and do not bind Capitalize Albany Corporation to make any award.

Throughout the program, the proportion of projects awarded under each funding track and within each specific commercial corridor will be continually evaluated. This may have an effect on award recommendations, but will be done to ensure that the limited program funds achieve the greatest impact.

Following the completion of the scoring process, if Capitalize Albany Corporation determines that the project should move forward, a grant award will be approved. Capitalize Albany Corporation staff has the final authority to approve or deny the project application. In addition, the amount of the grant is determined in the sole and absolute discretion of Capitalize Albany Corporation. Notification of grant funding approval or denial will be sent to the applicant by Capitalize Albany Corporation staff.

UPON APPROVAL

Upon award, applicants will be required to execute a grant agreement and other security documents, as determined by Capitalize Albany Corporation in its discretion, including but not limited to some or all of the following: a promissory note (forgivable on meeting all grant requirements), personal guaranty for the note (if the applicant is an entity), mortgage (subordinated to certain other mortgages in Capitalize Albany Corporation's discretion), and lien filings. Included within the grant agreement/security documents will be commercially reasonable indemnification/insurance obligations on the part of any applicant awarded funds intended to protect Capitalize Albany Corporation from any potential liability related in any manner to this grant.

Prior to execution of the grant agreement and other security documents, the grantee must submit the following to Capitalize Albany Corporation:

- Architectural drawings and/or renderings of the improvements, reflecting placement, materials and colors to be used
- Documentation of commitment of funds for the project construction (commitment letter(s))
- Up to three (3) detailed proposals from licensed (if required), insured contractors reflecting work to be performed and costs. Any contractor that has submitted a competitive, detailed estimate can be used. Contractors cannot be changed during construction unless new proposals have been submitted to Capitalize Albany Corporation.
- Documentation of approval by the City's Planning Board, Department of Buildings & Regulatory Compliance and the City of Albany's Historic Resources Commission when applicable.

Capitalize Albany Corporation, in its sole discretion, has the right to require additional documentation prior to execution of the grant agreement.

The grants shall be recoverable and amortized over a period of two (2) years. Upon opening, the principal amount of the grant will diminish by ten (10) percent and shall diminish by forty-five (45) percent each year thereafter for a period of two (2) years. Grantee must commit to remain in the location for at least two (2) years and must create or retain for two (2) years during the term of the agreement one (1) or more full-time equivalent jobs. For a larger request, additional job creation may be required, at the discretion of Capitalize Albany Corporation. If the grantee does not default on the grant terms during the required two (2) year period, the grant will be closed. Failure to abide by the grant terms and conditions may result in (i) forfeiture of any grant funding awarded to applicant; and/or (ii) applicant repaying/returning

to Capitalize Albany Corporation any grant funds awarded which had been already provided to the applicant (up to the full amount of grant funds).

All rehabilitation work and design features must comply with all applicable city codes and ordinances, as well as state and federal law. All applicable permits and licenses must be obtained, including all permits and Certificates of Occupancy required by the City of Albany and all other state and local permits. In addition, work must follow plans and specifications as approved by Capitalize Albany Corporation.

After approval, any changes to the project, no matter how minimal, must be approved by Capitalize Albany Corporation. Contractors cannot be changed during construction unless new proposals have been submitted to Capitalize Albany Corporation. Grant recipients must work closely with Capitalize Albany Corporation staff to communicate the project progress and resolve any issues or questions. Upon completion, all work must pass applicable state and/or local inspections. Capitalize Albany Corporation reserves the right to conduct site visits and should anything be discovered that is not consistent with the approved application, Capitalize Albany Corporation has the right to withhold the grant award, recapture any and all grant funds, or take any other available remedy to maintain compliance with these program guidelines.

Once the grant is approved, the applicant has six (6) months to begin construction. If the work does not begin within the six (6) month period, the applicant will be notified in writing that the grant may lapse and the agreement will be terminated with no grant funds awarded or available to the applicant. Once construction has started, the applicant has one year to complete the project and open for business. If the business has not opened at the end of the one (1) year period, the applicant will be notified in writing that the grant may lapse and the agreement will be terminated with no grant funds awarded or available to the applicant. If an approved project is nearing the six (6) month or one (1) year lapse point, an opportunity will be provided for the applicant to request an extension. An extension may be granted at the discretion of Capitalize Albany Corporation depending on the project's circumstances and the future needs of the program. If an approved grant does lapse and is terminated, the applicant may reapply on a first-come, first-served competitive basis. There is no guarantee that a resubmission will be approved, and the project will be re-evaluated based upon the established criteria detailed above. Any expenditure incurred for projects approved but not completed will not be reimbursed.

The applicant may be subject to repayment of all grant funds to Capitalize Albany Corporation if the physical improvements paid for by this program do not remain in place for an agreed upon minimum period of time, if the concept changes without permission of Capitalize Albany Corporation or the business closes prior to the end of the agreed upon term.

RELEASE OF FUNDS

Generally, grant funds will not be disbursed as a cash advance prior to project costs being incurred and the project completed/business open and operating. The program will offer grants on a reimbursement basis only. Funds are disbursed only after the project is completed, and a disbursement request with paid receipts and/or invoices, cancelled checks, and/or certified checks for eligible project costs are submitted and approved by Capitalize Albany Corporation, and the establishment has received their Certificate of Occupancy from the City of Albany, is open for business, and has met all requirements in the contractual agreement. Generally, the full (100%) grant will be provided to the grantee in a single payment. All closing costs (e.g., Capitalize Albany Corporation attorney fees, recording fees and/or filing fees) may be deducted from the grant amount awarded.

Eligible receipts and invoices must, at a minimum, include the invoice date, scope of work, contractor name and contact information, cost, and be marked as paid/ a zero balance indicated or other proof of payment supplied. The invoices must clearly indicate the nature of the expense and that such expense is related to the approved project and business. Capitalize Albany

Corporation will only be obligated to reimburse applicants for which eligible, reimbursement requests are received within six (6) months following the receipt of the Certificate of Occupancy.

If eligible project costs are less than the original grant approval, Capitalize Albany Corporation has the right to reduce grant awards. Awards may be pro-rated down accordingly.

At the Corporation's discretion, upon disbursement of funds, the grantee must first pay down any outstanding debt related to the project. Proof of such payment may be required.

ADDITIONAL PROGRAM REQUIREMENTS

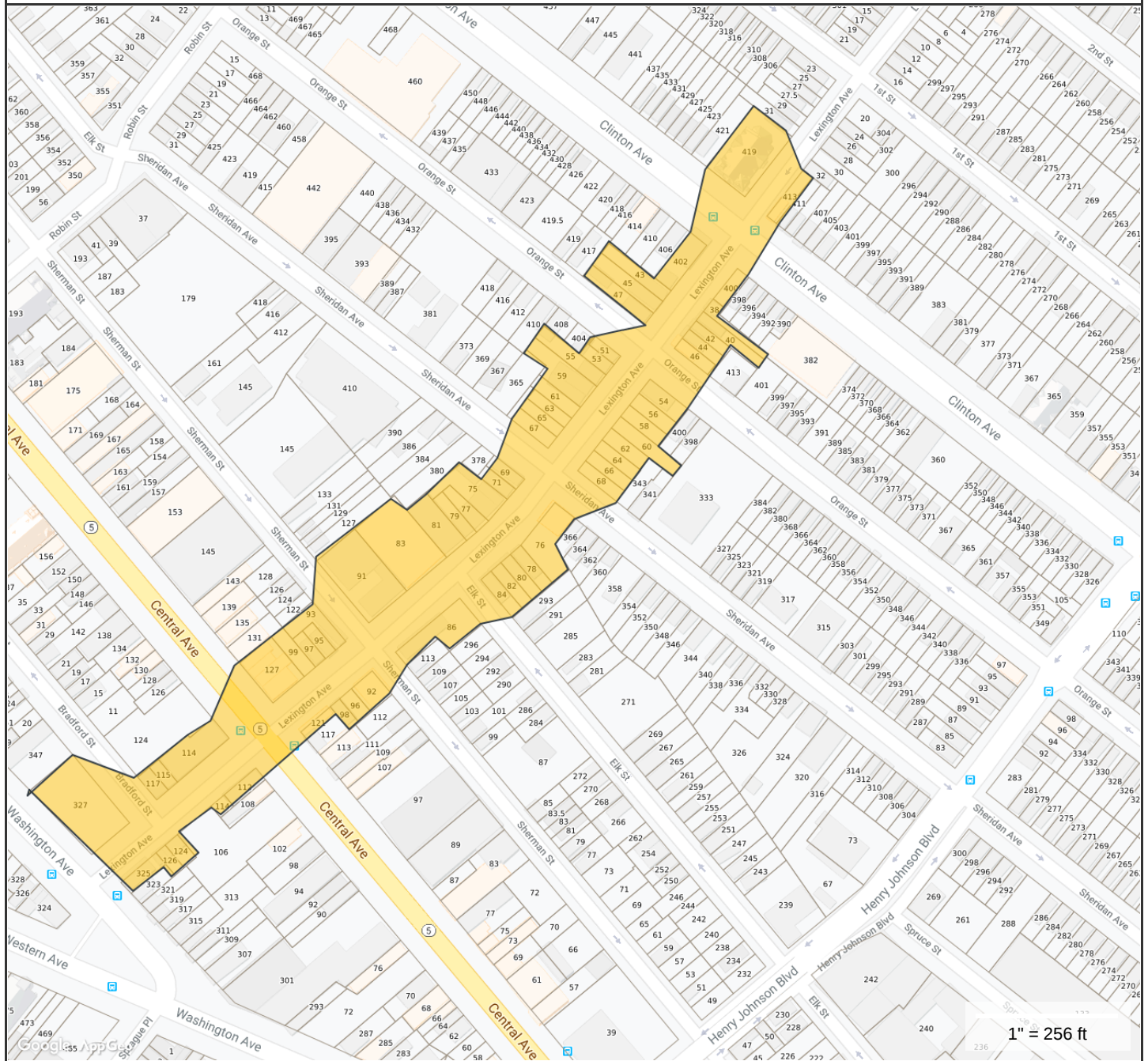
- Businesses receiving grants from this program shall be required to be open and operating for a minimum of forty (40) hours per week.
- Any grantee hereby agrees to indemnify, defend and hold harmless Capitalize Albany Corporation and its officers, directors, employees, and agents (collectively, the "Capitalize Albany Corporation Parties") from any claims, damages, losses and expenses, including but not limited to attorneys' fees, asserted against Capitalize Albany Corporation Parties related in any way to a project.
- The grantee will be required to give to Capitalize Albany Corporation, the unrestricted right to use, for any lawful purpose, any photographs or video footage taken of the property at the approved project location for which the grantee has the authority to grant such permission, and to use the grantee's name in connection therewith if it so chooses.
- The grantee will further be required to notify Capitalize Albany Corporation of any public announcements or events to be held at or in relation to the inception or opening of the approved project location, and Capitalize Albany Corporation will have the right to participate in and/or publicize the event in coordination with the grantee, if Capitalize Albany Corporation so chooses.
- The grantee will be required to include the Capitalize Albany Corporation logo, the Capital Resource Corporation (CRC) logo, and any other logos Capitalize Albany Corporation deems appropriate on all print collateral related to the project.
- The grantee will consent to display signage at the project location indicating participation in the Commercial Corridor Retail Grant Program (Capitalize Albany Corporation to provide sign specifications).
- Only one grant shall be awarded per business for each physical location and/or expansion project. Funding is not transferable.

Appendix A

Commercial Corridor Retail Grant Program Eligible Areas

DRAFT

West Hill - Lexington Ave Commercial Corridor



**MAP FOR REFERENCE ONLY
NOT A LEGAL DOCUMENT**

City of Albany, New York makes no claims and no warranties, expressed or implied, concerning the validity or accuracy of the GIS data presented on this map.

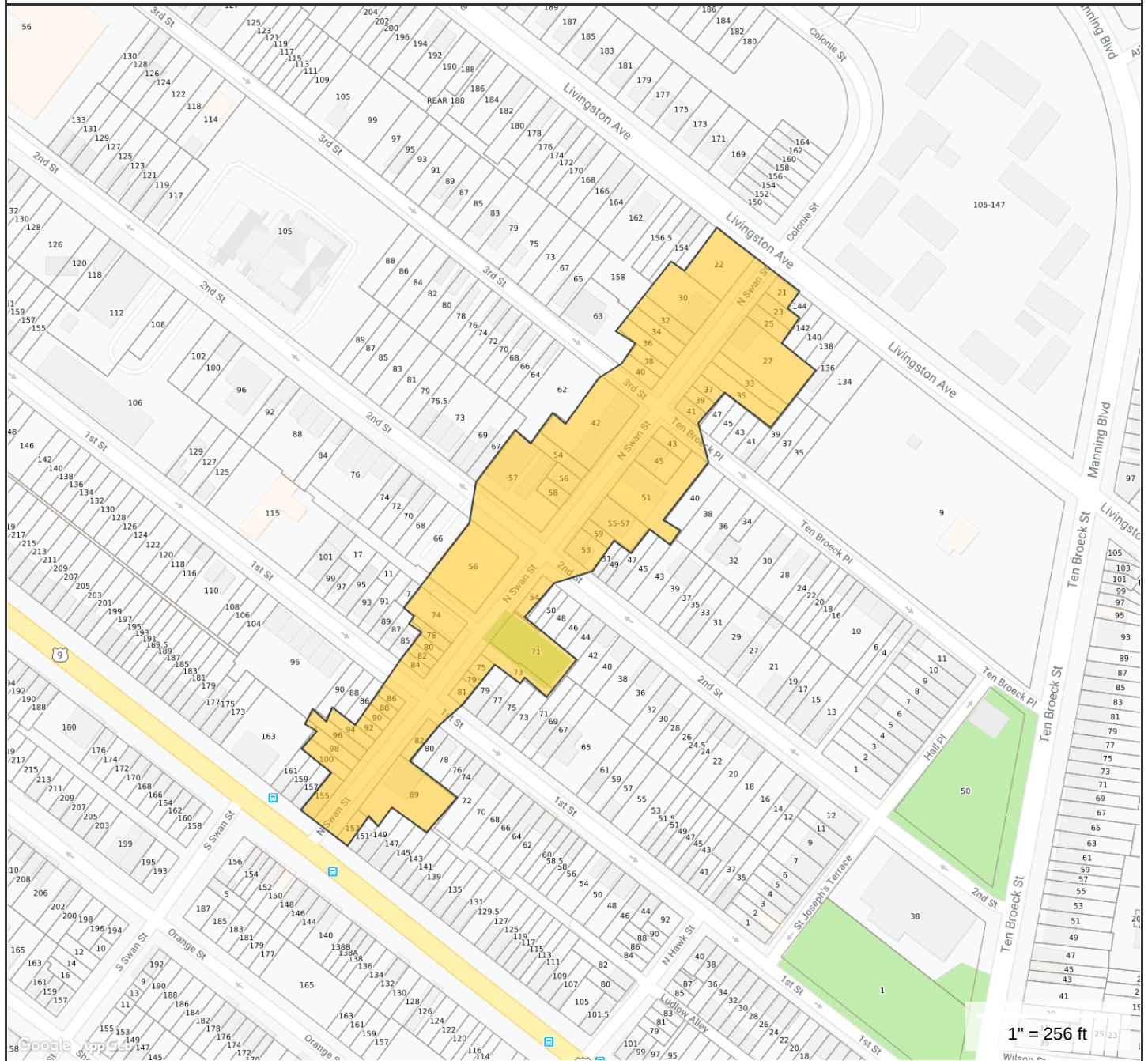
West Hill - Lexington Ave Commercial Corridor



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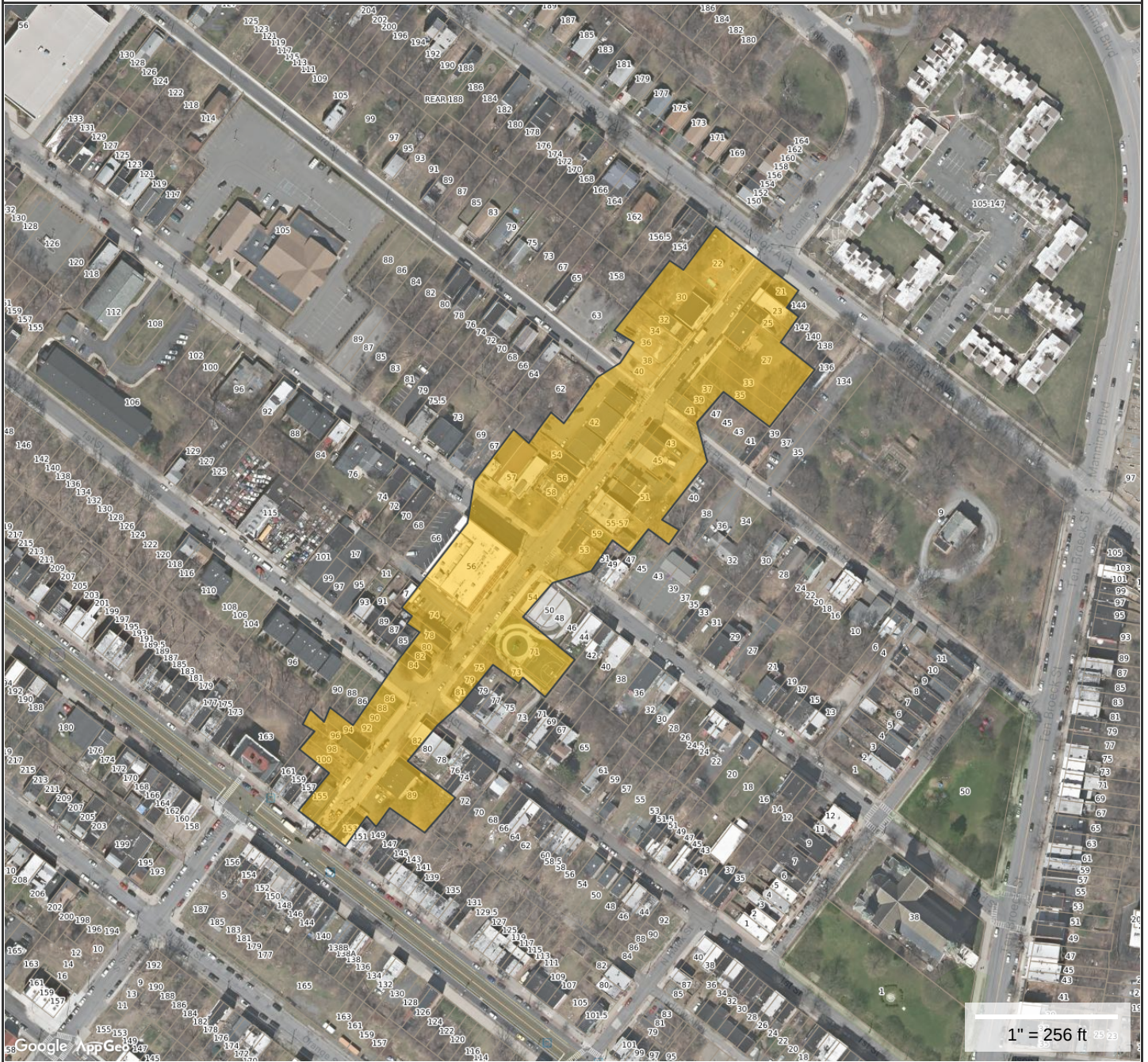
Arbor Hill - North Swan St. Commercial Corridor



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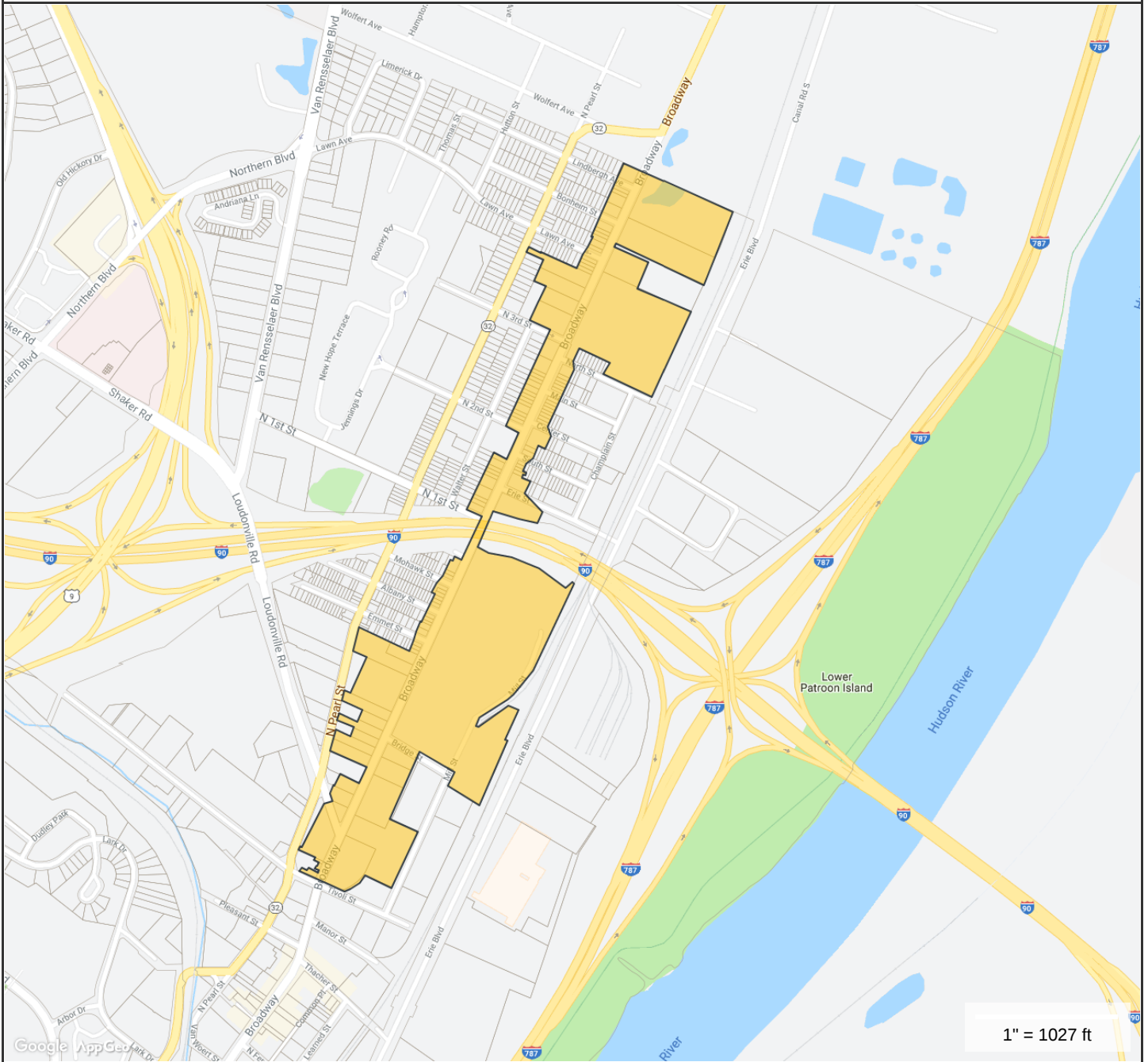
Arbor Hill - North Swan St. Commercial Corridor



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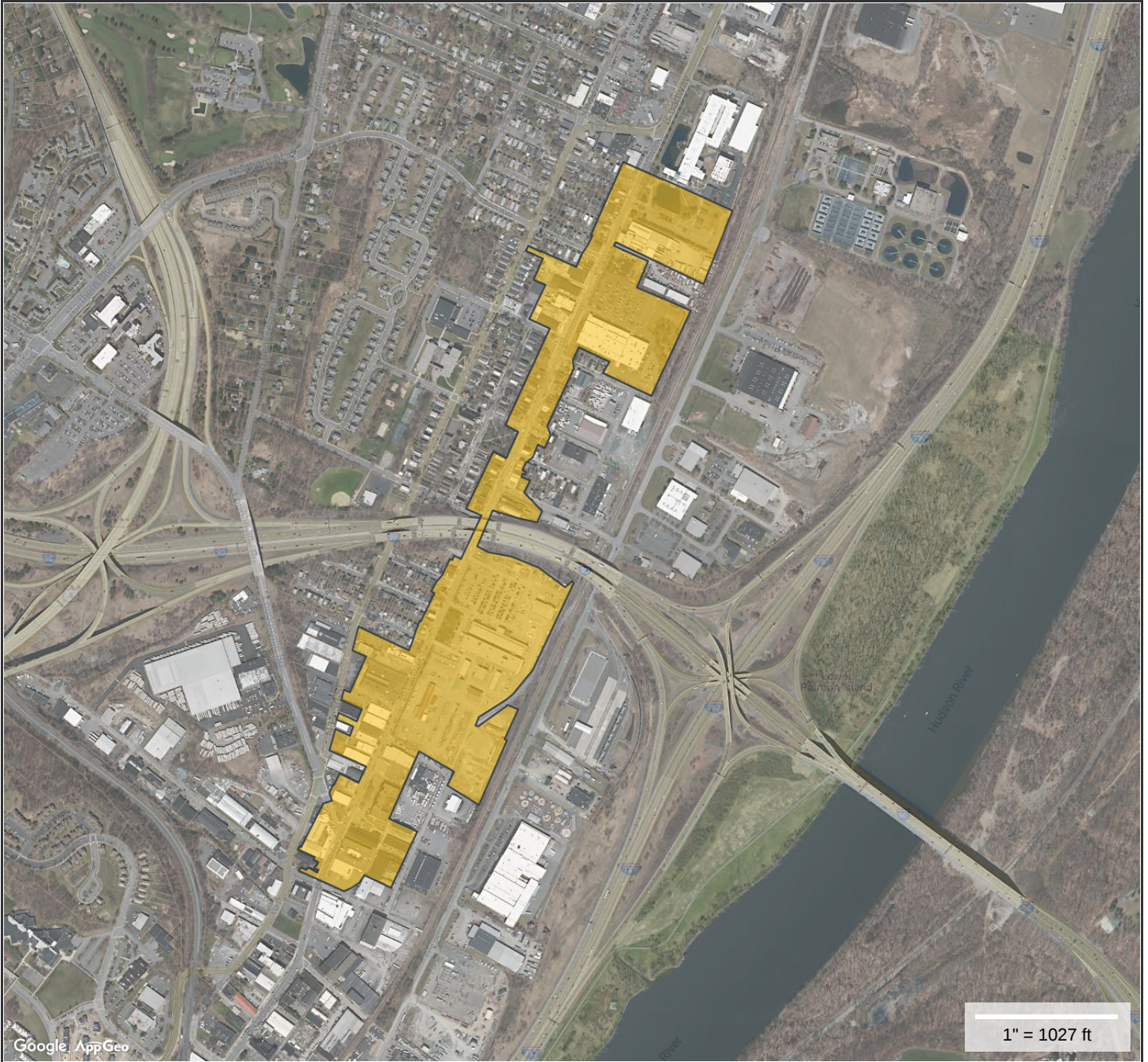
North Albany - North Broadway Commercial Corridor



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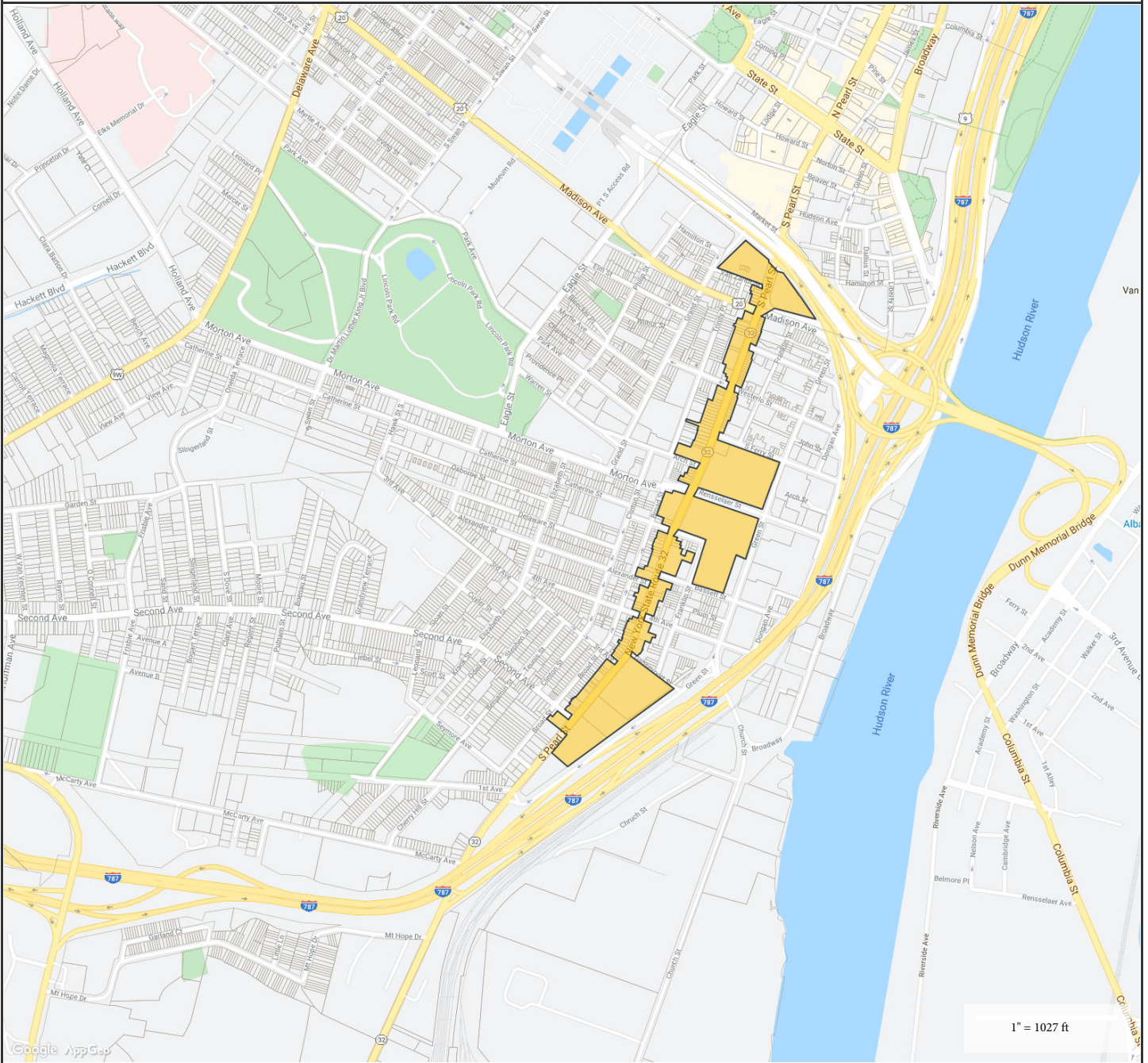
North Albany - North Broadway Commercial Corridor



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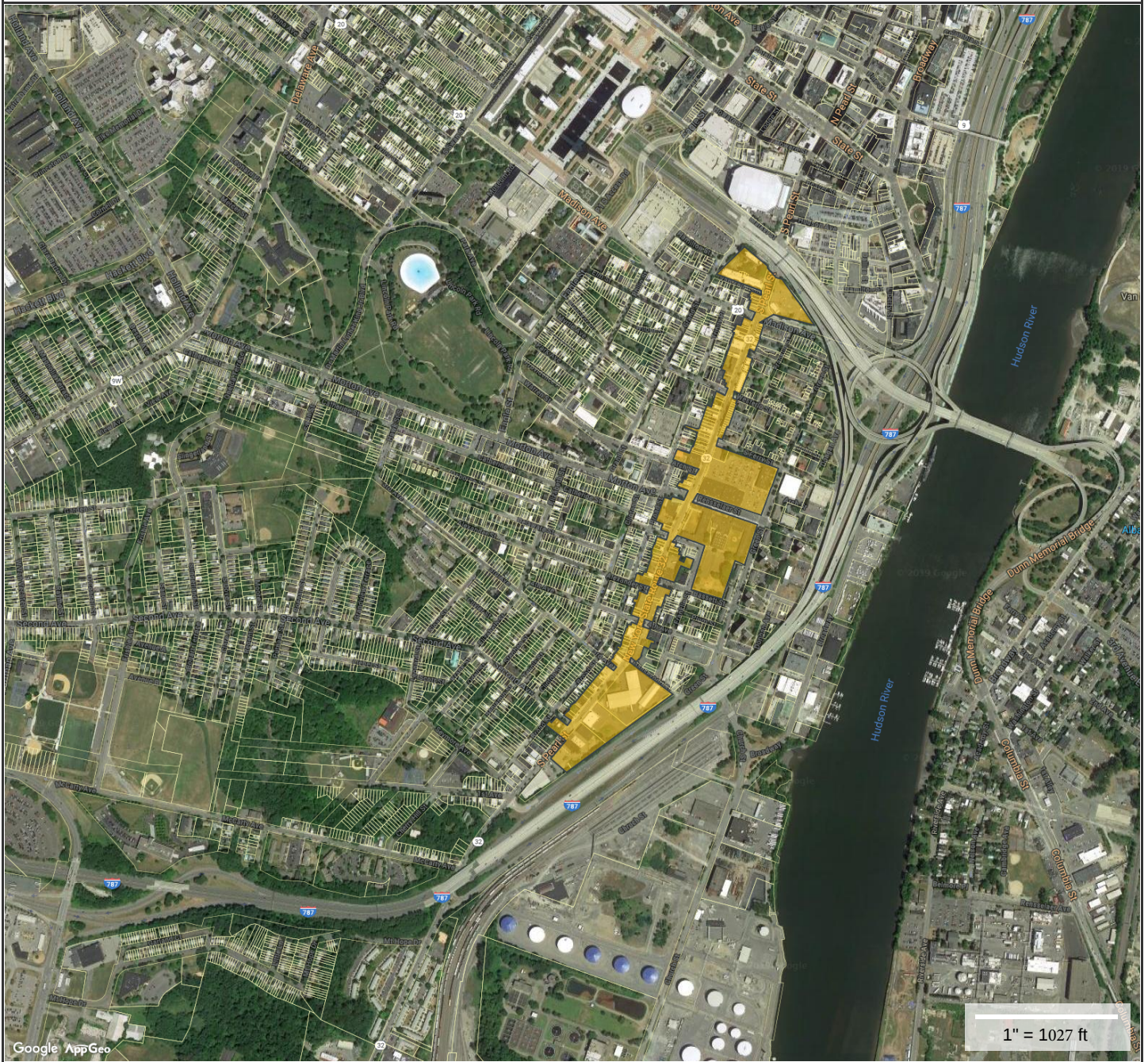
South End -South Pearl Street Commercial Corridor



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South End - South Pearl Street Commercial Corridor



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