

Albany Industrial Development Agency

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

Tracy Metzger, *Chair*
Susan Peto, *Vice Chair*
Darius Shahinfar, *Treasurer*
C. Anthony Owens, *Secretary*
Lee Eck
Dominick Calsolaro
Robert Schofield

Sarah Reginelli, *Chief Executive Officer*
Mark Opalka, *Chief Financial Officer*
John Reilly, *Agency Counsel*

To: Tracy Metzger	Sarah Reginelli
Darius Shahinfar	John Reilly
Susan Peto	Joe Scott
Anthony Owens	Mark Opalka
Lee Eck	Brad Chevalier
Dominick Calsolaro	Andy Corcione
Robert Schofield	Chantel Burnash

Date: October 14, 2016

IDA REGULAR MEETING AGENDA

A Regular Meeting of the City of Albany Industrial Development Agency Board of Directors will be held on **Thursday, October 20th at 12:15 PM** at 21 Lodge Street, Albany, NY 12207 (Large Conf. Room)

Roll Call

Reading Approval of Minutes of the Board Meeting of September 15, 2016
Approval of Minutes of the Board Meeting of September 15, 2016

Report of Chief Financial Officer

A. Financial Report

Unfinished Business

- A. 191 North Pearl LLC
 - Project Synopsis
 - SEQR Resolution
 - Commercial Retail Findings Resolution
 - Approving Resolution
 - PILOT Deviation Approval Resolution
- B. 760 Broadway LLC
 - Project Synopsis
 - SEQR Resolution
 - Commercial Retail Findings Resolution
 - Approving Resolution
 - PILOT Deviation Approval Resolution

New Business

- C. Capital District Apartments, LLC
 - Public Hearing Resolution
- D. IDA Audit Engagement Letter
 - Approval Resolution Selection of Accountants – FY 2016 Audit
- E. Approve 2017 IDA Budget
 - 2017 Budget Approval Resolution

Other Business

- A. Agency Update
 - Common Council Update

Adjournment

The next regularly scheduled Board Meeting will be held Thursday, November 17, 2016 at 21 Lodge Street, Albany, NY. Please check the website www.albanyida.com for updated meeting information.

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IDA MINUTES OF REGULAR MEETING Thursday, September 15, 2016

Attending: Tracy Metzger, Susan Pedo, Darius Shahinfar, C. Anthony Owens, and Dominick Calsolaro

Absent: Lee Eck and Robert Schofield

Also Present: Sarah Reginelli, Brad Chevalier, Mark Opalka, Andy Corcione, Ashley Mohl, Chantel Burnash, Sabina Mora, Mike Bohne, John Reilly and Joe Scott

Chair Tracy Metzger called the regular meeting of the IDA to order at 12:15 PM.

Roll Call

Chair Tracy Metzger reported that all Board members were present, with the exception of Lee Eck and Robert Schofield.

Reading of Minutes of the August 18, 2016 Board Meeting

Since the minutes of the previous meeting had been distributed to Board members in advance for review, Chair Tracy Metzger made a proposal to dispense with the reading of the minutes.

Approval of Minutes of the August 18, 2016 Board Meeting

Chair Tracy Metzger made a proposal to approve the minutes of the Board Meeting of August 18, 2016, as presented. A motion to accept the minutes, as presented, was made by C. Anthony Owens and seconded by Susan Pedo. A vote being taken, the minutes were accepted unanimously.

Reports of the Chief Financial Officer

Mark Opalka reviewed the monthly financial report that was provided in advance for review.

Unfinished Business

None.

New Business

At Hudson Park, LLC (160 Myrtle Avenue) – Public Hearing Resolution

Chair Tracy Metzger presented the At Hudson Park, LLC (160 Myrtle Avenue) Project – Public Hearing Resolution to the Board. A motion to adopt the resolution was made by C. Anthony Owens and seconded by Darius Shahinfar. A vote being taken, the resolution passed unanimously.

Nipper Apartments, LLC (991 Broadway) – Public Hearing Resolution

Chair Tracy Metzger presented the Nipper Apartments, LLC (991 Broadway) Project – Public Hearing Resolution to the Board. Robert Schofield was absent, however he sent a letter of recusal from deliberations and participation in matters relating to the project at 991 Broadway which was distributed to the Board, due to potential conflicts of interest.

A motion to adopt the resolution was made by C. Anthony Owens and seconded by Susan Pedo. A vote being taken, the resolution passed unanimously.

67 Howard Street, LLC – Resolution Extending the Expiration Date of the Sales Tax Letter

Chair Tracy Metzger presented the 67 Howard Street, LLC – Resolution Extending the Expiration Date of the Sales Tax Letter to the Board. A motion to adopt the resolution was made by C. Anthony Owens and seconded by Susan Pado. A vote being taken, the resolution passed unanimously.

Other Business

A motion to enter into executive session was made by Darius Shahinfar, seconded by C. Anthony Owens to discuss pending and potential litigation with Counsel. The Board entered into executive session at 12:20pm. Board members, Counsel Scott, Agency Counsel John Reilly, Agency CEO Sarah Reginelli, Agency CFO Mark Opalka, Brad Chevalier, Sabina Mora, Andy Corcione, Ashley Mohl, Michael Bohne, and Chantel Burnash remained in the room. The Board left executive session at 12:32pm and returned to its regular session. No actions were taken in executive session.

Agency Update

Staff reminded the Board that there will be a Governance Committee meeting on Thursday, September 22nd at 12:00pm, in which W-ZHA will present the Project Evaluation and Assistance Matrix analysis.

Staff advised the Board that the tentative date for the annual Agency overview presentation to the Common Council's Planning, Economic Development and Land Use Committee is Thursday, September 29th. Once the date, time and location are confirmed, it will be distributed to the Board. All Board members are encouraged to attend.

Staff gave an update of the 40-48 South Pearl Street project to the Board.

There being no further business, Chair Tracy Metzger adjourned the meeting at 12:37 PM.

Respectfully submitted,

C. Anthony Owens, Secretary

City of Albany IDA
2016 Monthly Cash Position
September 2016

	<i>Actual</i>									<i>Projected</i>			
	January	February	March	April	May	June	July	August	September	October	November	December	YTD Total
Beginning Balance	\$ 2,386,515	\$ 2,495,594	\$ 2,429,915	\$ 2,306,129	\$ 2,261,160	\$ 2,227,174	\$ 2,131,312	\$ 2,106,805	\$ 2,108,644	\$ 2,018,148	\$ 1,976,560	\$ 2,177,613	\$ 2,386,515
Revenue													
Fee Revenue													
Application Fee	\$ 1,500	\$ 2,000	\$ 2,000	\$ 1,500	\$ 500	\$ -	\$ 3,000	\$ 1,500	\$ 500	\$ -	\$ -	\$ -	\$ 12,500
Agency Fee	-	-	-	-	-	-	-	33,564	-	30,000	229,737	-	\$ 293,301
Administrative Fee	-	2,790	-	-	-	-	-	-	-	-	-	-	2,790
Modification Fee	1,000	-	-	-	-	-	1,000	500	-	500	-	-	3,000
Subtotal - Fee Revenue	<u>\$ 2,500</u>	<u>\$ 4,790</u>	<u>\$ 2,000</u>	<u>\$ 1,500</u>	<u>\$ 500</u>	<u>\$ -</u>	<u>\$ 4,000</u>	<u>\$ 35,564</u>	<u>\$ 500</u>	<u>\$ 30,500</u>	<u>\$ 229,737</u>	<u>\$ -</u>	<u>\$ 311,591</u>
Other Revenue													
Project Benefit Agreement	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
9% LIHTC Fee	10,000	-	10,000	-	-	-	-	-	-	-	-	-	20,000
Interest Income	926	1,007	999	905	983	894	826	940	838	799	782	866	10,767
CRC	-	-	-	-	-	-	-	-	-	-	-	105,028	105,028
NYS BIC	-	-	-	-	-	-	-	-	-	-	-	-	-
Misc	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - Other Revenue	<u>\$ 110,926</u>	<u>\$ 1,007</u>	<u>\$ 10,999</u>	<u>\$ 905</u>	<u>\$ 983</u>	<u>\$ 894</u>	<u>\$ 826</u>	<u>\$ 940</u>	<u>\$ 838</u>	<u>\$ 799</u>	<u>\$ 782</u>	<u>\$ 105,894</u>	<u>\$ 235,795</u>
Total - Revenue	<u>\$ 113,426</u>	<u>\$ 5,797</u>	<u>\$ 12,999</u>	<u>\$ 2,405</u>	<u>\$ 1,483</u>	<u>\$ 894</u>	<u>\$ 4,826</u>	<u>\$ 36,504</u>	<u>\$ 1,338</u>	<u>\$ 31,299</u>	<u>\$ 230,519</u>	<u>\$ 105,894</u>	<u>\$ 547,386</u>
Expenditures													
Management Contract	\$ -	\$ 29,049	\$ 58,097	\$ 29,048	\$ 29,048	\$ 29,049	\$ 29,048	\$ 29,049	\$ 29,049	\$ 29,048	\$ 29,049	\$ 29,049	\$ 348,583
Consulting Fees	-	-	-	13,500	5,080	3,360	-	5,360	-	5,860	-	-	33,160
Strategic Activities	-	-	-	-	-	-	-	-	-	-	-	-	-
Audits	2,500	-	-	4,500	-	-	-	-	-	-	-	-	7,000
Agency Counsel	-	42,000	-	-	-	-	-	-	-	-	-	-	42,000
ED Support	-	-	62,500	-	-	62,500	-	-	62,500	-	-	62,500	250,000
Sub-lease AHCC	-	-	15,906	-	-	-	-	-	-	32,562	-	18,750	67,218
NYS BIC	-	-	-	-	-	-	-	-	-	-	-	-	-
D & O Insurance	-	-	-	-	-	1,526	-	-	-	-	-	-	1,526
Misc.	143	428	283	326	285	322	285	257	285	417	417	417	3,863
Legal Expenses	-	-	-	-	1,056	-	-	-	-	5,000	-	8,944	15,000
Other Expenses	1,705	-	-	-	-	-	-	-	-	-	-	1,000	2,705
Total - Expenditures	<u>\$ 4,348</u>	<u>\$ 71,476</u>	<u>\$ 136,786</u>	<u>\$ 47,374</u>	<u>\$ 35,469</u>	<u>\$ 96,756</u>	<u>\$ 29,333</u>	<u>\$ 34,666</u>	<u>\$ 91,834</u>	<u>\$ 72,887</u>	<u>\$ 29,466</u>	<u>\$ 120,660</u>	<u>\$ 771,054</u>
Ending Balance	<u>\$ 2,495,594</u>	<u>\$ 2,429,915</u>	<u>\$ 2,306,129</u>	<u>\$ 2,261,160</u>	<u>\$ 2,227,174</u>	<u>\$ 2,131,312</u>	<u>\$ 2,106,805</u>	<u>\$ 2,108,644</u>	<u>\$ 2,018,148</u>	<u>\$ 1,976,560</u>	<u>\$ 2,177,613</u>	<u>\$ 2,162,847</u>	<u>\$ 2,162,847</u>

City of Albany IDA

Fee Detail by Month

September 2016

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>January</i>	The Tower on the Hudson, LLC	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500
	Albany Medical Center				1,000	1,000
						-
	TOTAL	\$ 1,500	\$ -	\$ -	\$ 1,000	\$ 2,500
<i>February</i>	Eleftheria Properties, LLC	\$ -	\$ -	\$ 2,790	\$ -	\$ 2,790
	Broadway Albany Realty, LLC	500	-	-	-	500
	99 Pine Street, LLC	1,500	-	-	-	1,500
						-
	TOTAL	\$ 2,000	\$ -	\$ 2,790	\$ -	\$ 4,790
<i>March</i>	1385 Washington Avenue Property Associates, LLC	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500
	Sheridan Hollow Enterprises	500	-	-	-	500
		-	-	-	-	-
		-	-	-	-	-
	TOTAL	\$ 2,000	\$ -	\$ -	\$ -	\$ 2,000
<i>April</i>	960 Broadway, LLC	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500
		-				-
	TOTAL	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500
<i>May</i>	TMG-NY Albany I LP	\$ 500	\$ -	\$ -	\$ -	\$ 500
		-		-		-
	TOTAL	\$ 500	\$ -	\$ -	\$ -	\$ 500
<i>June</i>		\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -

City of Albany IDA

Fee Detail by Month

September 2016

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
July	Broadway Albany Realty, LLC	\$ -	\$ -	\$ -	\$ 500	\$ 500
	Sheridan Hollow Enterprises, LLC				500	500
	Nipper Apartments, LLC	\$ 1,500				1,500
	191 North Pearl, LLC	\$ 1,500				1,500
						-
August						-
	TOTAL	\$ 3,000	\$ -	\$ -	\$ 1,000	\$ 4,000
	TMG-NY Albany I LP				500	\$ 500
	At Hudson Park, LLC (160 Mytle Ave)	\$ 1,500				1,500
	99 Pine Street of Albany, LLC		33,564			33,564
September						
	TOTAL	\$ 1,500	\$ 33,564	\$ -	\$ 500	\$ 35,564
	67 Howard Street LLC	\$ 500	\$ -	\$ -	\$ -	\$ 500
	TOTAL	\$ 500	\$ -	\$ -	\$ -	\$ 500
October						
	960 Broadway LLC	\$ -	\$ 30,000	\$ -	\$ -	\$ 30,000
	67 Howard Street LLC	-	-	-	500	500
						-
	TOTAL	\$ -	\$ 30,000	\$ -	\$ 500	\$ 30,500
November						
	CDP Holland, LLC	\$ -	\$ 229,737	\$ -	\$ -	\$ 229,737
	TOTAL	\$ -	\$ 229,737	\$ -	\$ -	\$ 229,737
December						
		\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
	2016 TOTAL	\$ 12,500 Application Fee	\$ 293,301 Agency Fee	\$ 2,790 Administration Fee	\$ 3,000 Modification Fee	\$ 311,591 TOTAL FEE

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY
LEASE/LEASEBACK TRANSACTION
191 NORTH PEARL LLC PROJECT**

I. PROJECT IDENTIFICATION:

1. Project Applicant: 191 North Pearl LLC, a New York limited liability company (the “Company”).
2. The Project:
 - (A) Acquisition of Land: the acquisition of an interest in an approximately .21 acre parcel of land (tax map number 65.82-6-30) located at 191 North Pearl Street in the City of Albany, Albany County, New York (the “Land”).
 - (B) Construction: the construction on the Land of an approximately 27,067 square foot, four (4) story building (the “Facility”).
 - (C) Equipment component: the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvement and finish (collectively, the “Equipment”) (the Land, the Facility, and the Equipment being collectively referred to as the “Project Facility”).
 - (D) Lease: The Project Facility will be owned by the Company and constitute a market rate residential apartment complex and any other directly and indirectly related activities.

II. PRIOR ACTION ON PROJECT:

3. Environmental Proceedings:
 - (A) SEQR classification of the Project: confirming (a) the City of Albany Planning Board determination that the Project constitutes an “Type I Action” and (b) the issuance of a “negative declaration”.
 - (B) SEQR Lead Agency: City of Albany Planning Board.
 - (C) Date of Lead Agency Action: August 18, 2016.
 - (D) Date of Agency Action: October 20, 2016.
4. Inducement Proceedings:
 - (A) Public Hearing Resolution: adopted on August 18, 2016.
 - (B) Public Hearing:
 - (1) Mailed to Affected Taxing Jurisdictions: August 23, 2016.
 - (2) Date Posted: August 23, 2016.
 - (3) Date Published: August 25, 2016 in the Albany Times Union.
 - (4) Date of Public Hearing: September 7, 2016.
 - (5) Location of Public Hearing: offices of the City of Albany Industrial Development Agency located at 21 Lodge Street in City of Albany, Albany County, New York.

III. PROPOSED AGENCY ACTION ON OCTOBER 20, 2016:

5. SEQR Resolution: Confirming SEQR Resolution.
6. Commercial/Retail Findings Resolution: Determining Project is a “commercial project”. Retail - located in distressed area.

7. PILOT Deviation Resolution: See 11(B) below for specifics.
8. Approving Resolution: Approving the Project and the proposed financial assistance.
9. Mayor's Approval: Anticipated October, 2016.

IV. DETAILS OF PROPOSED STRAIGHT LEASE TRANSACTION:

10. Relationship of Agency to Company: The Agency will acquire, construct and install the Project Facility and lease the Project Facility to the Company pursuant to the Lease Agreement.
11. Business Terms:
 - (A) The Agency fee is \$28,262.
 - (B) Pilot Terms: Under the terms of the Proposed Pilot Agreement, the Company will be granted a fifteen (15) year payment in lieu of tax agreement on the Facility and any portion of the Equipment assessable as real property pursuant to the New York Real Property Tax Law. The Company will pay (i) a base Pilot payment equal to one hundred percent (100%) of the normal taxes due on the Land based on a fixed assessment of \$61,800, and (ii) an additional amount based on the increase in assessed value of the Project Facility (such increase in the assessed value due to the undertaking of the Project shall be referred to as the "Improvements"), such increased amount to be adjusted by the abatement as described as follows:

Years	Amount of Abatement on Increased Assessment
1	100%
2	95%
3	90%
4	85%
5	80%
6	75%
7	70%
8	65%
9	60%
10	55%
11	50%
12	45%
13	40%
14	35%
15	30%
16 and thereafter	0%

- (C) As noted in the table above, the abatement schedule is 15 years, with Year 1 of the abatement schedule beginning in the year following the completion of the construction of the Project.
- (D) Beginning in Year 13, the Proposed Pilot Agreement will also provide that the amount of payments in lieu of taxes payable by the Company will be the greater of (i) the amount determined in accordance with the above paragraph, or (ii) an

amount equal to 11.5% of the gross rental revenue generated at the Project Facility.

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

12. Basic Documents:

- (A) Underlying Lease from the Company to the Agency.
- (B) License Agreement from the Company to the Agency.
- (C) Bill of Sale to Agency.
- (D) Lease Agreement by and between the Company and the Agency.
- (E) Section 875 GML Recapture Agreement.
- (F) Payment in Lieu of Tax Agreement by and between the Agency and the Company
- (G) Uniform Agency Project Agreement.

13. Proposed Closing Date: November/December 2016.

14. Agency Special Counsel: Hodgson Russ LLP, Albany, New York.

**RESOLUTION CONFIRMING SEQR DETERMINATION
191 NORTH PEARL LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Department of Development and Planning located at 21 Lodge Street in the City of Albany, Albany County, New York on October 20, 2016 at 12:15 o’clock p.m., local time.

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

PRESENT:

Tracy L. Metzger	Chair
Susan Pedo	Vice Chair
C. Anthony Owens	Secretary
Hon. Darius Shahinfar	Treasurer
Dominick Calsolaro	Member
Lee Eck	Member
Robert T. Schofield	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Bradley Chevalier	Vice President, Capitalize Albany Corporation
Mark Opalka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Michael Bohne	Communications & Marketing, Capitalize Albany Corporation
Ashley Mohl	Senior Economic Developer II, Capitalize Albany Corporation
Chantel Burnash	Executive Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
Nadene E. Zeigler, Esq.	Special Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1016-

**RESOLUTION CONCURRING IN THE DETERMINATION BY CITY OF ALBANY
PLANNING BOARD, AS LEAD AGENCY, FOR THE ENVIRONMENTAL REVIEW
OF THE 191 NORTH PEARL LLC PROPOSED PROJECT.**

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

Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

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

WHEREAS, 191 North Pearl LLC, a New York limited liability company (the "Company"), submitted an application (the "Application") to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in an approximately .21 acre parcel of land (tax map number 65.82-6-30) located at 191 North Pearl Street in the City of Albany, Albany County, New York (the "Land"), (2) the construction on the Land of an approximately 27,067 square foot, four (4) story building (the "Facility") and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvement and finish (collectively, the "Equipment") (the Land, the Facility, and the Equipment being collectively referred to as the "Project Facility"), all of the foregoing to constitute a market rate residential apartment complex to be owned and operated by the Company and any other directly and indirectly related activities; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on August 18, 2016 (the "Public Hearing Resolution"), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the "Public Hearing") pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on August 23, 2016 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public Hearing to be posted on August 23, 2016 on a public bulletin board located at the Albany City Hall located at 24 Eagle Street in the City of Albany, Albany County, New York as well as on the Agency's website, (C) caused notice of the Public Hearing to be published on August 25, 2016 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, Albany County, New York, (D) conducted the Public Hearing on September 7, 2016 at 12:00 noon, local time at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York, and (E) prepared a report of the Public Hearing (the "Hearing Report") fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), the Agency has been informed that (1) the City of Albany Planning Board (the “Planning Board”) was designated to act as “lead agency” with respect to the Project, and (2) the Planning Board issued a Determination of Non Significance on August 18, 2016 (the “Negative Declaration”), attached hereto as Exhibit A, determining that the acquisition, construction and installation of the Project Facility will not have a “significant effect on the environment”; and

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

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

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

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

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

Section 4. This Resolution shall take effect immediately.

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

Tracy L. Metzger	VOTING	_____
Susan Peto	VOTING	_____
C. Anthony Owens	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
Robert T. Schofield	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on October 20, 2016 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 20th day of October, 2016.

(Assistant) Secretary

(SEAL)

EXHIBIT A
NEGATIVE DECLARATION

**NOTIFICATION OF LOCAL ACTION
DECISION OF THE CITY OF ALBANY PLANNING BOARD**

ADDRESS OF SUBJECT PROPERTY: **191 North Pearl St.**

IN THE MATTER OF: **Site Plan Approval (§375-33A) to allow for construction of a 3.5-story, eighteen (18)-unit apartment building with ground level parking for fifteen (15) vehicles.**

CASE NUMBER: **6-16,971**

Submittal Date: **5/31/16**
Presentation Date(s): **6/16/16; 8/18/16**
SEQR Classification: **Type 1 Action**
Date of Decision(s): **8/18/16**

Vote:	For Approval:	5	Abbott:	Y	Hull:	Y
	Against:	0	Bates:	Y	Pryor:	Y
	Abstain:	0	DeSalvo:	Y		

Relevant Considerations:

Property Owner: 191 North Pearl, LLC, 75 Livingston Ave., Albany, NY 12207

Project Applicant: 191 North Pearl, LLC, 75 Livingston Ave., Albany, NY 12207

Authorized Agent: Hershberg & Hershberg, 18 Locust St., Albany, NY 12203

Zoning: R-3B (Multifamily Medium-Density Residential)

Project Details: Applicant proposed construction of 3.5-story, eighteen (18)-unit apartment building at the site. The units will consist of one- and two-bedroom apartments. On-site parking for fifteen vehicles will be provided within the building. The building will vary in height from +/- 38 to +/- 40 feet along North Pearl Street and from +/- 40 feet to +/- 47 feet along Wilson Street. The ground parking garage will be accessed from Wilson Street.

Actions Taken:

The Board issued a **Negative Declaration** for this **Type 1 Action** as per the provisions of SEQR, as the environmental impacts are negligible or non-existent.

The Board **Approved** the site plan as presented.

I, Albert DeSalvo representing the Planning Board of the City of Albany, hereby certify that the foregoing is a true copy of a decision of the Planning Board made at a meeting thereof duly called and held on the day of August 18, 2016.

Date: **8/18/16** Signature: Albert R DeSalvo

This is not a building permit. All building permits must be approved and issued by the Building Department prior to the start of any construction.

Prior to making an application for a Certificate of Occupancy, the applicant will be required to submit to the Building Department an "as built" site plan which depicts all elements shown on the approved site plan including but not limited to contours, landscaping, building locations, utilities paved and parking areas, signage, accessory structures and other related physical improvements.

**COMMERCIAL/RETAIL FINDINGS RESOLUTION
191 NORTH PEARL LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Department of Development and Planning located at 21 Lodge Street in the City of Albany, Albany County, New York on October 20, 2016 at 12:15 o’clock p.m., local time.

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

PRESENT:

Tracy L. Metzger	Chair
Susan Pedo	Vice Chair
C. Anthony Owens	Secretary
Hon. Darius Shahinfar	Treasurer
Dominick Calsolaro	Member
Lee Eck	Member
Robert T. Schofield	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Bradley Chevalier	Vice President, Capitalize Albany Corporation
Mark Opalka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Michael Bohne	Communications & Marketing, Capitalize Albany Corporation
Ashley Mohl	Senior Economic Developer II, Capitalize Albany Corporation
Chantel Burnash	Executive Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
Nadene E. Zeigler, Esq.	Special Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1016-

RESOLUTION (A) DETERMINING THAT THE PROPOSED 191 NORTH PEARL LLC (THE “COMPANY”) PROJECT IS A COMMERCIAL PROJECT, AND (B) MAKING CERTAIN FINDINGS REQUIRED UNDER THE GENERAL MUNICIPAL LAW.

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

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

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

WHEREAS, 191 North Pearl LLC, a New York limited liability company (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in an approximately .21 acre parcel of land (tax map number 65.82-6-30) located at 191 North Pearl Street in the City of Albany, Albany County, New York (the “Land”), (2) the construction on the Land of an approximately 27,067 square foot, four (4) story building (the “Facility”) and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvement and finish (collectively, the “Equipment”) (the Land, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to constitute a market rate residential apartment complex to be owned and operated by the Company and any other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on August 18, 2016 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on August 23, 2016 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public Hearing to be posted on August 23, 2016 on a public bulletin board located at the Albany City Hall located at 24 Eagle Street in the City of Albany, Albany County, New York as well as on the Agency’s website, (C) caused notice of the Public Hearing to be published on August 25, 2016 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, Albany County, New York, (D) conducted the Public Hearing on September 7, 2016 at 12:00 noon, local time at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York, and (E) prepared a report of the Public Hearing (the “Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on October 20, 2016 (the “Resolution Confirming SEQR Determination”), the Agency (A) concurred in the determination that the City of Albany Planning Board (the “Planning Board”) is the “lead agency” with respect to SEQRA and (B) acknowledged receipt of a negative declaration from the Planning Board issued on August 18, 2016 (the “Negative Declaration”), in which the Planning Board determined that the Project would not have a significant adverse environmental impact on the environment, and therefore, that an environmental statement need not be proposed with respect to the Project; and

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

WHEREAS, to aid the Agency in determining whether the Project qualifies for Financial Assistance as a commercial project within the meaning of the Act, the Agency has reviewed the following (collectively, the “Project Qualification Documents”): (A) the Application, including the attached Cost Benefit Analysis; (B) a report dated April 2012 entitled “Albany 2030” (the “2030 Plan”) and (C) a report entitled Impact Downtown Albany; and

WHEREAS, the Agency has given due consideration to the Project Qualification Documents, and to representations by the Company that although the Project constitutes a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost, the Project is located within census tract 11 in the City of Albany which is considered to be a distressed census tract and therefore is in a “highly distressed area”, as that term is defined in Section 854(18) of the Act; and

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

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

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

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

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

B. The 2030 Plan makes the following comments/findings regarding housing in the City of Albany:

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

C. The Impact Downtown Albany Report makes the following commercial findings regarding housing in the City of Albany:

- Continue the expansion of Downtown's residential base.
- Make downtown a more competitive place to do business by attracting more retail and residential development.
- Support market-driven real estate investment with convenient parking.

D. That undertaking the Project is consistent with the 2030 Plan and will assist and maintain current and future residential and commercial development and expansion in the neighborhood area.

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

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

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

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

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

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

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

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

Section 4. This Resolution shall take effect immediately.

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

Tracy L. Metzger	VOTING	_____
Susan Pedo	VOTING	_____
C. Anthony Owens	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
Robert T. Schofield	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on October 20, 2016 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 20th day of October, 2016.

(Assistant) Secretary

(SEAL)

**PILOT DEVIATION APPROVAL RESOLUTION
191 NORTH PEARL LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Department of Development and Planning located at 21 Lodge Street in the City of Albany, Albany County, New York on October 20, 2016 at 12:15 o’clock p.m., local time.

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

PRESENT:

Tracy L. Metzger	Chair
Susan Pedo	Vice Chair
C. Anthony Owens	Secretary
Hon. Darius Shahinfar	Treasurer
Dominick Calsolaro	Member
Lee Eck	Member
Robert T. Schofield	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Bradley Chevalier	Vice President, Capitalize Albany Corporation
Mark Opalka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Michael Bohne	Communications & Marketing, Capitalize Albany Corporation
Ashley Mohl	Senior Economic Developer II, Capitalize Albany Corporation
Chantel Burnash	Executive Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
Nadene E. Zeigler, Esq.	Special Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1016-

RESOLUTION AUTHORIZING A DEVIATION FROM THE AGENCY’S UNIFORM TAX EXEMPTION POLICY IN CONNECTION WITH THE PROPOSED PAYMENT IN LIEU OF TAX AGREEMENT TO BE ENTERED INTO BY THE AGENCY IN CONNECTION WITH THE PROPOSED PROJECT FOR 191 NORTH PEARL LLC (THE “COMPANY”).

WHEREAS, City of Albany Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article

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

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

WHEREAS, 191 North Pearl LLC, a New York limited liability company (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in an approximately .21 acre parcel of land (tax map number 65.82-6-30) located at 191 North Pearl Street in the City of Albany, Albany County, New York (the “Land”), (2) the construction on the Land of an approximately 27,067 square foot, four (4) story building (the “Facility”) and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvement and finish (collectively, the “Equipment”) (the Land, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to constitute a market rate residential apartment complex to be owned and operated by the Company and any other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on August 18, 2016 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on August 23, 2016 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public Hearing to be posted on August 23, 2016 on a public bulletin board located at the Albany City Hall located at 24 Eagle Street in the City of Albany, Albany County, New York as well as on the Agency’s website, (C) caused notice of the Public Hearing to be published on August 25, 2016 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, Albany County, New York, (D) conducted the Public Hearing on September 7, 2016 at 12:00 noon, local time at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York, and (E) prepared a report of the Public Hearing (the “Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on October 20, 2016 (the “Resolution Confirming SEQR Determination”), the Agency (A) concurred in the determination that the City of Albany Planning Board (the “Planning Board”) is the “lead agency” with respect to SEQRA and (B) acknowledged receipt of a negative declaration from the Planning Board issued on August 18, 2016 (the “Negative Declaration”), in which the Planning Board determined that the Project would not have a significant adverse environmental impact on the environment, and therefore, that an environmental statement need not be prepared with respect to the Project; and

WHEREAS, in connection with the Project, the Company has requested that the Agency deviate from its uniform tax exemption policy with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility, which proposed deviation is outlined in the letter dated October 7, 2016 (the “Pilot Deviation Letter”), a copy of which Pilot Deviation Letter is attached hereto as Exhibit A; and

WHEREAS, pursuant to Section 874(4) of the Act, prior to taking final action on such request for a deviation from the Agency’s uniform tax exemption policy, the Agency must give the chief executive officers of the City and each city, town, village and school district in which the Project Facility is located (collectively, the “Affected Tax Jurisdictions”) written notice of the proposed deviation from the Agency’s uniform tax exemption policy and the reasons therefor prior to the meeting of the Agency at which the members of the Agency shall consider whether to approve such proposed deviation; and

WHEREAS, on October 7, 2016, the Chief Executive Officer of the Agency caused a copy of the Pilot Deviation Letter to be sent to the Affected Tax Jurisdictions to notify the Affected Tax Jurisdictions of the proposed deviation from the Agency’s uniform tax exemption policy in connection with the Project; and

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

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

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

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

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

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

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

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

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

Section 5. This Resolution shall take effect immediately.

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

Tracy L. Metzger	VOTING	_____
Susan Pado	VOTING	_____
C. Anthony Owens	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
Robert T. Schofield	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted

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

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on October 20, 2016 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 20th day of October, 2016.

(Assistant) Secretary

(SEAL)

EXHIBIT A
PILOT DEVIATION LETTER

- SEE ATTACHED -

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

October 7, 2016

Hon. Daniel P. McCoy, Albany County Executive
Albany County Office Building
112 State Street, Room 900
Albany, New York 12207

Kimberly Young Wilkins, Ed. D.
Acting Superintendent
Albany City School District
1 Academy Park
Albany, New York 12207

Hon. Kathy M. Sheehan, Mayor
City Hall
24 Eagle Street, Room 102
Albany, New York 12207

Kenneth M. Bruce, Board President
Albany City School District
1 Academy Park
Albany, New York 12207

RE: City of Albany Industrial Development Agency
Proposed Deviation from Uniform Tax Exemption Policy
191 North Pearl LLC Project

Dear Ladies and Gentlemen:

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

In August, 2016, City of Albany Industrial Development Agency (the "Agency") received an application (the "Application") from 191 North Pearl LLC (the "Company"), which Application requested that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project to consist of the following: (A) (1) the acquisition of an interest in an approximately .21 acre parcel of land (tax map number 65.82-6-30) located at 191 North Pearl Street in the City of Albany, Albany County, New York (the "Land"), (2) the construction on the Land of an approximately 27,067 square foot, four (4) story building (the "Facility") and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvement and finish (collectively, the "Equipment") (the Land, the Facility, and the Equipment being collectively referred to as the "Project Facility"), all of the foregoing to constitute a market rate residential apartment complex to be owned and operated by the Company and any other directly and indirectly related activities; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency.

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In connection with the Application, the Company has made a request to the Agency to deviate from its Policy (the "Pilot Request"). Pursuant to the Pilot Request, the Agency would (A) enter into a payment in lieu of tax agreement (the "Proposed Pilot Agreement") which terms are described below and (B) provide the mortgage recording tax abatement. The Proposed Pilot Agreement would not provide any abatements for any special assessments levied on the Project Facility.

The Proposed Pilot Agreement will provide that the Company be granted a fifteen (15) year payment in lieu of tax agreement on the Facility and any portion of the Equipment assessable as real property pursuant to the New York Real Property Tax Law. Under the terms of the Proposed Pilot Agreement, the Company will pay (A) a base Pilot payment equal to one hundred percent (100%) of the normal taxes due on the Land based on a fixed assessment of \$61,800, and (B) an additional amount based on the increase in assessed value of the Project Facility (such increase in the assessed value due to the undertaking of the Project shall be referred to as the "Improvements"), such increased amount to be adjusted by the abatement as described as follows:

Years	Amount of Abatement on Increased Assessment
1	100%
2	95%
3	90%
4	85%
5	80%
6	75%
7	70%
8	65%
9	60%
10	55%
11	50%
12	45%
13	40%
14	35%
15	30%
16 and thereafter	0%

As noted in the table above, the abatement schedule is 15 years, with Year 1 of the abatement schedule beginning in the year following the completion of the construction of the Project.

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

The Policy provides that, for a facility similar to the Project Facility, (A) the payments in lieu of taxes will normally be determined as follows: a 50% abatement in real property taxes on the improvements in year one of the payment in lieu of tax agreement with a 10% per year decrease in such

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abatement over the term of the five year payment in lieu of tax agreement, (B) the amount of the assessed value of the Project Facility will change as the assessed value is established annually by the Assessor of the City of Albany and (C) the mortgage recording tax would not be abated, unless the Agency deviated from its policy with respect to the payment by the Company of real property taxes.

The purpose of this letter is to inform you of such Pilot Request and that the Agency is considering whether to grant the Pilot Request and to approve a Proposed Pilot Agreement conforming to the terms of the Pilot Request. The Agency expects to consider whether to approve the terms of the Proposed Pilot Agreement at its meeting scheduled for October 20, 2016 at 12:15 p.m., local time at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York (the "Meeting"). As described later in this letter, during the meeting on October 20, 2016, the Agency will review the terms of the Pilot Request and, based on the discussions during such meeting the terms of the Pilot Request may be modified.

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

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

1. **The nature of the Project:** The Project involves the construction of a market rate residential apartment complex to be owned and operated by the Company.

2. **The present use of the property:** Vacant land.

3. **The economic condition of the area at the time of the request of the Company and the economic multiplying effect that the Project will have on the area:** At the time of the filing of the Application, the economic condition of the area in which the Project Facility is to be located is generally average to poor. The area is strategically targeted for adding downtown commercial/retail/residential development, based on the presence of vacant or underutilized buildings/real estate to be redeveloped, as well as the emerging residential projects that are occurring proximate to this building. This will create a neighborhood district, which is consistent with aspects of the IMPACT Downtown Plan and the Albany 2030 Plan.

The Project will create approximately thirty (30) construction jobs, thus generating revenue for the City of Albany and surrounding areas. The major positive impact of the Project is the creation of downtown commercial/retail development, which is consistent with aspects of the IMPACT Downtown Plan and the Albany 2030 Plan. This development in the downtown area will provide economic growth for the existing business and entertainment facilities located in the downtown, and result in further residential development, which is also consistent with aspects of the IMPACT Downtown Plan and the Albany 2030 Plan. Additional benefits created by the Project are described in the Application.

4. **The extent to which the Project will create or retain permanent, private sector jobs and the number of jobs to be created or retained and the salary range of such**

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jobs: The Project will not create any permanent jobs. The Project will create construction jobs over the approximately one-year construction period generating wages and benefits of over \$1,350,000.

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

5. The estimated value of new tax exemptions to be provided: The estimated value of the tax exemptions are the following: \$99,382, sales and use tax; \$26,500, mortgage recording tax; and \$875,955, real property taxes.

6. The economic impact of the Proposed Pilot Agreement on affected tax jurisdictions: The economic impact of the Project Pilot Agreement is positive as development of the Project Facility is expected to spur additional development in the downtown sections of the City of Albany.

7. The impact of the Proposed Pilot Agreement on existing and proposed businesses and economic development projects in the vicinity: The impact of the Project is a positive one on the community, as it creates additional development in the area. In addition it will act to reduce the vacancy rate in downtown, which is critical to building the market. This development will build investor and bank confidence in the market and will serve to attract additional mid and large scale commercial/retail/residential development projects. The local restaurants and entertainment facilities will benefit from the undertaking of the Project.

8. The amount of private sector investment generated or likely to be generated by the Proposed Pilot Agreement: The investment by the Company in undertaking the Project is equal to approximately \$2,826,179.

9. The effect of the Proposed Pilot Agreement on the environment: It is likely that the Project will not have a significant effect on the environment.

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

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

12. Anticipated tax revenues: The anticipated tax revenues include Pilot payments that are expected to equal the anticipated taxes paid on the involved properties based on the City Assessor's revaluation of the current land and improvements, and that will continue to increase over time. Also, it is anticipated that there will likely be additional sales tax revenues after

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Project completion relating to certain future operating activities at the Project and related multiplier impacts.

13. The extent to which the Proposed Pilot Agreement will provide a benefit (economic or otherwise) not otherwise available within the municipality in which the Project Facility is located: The Project aligns with the IMPACT Downtown Plan as well as the Albany 2030 Plan including: a) encouraging investment in urban land and buildings for employment and housing; b) providing a variety of housing types to meet the varied needs of Albany's households, including market, moderate and low income housing; and c) encouraging diverse intergenerational housing for residents throughout different stages of life (e.g. students, couples, families with children, seniors) in the same neighborhood.

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

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

CITY OF ALBANY INDUSTRIAL DEVELOPMENT
AGENCY

By: s/Sarah Reginelli
Chief Executive Officer

**APPROVING RESOLUTION
191 NORTH PEARL LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the office of the Department of Development and Planning located at 21 Lodge Street in the City of Albany, Albany County, New York on October 20, 2016 at 12:15 o'clock p.m., local time.

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

PRESENT:

Tracy L. Metzger	Chair
Susan Pedo	Vice Chair
C. Anthony Owens	Secretary
Hon. Darius Shahinfar	Treasurer
Dominick Calsolaro	Member
Lee Eck	Member
Robert T. Schofield	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Bradley Chevalier	Vice President, Capitalize Albany Corporation
Mark Opalka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Michael Bohne	Communications & Marketing, Capitalize Albany Corporation
Ashley Mohl	Senior Economic Developer II, Capitalize Albany Corporation
Chantel Burnash	Executive Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
Nadene E. Zeigler, Esq.	Special Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1016-

RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR 191 NORTH PEARL LLC (THE "COMPANY").

WHEREAS, City of Albany Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 325 of the 1974 Laws of New York, as amended, constituting

Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial, manufacturing and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

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

WHEREAS, 191 North Pearl LLC, a New York limited liability company (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in an approximately .21 acre parcel of land (tax map number 65.82-6-30) located at 191 North Pearl Street in the City of Albany, Albany County, New York (the “Land”), (2) the construction on the Land of an approximately 27,067 square foot, four (4) story building (the “Facility”) and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvement and finish (collectively, the “Equipment”) (the Land, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to constitute a market rate residential apartment complex to be owned and operated by the Company and any other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on August 18, 2016 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on August 23, 2016 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public Hearing to be posted on August 23, 2016 on a public bulletin board located at the Albany City Hall located at 24 Eagle Street in the City of Albany, Albany County, New York as well as on the Agency’s website, (C) caused notice of the Public Hearing to be published on August 25, 2016 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, Albany County, New York, (D) conducted the Public Hearing on September 7, 2016 at 12:00 noon, local time at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York, and (E) prepared a report of the Public Hearing (the “Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on October 20, 2016 (the “Resolution Confirming SEQR Determination”), the Agency (A) concurred in the determination that the City of Albany Planning Board (the “Planning Board”) is the “lead agency” with respect to SEQRA and (B) acknowledged receipt of a negative declaration from the Planning Board issued on August 18, 2016 (the “Negative Declaration”), in which the Planning Board determined that the Project would not have a significant adverse environmental impact on the environment, and therefore, that an environmental statement need not be proposed with respect to the Project; and

WHEREAS, by resolution adopted by the members of the Agency on October 20, 2016 (the “Pilot Deviation Approval Resolution”), the members of the Agency determined to deviate from the Agency’s uniform tax exemption policy with respect to the Project; and

WHEREAS, the Agency has given due consideration to the Application, and to representations by the Company that (A) the granting by the Agency of the Financial Assistance with respect to the Project will be an inducement to the Company to undertake the Project in City of Albany, New York; (B) the completion of the Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and will not result in the abandonment of one or more plants or facilities of any occupant of the Project Facility; and (C) although the Project constitutes a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost, the Project is located within census tract 11 in the City of Albany which is considered to be a distressed census tract and therefore is in a “highly distressed area”, as that term is defined in Section 854(18) of the Act; and

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

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

WHEREAS, by further resolution adopted by the members of the Agency on October 20, 2016 (the “Commercial/Retail Finding Resolution”), the Agency (A) determined that the Project constituted a “commercial project” within the meaning of the Act, (B) found that although the Project Facility appears to constitute a project where facilities or properties that are primarily used in making the retail sales of goods or services to customers who personally visit such facilities may constitute more than one-third of the costs of the Project, the Agency is authorized to provide financial assistance in respect of the Project pursuant to Section 862(2)(a) of the Act because the Project Facility is located in a highly distressed area, (C) determined, following a review of the Public Hearing Report, that the Project would serve the public purposes of the Act by preserving permanent private sector jobs in the State of New York and (D) determined that the Agency would proceed with the Project and the granting of the Financial Assistance; provided however, that no financial assistance would be provided to the Project by the Agency unless and

until the Mayor of City of Albany, as chief executive officer of City of Albany, New York, pursuant to Section 862(2)(c) of the Act, confirmed the proposed action of the Agency with respect to the Project; and

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

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

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

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

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

Section 3. The Agency hereby finds and determines that:

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

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

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

(D) It is estimated at the present time that the costs of the planning, development, acquisition, construction and installation of the Project Facility (collectively, the “Project Costs”) will be approximately \$2,826,179;

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

(F) Though the Project constitutes a project where facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities constitute more than one-third of the costs of the Project, the Agency is authorized to provide financial assistance with respect to the Project pursuant to Section 862(2)(a) of the Act because the Project is located contiguous to distressed census tracts and therefore is in a “highly distressed area” (as defined in the Act);

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

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

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

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

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

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

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

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

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

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

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

Section 10. This Resolution shall take effect immediately.

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

Tracy L. Metzger	VOTING	_____
Susan Pedo	VOTING	_____
C. Anthony Owens	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
Robert T. Schofield	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on October 20, 2016 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 20th day of October, 2016.

(Assistant) Secretary

(SEAL)

EXHIBIT A

DESCRIPTION OF THE PROJECT EVALUATION AND EXPECTED PUBLIC BENEFITS

191 NORTH PEARL LLC PROJECT

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

Description of Evaluation Criteria/Benefit		Applicable to Project (indicate Yes or No)		Criteria Assessment/ Expected Benefit
1.	Retention of existing jobs	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Project will increase population and level of activity in downtown area, thereby promoting the retention of existing jobs. The Company expects that the Project will result in the retention and creation of employment in the retail, restaurant, entertainment and office operations located in the surrounding area.
2.	Creation of new permanent jobs	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Project will increase population and level of activity in downtown area, thereby promoting the creation of new permanent jobs. The Company expects that the Project will result in the retention and creation of employment in the retail, restaurant, entertainment and office operations located in the surrounding area.
3.	Estimated value of tax exemptions	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	The exemptions have been weighed against the cumulative benefits of the Project.

				NYS Sales and Compensating Use Tax Exemption: \$99,382 Mortgage Recording Tax Exemption: \$26,500. Real Property Tax Exemption: \$875,955
4.	Private sector investment	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Project applicant expects to invest over \$2 million of private investment in the Project.
5.	Likelihood of Project being accomplished in a timely fashion	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	High likelihood that Project will be accomplished in a timely fashion. The Project has received Planning Board Approval from the City of Albany. The Project has received a commitment letter for Project Financing. The Applicant closed on the purchase of the property on June 1, 2016.
6.	Extent of new revenue provided to local taxing jurisdictions.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Project will result in new revenue to local taxing jurisdictions under the proposed PILOT program through the City of Albany IDA. Project will result in an increase in assessed value from the current total assessment: \$61,800 (Per City of Albany Commissioner of Assessment and Taxation 2016 Assessment Roll) to the estimated improved total assessment: \$1,720,000 (Per City of Albany Commissioner of Assessment and Taxation).

7.	Other:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<p>The Project will develop a vacant lot into market rate residential rental units, adding to the downtown residential inventory.</p> <p>The Project will remove underutilized land and add to the growing number of residential options to meet the documented demand for residential in the downtown.</p> <p>The Project will increase the consumer base to support downtown businesses.</p> <p>The Project will help retain existing commercial tenants and retailers.</p> <p>The Project will have a positive revitalizing effect on the community by removing a currently vacant lot from a downtown intersection.</p> <p>The Project meets the intent and furthers the implementation of the following City of Albany strategic initiatives: Albany 2030 and Impact Downtown Albany.</p>
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**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY
LEASE/LEASEBACK TRANSACTION
760 BROADWAY LLC PROJECT**

I. PROJECT IDENTIFICATION:

1. Project Applicant: 760 Broadway LLC, a New York limited liability company (the “Company”).
2. The Project:
 - (A) Acquisition of Land: the acquisition of an interest in a parcel of land containing approximately 1.40 acres and located at 776 (a/k/a 760) Broadway in the City of Albany, Albany County, New York (the “Land”).
 - (B) Construction: the construction on the Land of a multi-story building to contain approximately 130,000 square feet of space (the “Facility”).
 - (C) Equipment component: the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvement and finish (collectively, the “Equipment”) (the Land, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company and to constitute a commercial/residential facility containing approximately 100 residential apartments, approximately 1,250 square feet of rentable retail space and approximately 110 interior parking spaces to be leased by the Company to various commercial and residential tenants and other directly and indirectly related activities.
 - (D) Lease: the Project Facility will be owned by the Company and constitute a market rate residential apartment complex and any other directly and indirectly related activities.

II. PRIOR ACTION ON PROJECT:

3. Environmental Proceedings:
 - (A) SEQR classification of the Project: confirming (a) the City of Albany Planning Board determination that the Project constitutes an “Type I Action” and (b) the issuance of a “negative declaration”.
 - (B) SEQR Lead Agency: City of Albany Planning Board.
 - (C) Date of Lead Agency Action: October 5, 2016.
 - (D) Date of Agency Action: October 20, 2016.
4. Inducement Proceedings:
 - (A) Public Hearing Resolution: adopted on September 17, 2015.
 - (B) Public Hearing:
 - (1) Mailed to Affected Taxing Jurisdictions: September 23, 2015.
 - (2) Date Posted: September 24, 2015.
 - (3) Date Published: September 26, 2015 in the Albany Times Union.
 - (4) Date of Public Hearing: October 7, 2015.
 - (5) Location of Public Hearing: offices of the City of Albany Industrial Development Agency located at 21 Lodge Street in City of Albany, Albany County, New York.

III. PROPOSED AGENCY ACTION ON OCTOBER 20, 2016:

5. SEQR Resolution: Confirming SEQR Resolution.
6. Commercial/Retail Findings Resolution: Determining Project is a “commercial project”. Retail - located in distressed area.
7. PILOT Deviation Resolution: See 11(B) below for specifics.
8. Approving Resolution: Approving the Project and the proposed financial assistance.
9. Mayor’s Approval: Anticipated October, 2016.

IV. DETAILS OF PROPOSED STRAIGHT LEASE TRANSACTION:

10. Relationship of Agency to Company: The Agency will acquire, construct and install the Project Facility and lease the Project Facility to the Company pursuant to the Lease Agreement.
11. Business Terms:
 - (A) The Agency fee is \$165,000.
 - (B) Pilot Terms: Under the terms of the Proposed Pilot Agreement, the Company will be granted a twenty (20) year payment in lieu of tax agreement on the Facility and any portion of the Equipment assessable as real property pursuant to the New York Real Property Tax Law. Under the terms of the Proposed Pilot Agreement, the Company will pay (i) a base Pilot payment equal to one hundred percent (100%) of the normal taxes due on the Land based on a fixed assessment of \$750,000, and (ii) an additional amount based on the increase in assessed value of the Project Facility (such increase in the assessed value due to the undertaking of the Project shall be referred to as the “Improvements”), such increased amount to be adjusted by the abatement as described as follows:

PILOT Year	Amount of Abatement on Increased Assessment
1	100.00%
2	100.00%
3	100.00%
4	100.00%
5	100.00%
6	100.00%
7	100.00%
8	100.00%
9	100.00%
10	95.00%
11	95.00%
12	90.00%
13	65.00%
14	64.00%
15	63.00%
16	62.00%

17	61.00%
18	60.00%
19	59.00%
20	58.00%
21 and thereafter	0.00%

- (C) As noted in the table above, the abatement schedule is 20 years, with Year 1 of the abatement schedule beginning in the year following the completion of the construction of the Project.
- (D) Beginning in Year 13, the Proposed Pilot Agreement will also provide that the amount of payments in lieu of taxes payable by the Company will be the greater of (i) the amount determined in accordance with the above paragraph, or (ii) an amount equal to 11.5% of the gross rental revenue generated at the Project Facility.
- (E) The Policy provides that, for a facility similar to the Project Facility, (i) the payments in lieu of taxes will normally be determined as follows: a 50% abatement in real property taxes on the improvements in year one of the payment in lieu of tax agreement with a 10% per year decrease in such abatement over the term of the five year payment in lieu of tax agreement, (ii) the amount of the assessed value of the Project Facility will change as the assessed value is established annually by the Assessor of the City of Albany and (iii) the mortgage recording tax would not be abated, unless the Agency deviated from its policy with respect to the payment by the Company of real property taxes.

12. Basic Documents:

- (A) Underlying Lease from the Company to the Agency.
- (B) License Agreement from the Company to the Agency.
- (C) Bill of Sale to Agency.
- (D) Lease Agreement by and between the Company and the Agency.
- (E) Section 875 GML Recapture Agreement.
- (F) Payment in Lieu of Tax Agreement by and between the Agency and the Company.
- (G) Uniform Agency Project Agreement.

13. Proposed Closing Date: November/December 2016.

14. Agency Special Counsel: Hodgson Russ LLP, Albany, New York.

**RESOLUTION CONFIRMING SEQR DETERMINATION
760 BROADWAY LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Department of Development and Planning located at 21 Lodge Street in the City of Albany, Albany County, New York on October 20, 2016 at 12:15 o’clock p.m., local time.

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

PRESENT:

Tracy L. Metzger	Chair
Susan Pedo	Vice Chair
C. Anthony Owens	Secretary
Hon. Darius Shahinfar	Treasurer
Dominick Calsolaro	Member
Lee Eck	Member
Robert T. Schofield	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Bradley Chevalier	Vice President, Capitalize Albany Corporation
Mark Opalka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Michael Bohne	Communications & Marketing, Capitalize Albany Corporation
Ashley Mohl	Senior Economic Developer II, Capitalize Albany Corporation
Chantel Burnash	Executive Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
Nadene E. Zeigler, Esq.	Special Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1016-

**RESOLUTION CONCURRING IN THE DETERMINATION BY CITY OF ALBANY
PLANNING BOARD, AS LEAD AGENCY FOR THE ENVIRONMENTAL REVIEW
OF THE 760 BROADWAY LLC PROPOSED PROJECT.**

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

Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

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

WHEREAS, in May, 2015, 760 Broadway LLC, a New York limited liability company (the “Company”), submitted an application, as supplemented in August, 2016 (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 1.40 acres and located at 776 (a/k/a 760) Broadway in the City of Albany, Albany County, New York (the “Land”), (2) the construction on the Land of a multi-story building to contain approximately 130,000 square feet of space (the “Facility”) and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvement and finish (collectively, the “Equipment”) (the Land, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company and to constitute a commercial/residential facility containing approximately 100 residential apartments, approximately 1,250 square feet of rentable retail space and approximately 110 interior parking spaces to be leased by the Company to various commercial and residential tenants and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on September 17, 2015 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on September 23, 2015 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public Hearing to be posted on September 24, 2015 on a public bulletin board located at the Albany City Hall located at 24 Eagle Street in the City of Albany, Albany County, New York, as well as on the Agency’s website, (C) caused notice of the Public Hearing to be published on September 26, 2015 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, Albany County, New York, (D) conducted the Public Hearing on October 7, 2015 at 12:00, local time at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York, and (E) prepared a report of the Public Hearing (the “Hearing Report”) fairly summarizing the views presented at such

Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), the Agency has been informed that (1) the City of Albany Planning Board (the “Planning Board”) was designated to act as “lead agency” with respect to the Project, and (2) the Planning Board issued a Determination of Non Significance on October 5, 2016 (the “Negative Declaration”), attached hereto as Exhibit A, determining that the acquisition, construction and installation of the Project Facility will not have a “significant effect on the environment”; and

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

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

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

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

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

Section 4. This Resolution shall take effect immediately.

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

Tracy L. Metzger	VOTING	_____
Susan Pedo	VOTING	_____
C. Anthony Owens	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
Robert T. Schofield	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on October 20, 2015 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 20th day of October, 2016.

(Assistant) Secretary

(SEAL)

EXHIBIT A
NEGATIVE DECLARATION

**NOTIFICATION OF LOCAL ACTION
DECISION OF THE CITY OF ALBANY PLANNING BOARD**

ADDRESS OF SUBJECT PROPERTY: 760 AKA 776 Broadway

IN THE MATTER OF: Site Plan Approval (§375-33D) to allow for the construction of a five (5)-story, +/- 133,500 square foot structure with 100 residential dwelling units, +/- 2,000 square feet of ground level retail and 99 interior parking spaces.

CASE NUMBER: 9-16, 977

Submittal Date: 8/29/16
Presentation Date(s): 9/15/16; 10/5/16
SEQR Classification: Type 1 Action
Date of Decision(s): 10/5/16

Vote:	For Approval:	4	Abbott:	Y	Hull:	NIA
	Against:	0	Bates:	Y	Pryor:	Y
	Abstain:	0	DeSalvo:	Y		

Relevant Considerations:

Property Owner: 760 Broadway, LLC, PO Box 6515, Albany, NY 12206

Project Applicant: 760 Broadway, LLC, PO Box 6515, Albany, NY 12206

Authorized Agent: Hershberg & Hershberg, 18 Locust St., Albany, NY 12203

Project Engineer: Hershberg & Hershberg, 18 Locust St., Albany, NY 12203

Zoning: C-3 (Central Business); R-3B (Multifamily Medium-Density Residential)

Project Details: The applicant proposes construction of a +/- 133,500 square foot structure at the site. The building will be five (5) stories along Broadway and three (3) stories along North Pearl Street due to a grade change at the site. The principal use of the site will be residential, with the structure having a total of 100 units consisting of studio, one-bedroom and two-bedroom apartments. A +/- 2,000 square foot retail space will be located along the ground level at the north end of the Broadway façade. 115 parking spaces will also be provided upon the ground level internal to the structure. A drop-off area and an addition entrance to the building will be accommodated on the North Pearl Street side of the building.

Actions Taken:

The Board issued a **Negative Declaration** for this **Type 1 Action** as per the provisions of SEQR, as the environmental impacts are negligible or non-existent.

The Board **Approved** the site plan with the following condition:

1. The applicant shall complete the remaining Phase 1B Archaeological Field Investigation and any further actions recommended by the accompanying report.

I, **Albert DeSalvo** representing the Planning Board of the City of Albany, hereby certify that the foregoing is a true copy of a decision of the Planning Board made at a meeting thereof duly called and held on the day of **October 5, 2016**.

Date: **10/5/16**

Signature: Albert R DeSalvo

This is not a building permit. All building permits must be approved and issued by the Building Department prior to the start of any construction.

Prior to making an application for a Certificate of Occupancy, the applicant will be required to submit to the Building Department an "as built" site plan which depicts all elements shown on the approved site plan including but not limited to contours, landscaping, building locations, utilities paved and parking areas, signage, accessory structures and other related physical improvements.

**COMMERCIAL/RETAIL FINDINGS RESOLUTION
760 BROADWAY LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Department of Development and Planning located at 21 Lodge Street in the City of Albany, Albany County, New York on October 20, 2016 at 12:15 o’clock p.m., local time.

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

PRESENT:

Tracy L. Metzger	Chair
Susan Pedo	Vice Chair
C. Anthony Owens	Secretary
Hon. Darius Shahinfar	Treasurer
Dominick Calsolaro	Member
Lee Eck	Member
Robert T. Schofield	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Bradley Chevalier	Vice President, Capitalize Albany Corporation
Mark Opalka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Michael Bohne	Communications & Marketing, Capitalize Albany Corporation
Ashley Mohl	Senior Economic Developer II, Capitalize Albany Corporation
Chantel Burnash	Executive Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
Nadene E. Zeigler, Esq.	Special Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1016-

RESOLUTION (A) DETERMINING THAT THE PROPOSED 760 BROADWAY LLC (THE “COMPANY”) PROJECT IS A COMMERCIAL PROJECT, AND (B) MAKING CERTAIN FINDINGS REQUIRED UNDER THE GENERAL MUNICIPAL LAW.

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

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

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

WHEREAS, in May, 2015, 760 Broadway LLC, a New York limited liability company (the “Company”), submitted an application, as supplemented in August, 2016 (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 1.40 acres and located at 776 (a/k/a 760) Broadway in the City of Albany, Albany County, New York (the “Land”), (2) the construction on the Land of a multi-story building to contain approximately 130,000 square feet of space (the “Facility”) and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvement and finish (collectively, the “Equipment”) (the Land, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company and to constitute a commercial/residential facility containing approximately 100 residential apartments, approximately 1,250 square feet of rentable retail space and approximately 110 interior parking spaces to be leased by the Company to various commercial and residential tenants and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on September 17, 2015 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on September 23, 2015 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public Hearing to be posted on September 24, 2015 on a public bulletin board located at the Albany City Hall located at 24 Eagle Street in the City of Albany, Albany County, New York, as well as on the Agency’s website, (C) caused notice of the Public Hearing to be published on September 26, 2015 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, Albany County, New York, (D) conducted the Public Hearing on October 7, 2015 at 12:00, local time at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York, and (E) prepared a report of the Public Hearing (the “Hearing Report”) fairly summarizing the

views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on October 20, 2016 (the “Resolution Confirming SEQR Determination”), the Agency (A) concurred in the determination that the City of Albany Planning Board (the “Planning Board”) is the “lead agency” with respect to SEQRA and (B) acknowledged receipt of a negative declaration from the Planning Board issued on October 5, 2016 (the “Negative Declaration”), in which the Planning Board determined that the Project would not have a significant adverse environmental impact on the environment, and therefore, that an environmental statement need not be prepared with respect to the Project; and

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

WHEREAS, to aid the Agency in determining whether the Project qualifies for Financial Assistance as a commercial project within the meaning of the Act, the Agency has reviewed the following (collectively, the “Project Qualification Documents”): (A) the Application, including the attached Cost Benefit Analysis; (B) a report dated April 2012 entitled “Albany 2030” (the “2030 Plan”) and (C) a report entitled Impact Downtown Albany; and

WHEREAS, the Agency has given due consideration to the Project Qualification Documents, and to representations by the Company that although the Project constitutes a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost, the Project is located within census tract 11 in the City of Albany which is considered to be a distressed census tract and therefore is in a “highly distressed area”, as that term is defined in Section 854(18) of the Act; and

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

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

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

Section 1. Based upon an examination of the Project Qualification Documents and based further upon the Agency's knowledge of the area surrounding the Project and such further investigation of the Project

and its economic effects as the Agency has deemed appropriate, the Agency makes the following findings and determinations with respect to the Project:

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

B. The 2030 Plan makes the following comments/findings regarding housing in the City of Albany:

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

C. The Impact Downtown Albany Report makes the following commercial findings regarding housing in the City of Albany:

- Establish a greater critical mass of housing along Broadway.
- Encourage development proposals compatible with a mixed-use, pedestrian oriented setting.
- Recruit retail and office tenants/developers for whom the Warehouse District's large, flexible sites offer opportunities not available downtown.
- Support ongoing reinvestment opportunities such as new construction, particularly within two blocks of the intersection of North Ferry Street and Broadway or along Erie Boulevard/Centre Street between Thatcher and Colonie Streets.

D. That undertaking the Project is consistent with the 2030 Plan and will assist and maintain current and future residential and commercial development and expansion in the neighborhood area.

E. The Company has informed representatives of the Agency that the Project is expected to create approximately two (2) full time permanent, private sector jobs.

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

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

A. That although the Project does constitute a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more

than one-third of the total project cost, the Project is located in a “highly distressed area” (as defined in the Act).

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

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

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

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

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

Section 4. This Resolution shall take effect immediately.

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

Tracy L. Metzger	VOTING	_____
Susan Pedo	VOTING	_____
C. Anthony Owens	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
Robert T. Schofield	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on October 20, 2015 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 20th day of October, 2016.

(Assistant) Secretary

(SEAL)

**PILOT DEVIATION APPROVAL RESOLUTION
760 BROADWAY LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Department of Development and Planning located at 21 Lodge Street in the City of Albany, Albany County, New York on October 20, 2016 at 12:15 o’clock p.m., local time.

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

PRESENT:

Tracy L. Metzger	Chair
Susan Pedo	Vice Chair
C. Anthony Owens	Secretary
Hon. Darius Shahinfar	Treasurer
Dominick Calsolaro	Member
Lee Eck	Member
Robert T. Schofield	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Bradley Chevalier	Vice President, Capitalize Albany Corporation
Mark Opalka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Michael Bohne	Communications & Marketing, Capitalize Albany Corporation
Ashley Mohl	Senior Economic Developer II, Capitalize Albany Corporation
Chantel Burnash	Executive Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
Nadene E. Zeigler, Esq.	Special Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1016-

RESOLUTION AUTHORIZING A DEVIATION FROM THE AGENCY’S UNIFORM TAX EXEMPTION POLICY IN CONNECTION WITH THE PROPOSED PAYMENT IN LIEU OF TAX AGREEMENT TO BE ENTERED INTO BY THE AGENCY IN CONNECTION WITH THE PROPOSED PROJECT FOR 760 BROADWAY LLC (THE “COMPANY”).

WHEREAS, City of Albany Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article

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

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

WHEREAS, in May, 2015, 760 Broadway LLC, a New York limited liability company (the “Company”), submitted an application, as supplemented in August, 2016 (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 1.40 acres and located at 776 (a/k/a 760) Broadway in the City of Albany, Albany County, New York (the “Land”), (2) the construction on the Land of a multi-story building to contain approximately 130,000 square feet of space (the “Facility”) and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvement and finish (collectively, the “Equipment”) (the Land, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company and to constitute a commercial/residential facility containing approximately 100 residential apartments, approximately 1,250 square feet of rentable retail space and approximately 110 interior parking spaces to be leased by the Company to various commercial and residential tenants and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on September 17, 2015 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on September 23, 2015 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public Hearing to be posted on September 24, 2015 on a public bulletin board located at the Albany City Hall located at 24 Eagle Street in the City of Albany, Albany County, New York, as well as on the Agency’s website, (C) caused notice of the Public Hearing to be published on September 26, 2015 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, Albany County, New York, (D) conducted the Public Hearing on October 7, 2015 at 12:00, local time at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County,

New York, and (E) prepared a report of the Public Hearing (the "Hearing Report") fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), by resolution adopted by the members of the Agency on October 20, 2016 (the "Resolution Confirming SEQR Determination"), the Agency (A) concurred in the determination that the City of Albany Planning Board (the "Planning Board") is the "lead agency" with respect to SEQRA and (B) acknowledged receipt of a negative declaration from the Planning Board issued on October 5, 2016 (the "Negative Declaration"), in which the Planning Board determined that the Project would not have a significant adverse environmental impact on the environment, and therefore, that an environmental statement need not be proposed with respect to the Project; and

WHEREAS, in connection with the Project, the Company has requested that the Agency deviate from its uniform tax exemption policy with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility, which proposed deviation is outlined in the letter dated October 7, 2016 (the "Pilot Deviation Letter"), a copy of which Pilot Deviation Letter is attached hereto as Exhibit A; and

WHEREAS, pursuant to Section 874(4) of the Act, prior to taking final action on such request for a deviation from the Agency's uniform tax exemption policy, the Agency must give the chief executive officers of the City and each city, town, village and school district in which the Project Facility is located (collectively, the "Affected Tax Jurisdictions") written notice of the proposed deviation from the Agency's uniform tax exemption policy and the reasons therefor prior to the meeting of the Agency at which the members of the Agency shall consider whether to approve such proposed deviation; and

WHEREAS, on October 7, 2016, the Chief Executive Officer of the Agency caused a copy of the Pilot Deviation Letter to be sent to the Affected Tax Jurisdictions to notify the Affected Tax Jurisdictions of the proposed deviation from the Agency's uniform tax exemption policy in connection with the Project; and

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

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

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

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

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

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

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

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

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

Section 5. This Resolution shall take effect immediately.

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

Tracy L. Metzger	VOTING	_____
Susan Pado	VOTING	_____
C. Anthony Owens	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
Robert T. Schofield	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on October 20, 2015 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 20th day of October, 2016.

(Assistant) Secretary

(SEAL)

EXHIBIT A
PILOT DEVIATION LETTER

- SEE ATTACHED -

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

October 7, 2016

Hon. Daniel P. McCoy, Albany County Executive
Albany County Office Building
112 State Street, Room 900
Albany, New York 12207

Kimberly Young Wilkins, Ed. D.
Acting Superintendent
Albany City School District
1 Academy Park
Albany, New York 12207

Hon. Kathy M. Sheehan, Mayor
City Hall
24 Eagle Street, Room 102
Albany, New York 12207

Kenneth M. Bruce, Board President
Albany City School District
1 Academy Park
Albany, New York 12207

RE: City of Albany Industrial Development Agency
Proposed Deviation from Uniform Tax Exemption Policy
760 Broadway LLC Project

Dear Ladies and Gentlemen:

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

In May, 2015, City of Albany Industrial Development Agency (the "Agency") received an application, as supplemented in August, 2016 (the "Application") from 760 Broadway LLC (the "Company"), which Application requested that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project to consist of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 1.40 acres and located at 776 (a/k/a 760) Broadway in the City of Albany, Albany County, New York (the "Land"), (2) the construction on the Land of a multi-story building to contain approximately 130,000 square feet of space (the "Facility") and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvement and finish (collectively, the "Equipment") (the Land, the Facility, and the Equipment being collectively referred to as the "Project Facility"), all of the foregoing to be owned by the Company and to constitute a commercial/residential facility containing approximately 100 residential apartments, approximately 1250 square feet of rentable retail space and approximately 110 interior parking spaces to be leased by the Company to various commercial and residential tenants and other directly and indirectly related activities; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease

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(with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency.

In connection with the Application, the Company has made a request to the Agency to deviate from its Policy (the "Pilot Request"). Pursuant to the Pilot Request, the Agency would (A) enter into a payment in lieu of tax agreement (the "Proposed Pilot Agreement") which terms are described below and (B) provide the mortgage recording tax abatement. The Proposed Pilot Agreement would not provide any abatements for any special assessments levied on the Project Facility.

The Proposed Pilot Agreement will provide that the Company be granted a twenty (20) year payment in lieu of tax agreement on the Facility and any portion of the Equipment assessable as real property pursuant to the New York Real Property Tax Law. Under the terms of the Proposed Pilot Agreement, the Company will pay (A) a base Pilot payment equal to one hundred percent (100%) of the normal taxes due on the Land based on a fixed assessment of \$750,000, and (B) an additional amount based on the increase in assessed value of the Project Facility (such increase in the assessed value due to the undertaking of the Project shall be referred to as the "Improvements"), such increased amount to be adjusted by the abatement as described as follows:

PILOT Year	Amount of Abatement on Increased Assessment
1	100.00%
2	100.00%
3	100.00%
4	100.00%
5	100.00%
6	100.00%
7	100.00%
8	100.00%
9	100.00%
10	95.00%
11	95.00%
12	90.00%
13	65.00%
14	64.00%
15	63.00%
16	62.00%
17	61.00%
18	60.00%
19	59.00%
20	58.00%
21 and thereafter	0.00%

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

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

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

The purpose of this letter is to inform you of such Pilot Request and that the Agency is considering whether to grant the Pilot Request and to approve a Proposed Pilot Agreement conforming to the terms of the Pilot Request. The Agency expects to consider whether to approve the terms of the Proposed Pilot Agreement at its meeting scheduled for October 20, 2016 at 12:15 p.m., local time at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York (the "Meeting"). As described later in this letter, during the meeting on October 20, 2016, the Agency will review the terms of the Pilot Request and, based on the discussions during such meeting the terms of the Pilot Request may be modified.

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

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

1. **The nature of the Project:** The Project involves the construction of a commercial/residential facility with rental retail space and interior parking to be owned by the Company.
2. **The present use of the property:** Vacant land.
3. **The economic condition of the area at the time of the request of the Company and the economic multiplying effect that the Project will have on the area:** At the time of the filing of the Application, the economic condition of the area in which the Project Facility is to be located is generally average to poor. The area is strategically targeted for adding downtown commercial/retail/residential development, based on the presence of vacant or underutilized buildings/real estate to be redeveloped, as well as the emerging residential projects that are occurring proximate to this building. This will create a neighborhood district, which is consistent with aspects of the IMPACT Downtown Plan and the Albany 2030 Plan.

The Project will create approximately one hundred (100) construction jobs and two (2) permanent full time jobs, thus generating revenue for the City of Albany and surrounding areas.

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The major positive impact of the Project is the creation of downtown commercial/retail development, which is consistent with aspects of the IMPACT Downtown Plan and the Albany 2030 Plan. This development in the downtown area will provide economic growth for the existing business and entertainment facilities located in the downtown, and result in further residential development, which is also consistent with aspects of the IMPACT Downtown Plan and the Albany 2030 Plan. Additional benefits created by the Project are described in the Application.

4. The extent to which the Project will create or retain permanent, private sector jobs and the number of jobs to be created or retained and the salary range of such jobs: The Company expects to employ two (2) full time employees with an average hourly rate of \$20.00. The Project will create construction jobs over the approximately two-year construction period generating wages and benefits of over \$5,000,000.

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

5. The estimated value of new tax exemptions to be provided: The estimated value of the tax exemptions are the following: \$385,000, sales and use tax; \$150,000, mortgage recording tax; and \$5,206,814, real property taxes.

6. The economic impact of the Proposed Pilot Agreement on affected tax jurisdictions: The economic impact of the Project Pilot Agreement is positive as development of the Project Facility is expected to spur additional development in the downtown sections of the City of Albany.

7. The impact of the Proposed Pilot Agreement on existing and proposed businesses and economic development projects in the vicinity: The impact of the Project is a positive one on the community, as it creates additional development in the area. In addition it will act to reduce the vacancy rate in downtown, which is critical to building the market. This development will build investor and bank confidence in the market and will serve to attract additional mid and large scale commercial/retail/residential development projects. The local restaurants and entertainment facilities will benefit from the undertaking of the Project.

8. The amount of private sector investment generated or likely to be generated by the Proposed Pilot Agreement: The investment by the Company in undertaking the Project is equal to approximately \$16,500,000.

9. The effect of the Proposed Pilot Agreement on the environment: It is likely that the Project will not have a significant effect on the environment.

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

11. The extent to which the Proposed Pilot Agreement will require the provision of additional services including, but not limited to, additional educational, transportation, police, emergency medical or fire services: It is not anticipated that the Project will have a

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tremendous burden upon the educational facilities for any school district within the City of Albany, Albany County. After the completion of the Project, the employment at the Project is not anticipated to generate a substantial burden on the highways of the City of Albany or the surrounding area. All necessary emergency medical and police services are available.

12. Anticipated tax revenues: The anticipated tax revenues include Pilot payments that are expected to equal the anticipated taxes paid on the involved properties based on the City Assessor's revaluation of the current land and improvements, and that will continue to increase over time. Also, it is anticipated that there will likely be additional sales tax revenues after Project completion relating to certain future operating activities at the Project and related multiplier impacts.

13. The extent to which the Proposed Pilot Agreement will provide a benefit (economic or otherwise) not otherwise available within the municipality in which the Project Facility is located: The Project aligns with the IMPACT Downtown Plan as well as the Albany 2030 Plan including: a) encouraging investment in urban land and buildings for employment and housing; b) providing a variety of housing types to meet the varied needs of Albany's households, including market, moderate and low income housing; c) encouraging diverse intergenerational housing for residents throughout different stages of life (e.g. students, couples, families with children, seniors) in the same neighborhood; d) establishing a greater critical mass of housing along Broadway; e) encouraging development proposals along Broadway compatible with a mixed-use, pedestrian oriented setting; f) recruiting retail and office tenants/developers for whom the Warehouse District's large, flexible sites offer opportunities not available downtown; and g) supports ongoing reinvestment opportunities such as new construction, particularly within two blocks of the intersection of North Ferry Street and Broadway or along Erie Boulevard/Centre Street between Thatcher and Colonie Streets.

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

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

CITY OF ALBANY INDUSTRIAL DEVELOPMENT
AGENCY

By: s/Sarah Reginelli
Chief Executive Officer

**APPROVING RESOLUTION
760 BROADWAY LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the office of the Department of Development and Planning located at 21 Lodge Street in the City of Albany, Albany County, New York on October 20, 2016 at 12:15 o'clock p.m., local time.

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

PRESENT:

Tracy L. Metzger	Chair
Susan Pedo	Vice Chair
C. Anthony Owens	Secretary
Hon. Darius Shahinfar	Treasurer
Dominick Calsolaro	Member
Lee Eck	Member
Robert T. Schofield	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Bradley Chevalier	Vice President, Capitalize Albany Corporation
Mark Opalka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Michael Bohne	Communications & Marketing, Capitalize Albany Corporation
Ashley Mohl	Senior Economic Developer II, Capitalize Albany Corporation
Chantel Burnash	Executive Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
Nadene E. Zeigler, Esq.	Special Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1016-

**RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION
WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR 760
BROADWAY LLC (THE "COMPANY").**

WHEREAS, City of Albany Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 325 of the 1974 Laws of New York, as amended, constituting

Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial, manufacturing and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

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

WHEREAS, in May, 2015, 760 Broadway LLC, a New York limited liability company (the “Company”), submitted an application, as supplemented in August, 2016 (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 1.40 acres and located at 776 (a/k/a 760) Broadway in the City of Albany, Albany County, New York (the “Land”), (2) the construction on the Land of a multi-story building to contain approximately 130,000 square feet of space (the “Facility”) and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvement and finish (collectively, the “Equipment”) (the Land, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company and to constitute a commercial/residential facility containing approximately 100 residential apartments, approximately 1,250 square feet of rentable retail space and approximately 110 interior parking spaces to be leased by the Company to various commercial and residential tenants and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on September 17, 2015 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on September 23, 2015 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public Hearing to be posted on September 24, 2015 on a public bulletin board located at the Albany City Hall located at 24 Eagle Street in the City of Albany, Albany County, New York, as well as on the Agency’s website, (C) caused notice of the Public Hearing to be published on September 26, 2015 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, Albany County, New York, (D) conducted the Public Hearing on October 7, 2015 at 12:00, local time at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York, and (E) prepared a report of the Public Hearing (the “Hearing Report”) fairly summarizing the views presented at such

Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on October 20, 2016 (the “Resolution Confirming SEQR Determination”), the Agency (A) concurred in the determination that the City of Albany Planning Board (the “Planning Board”) is the “lead agency” with respect to SEQRA and (B) acknowledged receipt of a negative declaration from the Planning Board issued on October 5, 2016 (the “Negative Declaration”), in which the Planning Board determined that the Project would not have a significant adverse environmental impact on the environment, and therefore, that an environmental statement need not be proposed with respect to the Project; and

WHEREAS, by resolution adopted by the members of the Agency on October 20, 2016 (the “Pilot Deviation Approval Resolution”), the members of the Agency determined to deviate from the Agency’s uniform tax exemption policy with respect to the Project; and

WHEREAS, the Agency has given due consideration to the Application, and to representations by the Company that (A) the granting by the Agency of the Financial Assistance with respect to the Project will be an inducement to the Company to undertake the Project in City of Albany, New York; (B) the completion of the Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and will not result in the abandonment of one or more plants or facilities of any occupant of the Project Facility; and (C) although the Project constitutes a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost, the Project is located within census tract 11 in the City of Albany which is considered to be a distressed census tract and therefore is in a “highly distressed area”, as that term is defined in Section 854(18) of the Act; and

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

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

WHEREAS, by further resolution adopted by the members of the Agency on October 20, 2016 (the “Commercial/Retail Finding Resolution”), the Agency (A) determined that the Project constituted a “commercial project” within the meaning of the Act, (B) found that although the Project Facility appears to constitute a project where facilities or properties that are primarily used in making the retail sales of goods or services to customers who personally visit such facilities may constitute more than one-third of the costs of the Project, the Agency is authorized to provide financial assistance in respect of the Project pursuant to Section 862(2)(a) of the Act because the Project Facility is located in a highly distressed area, (C) determined, following a review of the Public Hearing Report, that the Project would serve the public purposes of the Act by preserving permanent private sector jobs in the State of New York and (D)

determined that the Agency would proceed with the Project and the granting of the Financial Assistance; provided however, that no financial assistance would be provided to the Project by the Agency unless and until the Mayor of City of Albany, as chief executive officer of City of Albany, New York, pursuant to Section 862(2)(c) of the Act, confirmed the proposed action of the Agency with respect to the Project; and

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

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

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

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

Section 3. The Agency hereby finds and determines that:

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

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

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

(D) It is estimated at the present time that the costs of the planning, development, acquisition, construction and installation of the Project Facility (collectively, the “Project Costs”) will be approximately \$16,500,000;

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

(F) Though the Project constitutes a project where facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities constitute more than one-third of the costs of the Project, the Agency is authorized to provide financial assistance with respect to the Project pursuant to Section 862(2)(a) of the Act because the Project is located contiguous to distressed census tracts and therefore is in a “highly distressed area” (as defined in the Act);

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

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

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

(J) It is desirable and in the public interest for the Agency to enter into the Agency Documents, except that for the Interim Documents, the following conditions shall be met prior to the Agency entering into the Interim Documents: (1) the term of the Interim Documents shall not

exceed sixty (60) days, unless future extensions are consented to by the Agency in writing, (2) the Company shall have paid the Agency's administrative fee, (3) the Company and any contractors shall have delivered evidence of adequate insurance coverage protecting the Agency and (4) execution by the other parties thereto and delivery of same to the Agency of the Interim Documents.

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

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

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

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

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

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

Section 9. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for

by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing Resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 10. This Resolution shall take effect immediately.

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

Tracy L. Metzger	VOTING	_____
Susan Peto	VOTING	_____
C. Anthony Owens	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
Robert T. Schofield	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on October 20, 2015 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 20th day of October, 2016.

(Assistant) Secretary

(SEAL)

EXHIBIT A

DESCRIPTION OF THE PROJECT EVALUATION AND EXPECTED PUBLIC BENEFITS

760 BROADWAY LLC PROJECT

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

Description of Evaluation Criteria/Benefit		Applicable to Project (indicate Yes or No)		Criteria Assessment/ Expected Benefit
1.	Retention of existing jobs	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<p>Project will increase population and level of activity in downtown area, thereby promoting the retention of existing jobs.</p> <p>The Company expects that the Project will result in the retention and creation of employment in the retail, restaurant, entertainment and office operations located in the surrounding area.</p>
2.	Creation of new permanent jobs	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<p>Project will increase population and level of activity in downtown area, thereby promoting the creation of new permanent jobs.</p> <p>The Project will create 2 new full time jobs.</p> <p>Additionally, the Company expects that the Project will result in the retention and creation of employment in the retail, restaurant, entertainment and office operations located in the surrounding area.</p>
3.	Estimated value of tax	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	The exemptions have been

	exemptions			<p>weighed against the cumulative benefits of the Project.</p> <p>NYS Sales and Compensating Use Tax Exemption: \$385,000 Mortgage Recording Tax Exemption: \$150,000 Real Property Tax Exemption: \$5,206,814</p>
4.	Private sector investment	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Project applicant expects to invest over \$16.5 million of private investment in the Project.
5.	Likelihood of Project being accomplished in a timely fashion	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<p>High likelihood that Project will be accomplished in a timely fashion.</p> <p>The Project has received Planning Board Approval from the City of Albany.</p> <p>The Project has received a commitment letter for Project Financing.</p> <p>The Applicant closed on the purchase of the property in February 2016.</p>
6.	Extent of new revenue provided to local taxing jurisdictions.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<p>Project will result in new revenue to local taxing jurisdictions under the proposed PILOT program through the City of Albany IDA.</p> <p>Project will result in an increase in assessed value from the current total assessment: \$572,200 (Per City of Albany Commissioner of Assessment and Taxation 2016 Assessment Roll) to the estimated improved total assessment: \$6,173,100 (Per City of Albany Commissioner of Assessment and Taxation).</p>

7.	Other:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<p>The Project will develop an underutilized parking lot into market rate residential rental units, adding to the downtown residential inventory.</p> <p>The Project will remove underutilized real estate and add to the growing number of residential options to meet the documented demand for residential in the downtown.</p> <p>The Project will increase the consumer base to support downtown businesses.</p> <p>The Project will help retain existing commercial tenants and retailers.</p> <p>The Project will have a positive revitalizing effect on the community by developing a currently underutilized parking lot in a strategic downtown location.</p> <p>The Project will be located on a proposed CDTA BRT bus line, encouraging and supporting public transit.</p> <p>The Project will create activity along the Broadway corridor in a now-vacant location, strengthening the walkability between Downtown and the Warehouse District.</p> <p>The Project meets the intent and furthers the implementation of the following City of Albany strategic initiatives: Albany 2030 and Impact Downtown Albany.</p>

**PUBLIC HEARING RESOLUTION
CAPITAL DISTRICT APARTMENTS LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the office of the Department of Development and Planning located at 21 Lodge Street in the City of Albany, Albany County, New York on October 20, 2016 at 12:15 o'clock p.m., local time.

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

PRESENT:

Tracy L. Metzger	Chair
Susan Peto	Vice Chair
C. Anthony Owens	Secretary
Hon. Darius Shahinfar	Treasurer
Dominick Calsolaro	Member
Lee Eck	Member
Robert T. Schofield	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Bradley Chevalier	Vice President, Capitalize Albany Corporation
Mark Opalka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Michael Bohne	Communications & Marketing, Capitalize Albany Corporation
Ashley Mohl	Senior Economic Developer II, Capitalize Albany Corporation
Chantel Burnash	Executive Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
Nadene E. Zeigler, Esq.	Special Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1016-

RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF CAPITAL DISTRICT APARTMENTS LLC.

WHEREAS, City of Albany Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as

amended (the "Enabling Act") and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

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

WHEREAS, Capital District Apartments LLC, a New York limited liability company (the "Company"), has submitted an application (the "Application") to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in an approximately 1.96 acre parcel of land (tax map number 65.17-2-13) currently with an address of 2 Thurlow Terrace in the City of Albany, Albany County, New York (the "Land"), together with an approximately 85,000 square foot building located thereon (the "Facility"), (2) the renovation and rehabilitation of the Facility, including but not limited to, parking resurfacing and landscaping improvements, and (3) the acquisition and installation thereon and therein of various machinery and equipment (collectively, the "Equipment") (the Land, the Facility and the Equipment being hereinafter collectively referred to as the "Project Facility"), all of the foregoing to constitute a Section 8, senior and handicapped housing facility to be owned by the Company and leased to residential tenants and any other directly and indirectly related activities; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to Section 859-a of the Act, prior to the Agency providing any "financial assistance" (as defined in the Act) of more than \$100,000 to any project, the Agency, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project; and

WHEREAS, the Agency desires to provide for compliance with the provisions of Section 859-a of the Act with respect to the Project;

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

Section 1. The Agency hereby authorizes the Chief Executive Officer of the Agency, after consultation with the members of the Agency and Agency Counsel, (A) to establish the time, date and place for a public hearing of the Agency to hear all persons interested in the Project (the "Public Hearing"); (B) to cause the Public Hearing to be held in a city, town or village where the Project Facility is or is to be located, and to cause notice of such Public Hearing to be given to the public by publishing a notice or notices of such Public Hearing in a newspaper of general circulation available to the residents of the governmental units where the Project Facility is or is to be located, such notice or notices to comply with the requirements of Section 859-a of the Act; (C) to cause notice of the Public Hearing to be given to

the chief executive officer of the county and of each city, town, village and school district in which the Project Facility is or is to be located to comply with the requirements of Section 859-a of the Act; (D) to conduct such Public Hearing; (E) to cause a report of the Public Hearing fairly summarizing the views presented at such Public Hearing (the "Report") to be prepared; and (F) to cause a copy of the Report to be made available to the members of the Agency.

Section 2. The Chair, Vice Chair and/or Chief Executive Officer of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 3. All action taken by the Chief Executive Officer of the Agency in connection with the Public Hearing with respect to the Project prior to the date of this Resolution is hereby ratified and confirmed.

Section 4. This Resolution shall take effect immediately.

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

Tracy L. Metzger	VOTING	_____
Susan Peto	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
C. Anthony Owens	VOTING	_____
Robert T. Schofield	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on October 20, 2016 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 20th day of October, 2016.

(Assistant) Secretary

(SEAL)



August 15, 2016

To The Board of Directors
City of Albany Industrial Development Agency,
a Component Unit of the City of Albany
21 Lodge Street
Albany, NY 12207

The following represents our understanding of the services we will provide the City of Albany Industrial Development Agency, a Component Unit of the City of Albany.

You have requested that we audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Albany Industrial Development Agency, a Component Unit of the City of Albany (the Agency), as of December 31, 2016, and for the year then ended and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter. Our audit will be conducted with the objective of our expressing an opinion on each opinion unit.

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by accounting principles generally accepted in the United States of America, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by accounting principles generally accepted in the United States of America. This RSI will be subjected to certain limited procedures but will not be audited:

- Management's Discussion and Analysis (MD&A)
- Schedule of Revenues and Expenses -Budget (Non-GAAP Basis) and Actual

The Objective of an Audit

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in accordance with accounting principles generally accepted in the United States of America and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

General Audit Procedures

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Internal Control Audit Procedures

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*.

In making our risk assessments, we consider internal control relevant to the Agency's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.

Compliance with Laws and Regulations

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Agency's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Management Responsibilities

Our audit will be conducted on the basis that management and those charged with governance acknowledge and understand that they have responsibility:

- a. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
- b. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
- c. To provide us with:
 - i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters;
 - ii. Additional information that we may request from management for the purpose of the audit; and
 - iii. Unrestricted access to persons within the Agency from whom we determine it necessary to obtain audit evidence.
- d. For including the auditors' report in any document containing financial statements that indicates that such financial statements have been audited by the Agency's auditor;
- e. For identifying and ensuring that the Agency complies with the laws and regulations applicable to its activities; and
- f. For adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited financial statements, or if the supplementary information will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management and those charged with governance, written confirmation concerning representations made to us in connection with the audit.

Reporting

We will issue a written report upon completion of our audit of the Agency's basic financial statements. Our report will be addressed to the governing body of the Agency. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance will not be an objective of the audit and, therefore, no such opinion will be expressed.

Other

You agree to assume all management responsibilities for the nonattest services we provide, such as drafting of the financial statements and maintenance of the depreciation schedule. Management is also responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

We understand that your employees will prepare all confirmations we request and will locate any documents or support for any other transactions we select for testing.

If you intend to publish or otherwise reproduce the financial statements and make reference to our firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed.

Provisions of Engagement Administration, Timing and Fees

In connection with this engagement, we may communicate with you or others via e-mail. As e-mails can be intercepted, disclosed, used, and/or otherwise communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed, we cannot ensure that e-mails from us will be properly delivered and read only by the addressee. Therefore, we disclaim and waive any liability for interception or unintentional disclosure of e-mail transmissions, or for the unauthorized use or failed delivery of e-mails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage arising from the use of e-mail, including any punitive, consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure of confidential information.

Pasquale M. Scisci, CPA is the engagement partner for the audit services specified in this letter. His responsibilities include supervising Teal, Becker & Chiaramonte, CPAs, P.C.'s services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit reports.

Our fees for these services for the year ending December 31, 2016 will be \$7,000, plus out-of-pocket costs such as report production, typing, postage, etc. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audits. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. Interest of 1.5% per month will be charged on late payments over 45 days. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

You may request that we perform additional services not contemplated by this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fee. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

It is our policy to keep records related to this engagement for seven years. However, the Firm does not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies. By your signature below, you acknowledge and agree that upon the expiration of the seven year period, the Firm shall be free to destroy our records related to this engagement.

At the conclusion of our audit engagement, we will communicate to those charged with governance the following significant findings from the audit:

- Our view about the qualitative aspects of the Agency's significant accounting practices;
- Significant difficulties, if any, encountered during the audit;
- Uncorrected misstatements, other than those we believe are trivial, if any;
- Disagreements with management, if any;
- Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;

- Representations we requested from management;
- Management's consultations with other accountants, if any; and
- Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

The audit documentation for this engagement is the property of Teal, Becker & Chiaramonte, CPAs, P.C. and constitutes confidential information. However, we may be requested to make certain audit documentation available by law or regulation, or to peer reviewers. If requested, such access to audit documentation will be provided under the supervision of Teal, Becker & Chiaramonte, CPAs, P.C.'s personnel. Furthermore, upon request, we may provide copies of selected audit documentation. We will mark all information as confidential and maintain control over the duplication of such information.

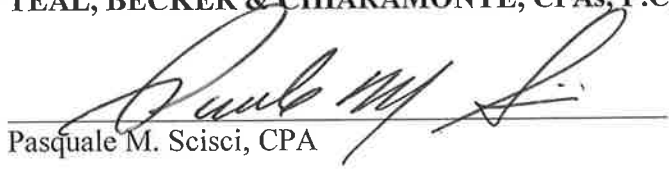
In accordance with the requirements of *Government Auditing Standards*, we have attached a copy of our latest external peer review report of our firm for your consideration and files.

Please sign and return the enclosed copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements including our respective responsibilities.

We appreciate the opportunity to be your financial statement auditors and look forward to working with you and your staff.

Very truly yours,

TEAL, BECKER & CHIARAMONTE, CPAs, P.C.



Pasquale M. Scisci, CPA

City of Albany Industrial Development Agency,
a Component Unit of the City of Albany
August 15, 2016
Page 7 of 7

RESPONSE:

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of the **City of Albany Industrial Development Agency, a Component Unit of the City of Albany** by:

Signature: _____

Title: _____

Date: _____

Number of bound copies of the financial statements needed: _____

Special mailing instructions for the bound copies of the financial statements: _____

Do you need an electronic copy of the financial statements? _____

SR/gsw
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Enclosures



System Review Report

September 19, 2014

To the Partners of Teal, Becker & Chiarmonite, CPA's, P.C.
and the Peer Review Committee of the
New York State Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Teal, Becker & Chiarmonite, CPA's P.C. (the firm) in effect for the year ended March 31, 2014. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Teal, Becker & Chiarmonite, CPA's, P.C. in effect for the year ended March 31, 2014, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Teal, Becker & Chiarmonite, CPA's, P.C. has received a peer review rating of *pass*.

Amato, Fox & Company, P.C.

Amato, Fox & Company, P.C.

36 Niagara Street
Tonawanda, New York 14150
Phone: 716.694.0336
Fax: 716.694.5081
email: info@amatofox.com

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY
APPROVAL RESOLUTION SELECTION OF ACCOUNTANTS – FY 12/2016 AUDIT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Department of Development and Planning located at 21 Lodge Street in the City of Albany, Albany County, New York on October 20, 2016 at 12:15 o’clock p.m., local time.

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

PRESENT:

Tracy L. Metzger	Chair
Susan Pedo	Vice Chair
C. Anthony Owens	Secretary
Hon. Darius Shahinfar	Treasurer
Dominick Calsolaro	Member
Lee Eck	Member
Robert T. Schofield	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Bradley Chevalier	Vice President, Capitalize Albany Corporation
Mark Opalka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Michael Bohne	Communications & Marketing, Capitalize Albany Corporation
Ashley Mohl	Senior Economic Developer II, Capitalize Albany Corporation
Chantel Burnash	Executive Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
Nadene E. Zeigler, Esq.	Special Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1016-

**RESOLUTION APPROVING THE RETAINING OF AN ACCOUNTING FIRM FOR
CONDUCTING THE 2016 FY AUDIT OF THE CITY OF ALBANY INDUSTRIAL
DEVELOPMENT AGENCY.**

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

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

WHEREAS, the Agency is required to conduct an annual independent audit for its financial statements for the year ended December 31, 2016 (the “2016 Audit”); and

WHEREAS, the Agency staff has recommended retaining the services of Teal, Becker & Chiaramonte CPAs, P.C.;

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

Section 1. The Agency hereby approves Teal, Becker & Chiaramonte CPAs, P.C. to perform the necessary professional services as outlined in the attached engagement letter to complete the audit of the financial statements as of and for the year ended December 31, 2016 at an estimated fee of \$7,000.00, plus out-of-pocket expenses.

Section 2. The Agency hereby authorizes the Chair, the Vice Chair and the CFO to take all steps necessary to implement this Resolution.

Section 3. All action taken by the staff of the Agency in connection with the retaining of the accounting firm prior to the date of this Resolution is hereby ratified and confirmed.

Section 4. This Resolution shall take effect immediately.

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

Tracy L. Metzger	VOTING	_____
Susan Pedo	VOTING	_____
C. Anthony Owens	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
Robert T. Schofield	VOTING	_____

The resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency held on October 20, 2016 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 20th day of October, 2016.

(Assistant) Secretary

(SEAL)

MEMO

TO: City of Albany Industrial Development Agency Board of Directors

FROM: Mark Opalka, CFO

RE: City of Albany IDA Preliminary Draft 2017 Budget

DATE: October 20, 2016

Based on current projections we anticipate the ending cash balance to be \$2,162,847 at December 31, 2016.

We anticipate no changes to the agency's ending cash balance at December 31, 2017 based on budgeted revenue and expenses. Below is a highlight of the changes contained in the 2017 budget compared to last year's budget.

Revenues for the agency are budgeted to be approximately \$805,674 in 2017. The majority of this revenue is expected to be in the form of fee revenue which is budgeted to be approximately \$624,400. To date, there is one project that is expected to close in 2017 which is 1385 Washington Avenue Extension, LLC which is expected to generate approximately \$305,000 in fee revenue. The fee revenue budgeted for 2017 was determined using a weighted average formula. Project Benefit Agreement Revenue and the 9.5% LIHTC Fee remain unchanged, interest expense is budgeted to be higher due to higher interest being earned on the agency's bank accounts, and revenue from the CRC agreement is projected to increase by \$10,119.

Expenses for the agency are budgeted to be approximately \$805,674 in 2017. The changes to the budgeted expenses are the \$1,000 previously budgeted for website maintenance has been moved into miscellaneous expenses and Strategic Activities have been lowered to \$65,392. All other expenses are budgeted the same as 2016.

The projected ending cash balance of the IDA is projected to be \$2,162,847 based on the proposed budget. This balance represents reserve of approximately 2.92 years at the current projected level of operating expenses.

	2016 APPROVED Budget	2016 YTD Actual	2016 Projected Oct- Dec	2016 Total	2016 Projected Variance to Budget	2017 PROPOSED Budget
REVENUE						
Fees	\$ 679,114	\$ 53,288	\$ 259,737	\$ 313,025	\$ (366,089)	\$ 624,406
Project Benefit Agreement Revenue	100,000	100,000	-	100,000	-	100,000
9 % LIHTC Fee	20,000	20,000		20,000		20,000
CRC Agreement	40,669	-	105,028	105,028	64,359	50,788
Interest	499	8,320	2,447	10,767	10,268	10,480
TOTAL REVENUE	\$ 840,282	\$ 181,608	\$ 367,212	\$ 548,820	\$ (291,462)	\$ 805,674
OPERATING EXPENSES						
Economic Development and Community Development Support	\$ 250,000	\$ 187,500	\$ 62,500	\$ 250,000	\$ -	\$ 250,000
Sub-Lease AHCC	75,000	32,562	37,500	\$ 70,062	(4,938)	75,000
Legal Expenses**	10,000	1,056	13,944	15,000	5,000	10,000
Professional Service Fees- Other	-	33,160	-	33,160	33,160	-
Website Maitenance	1,000	-		-	(1,000)	-
Management Contract	348,582	261,437	87,146	348,582	-	348,582
Agency Counsel	42,000	-	42,000	42,000	-	42,000
Audits	7,000	7,000	-	7,000	-	7,000
D & O Insurance	1,700	1,526	-	1,526	(174)	1,700
Miscellaneous	5,000	2,612	2,251	4,863	(137)	6,000
Advertising/Sponsorships						
TOTAL OPERATING EXPENSES	\$ 740,282	\$ 526,852	\$ 245,341	\$ 772,192	\$ 31,910	\$ 740,282
Surplus/(Deficit) Before Other Expenses	\$ 100,000	\$ (345,244)	\$ 121,872	\$ (223,372)	\$ (323,372)	\$ 65,392
OTHER EXPENSES						
Strategic Activities	\$ 100,000	\$ -	\$ -	\$ -	\$ (100,000)	\$ 65,392 ⁽¹⁾
TOTAL OTHER EXPENSES	\$ 100,000	\$ -	\$ -	\$ -	\$ (100,000)	\$ 65,392
Surplus/(Deficit)	\$ -	\$ (345,244)	\$ 121,872	\$ (223,372)	\$ (223,372)	\$ - ⁽²⁾

Closed Projects

	Project Amount	2016 Fee Collected
99 Pine Street of Albany, LLC	6,712,800	33,564
Total	\$ 6,712,800	\$ 33,564

	Estimated Project Amount	Estimated 2016 Fee
2016 Estimated Project Closings		
960 Broadway LLC	\$ 6,000,000	\$ 30,000
CDP Holland, LLC	22,973,700	229,737
	-	-
Total	\$ 28,973,700	\$ 259,737

	Estimated Project Amount	Estimated 2017 Fees
2017 Estimated Closings		
1385 Washington Avenue Extension LLC	30,535,000	\$ 305,350
2017 Estimated Other Closings	31,905,600	319,056
	-	-
Total	\$ 62,440,600	\$ 624,406

Notes:

(1) Other expenses are prospective non-recurring expenses for board requested potential strategic deployment of Agency's cash balance. Expenditures of which would require individual Board deliberation and approval.

(2) YTD projected ending cash balance at December 31, 2017 is projected to be \$2,162,847. This represents a reserve of approximately 2.92 years at current projected operating level.

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY
2017 BUDGET APPROVAL RESOLUTION**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Department of Development and Planning located at 21 Lodge Street in the City of Albany, Albany County, New York on October 20, 2016 at 12:15 o’clock p.m., local time.

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

PRESENT:

Tracy L. Metzger	Chair
Susan Pedo	Vice Chair
C. Anthony Owens	Secretary
Hon. Darius Shahinfar	Treasurer
Dominick Calsolaro	Member
Lee Eck	Member
Robert T. Schofield	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Bradley Chevalier	Vice President, Capitalize Albany Corporation
Mark Opalka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Michael Bohne	Communications & Marketing, Capitalize Albany Corporation
Ashley Mohl	Senior Economic Developer II, Capitalize Albany Corporation
Chantel Burnash	Executive Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
Nadene E. Zeigler, Esq.	Special Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1016-

**RESOLUTION APPROVING THE 2017 BUDGET OF THE CITY OF ALBANY
INDUSTRIAL DEVELOPMENT AGENCY.**

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

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

WHEREAS, under Section 861 of the Act the Agency has proposed a budget for its fiscal year commencing January 1, 2017 (the "2017 Budget"); and

WHEREAS, the members of the Agency desire to approve the 2017 Budget;

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

Section 1. The Agency hereby approves the 2017 Budget as presented to this meeting.

Section 2. The Agency hereby authorizes the Chair, the CEO and the CFO to take all steps necessary to implement the 2017 Budget.

Section 3. All action taken by the CEO and the CFO of the Agency in connection with the preparation and adoption of the 2017 Budget prior to the date of this Resolution is hereby ratified and confirmed.

Section 4. This Resolution shall take effect immediately.

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

Tracy L. Metzger	VOTING	_____
Susan Pado	VOTING	_____
C. Anthony Owens	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
Robert T. Schofield	VOTING	_____

The resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on October 20, 2016 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this
_20th day of October, 2016.

(Assistant) Secretary

(SEAL)