

City of Albany Industrial Development Agency

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

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

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

| | | | | | | |
|-----|--------------------|-----|------------------|-----------------|-------|------------------|
| To: | Darius Shahinfar | Cc: | Robert Schofield | Sarah Reginelli | Date: | February 2, 2018 |
| | Lee Eck | | | Mark Opalka | | |
| | Susan Pado | | | William Kelly | | |
| | Tracy Metzger | | | Joe Scott | | |
| | Dominick Calsolaro | | | Joe Landy | | |
| | | | | Andy Corcione | | |
| | | | | Chantel Burnash | | |

PLEASE NOTE THAT A PUBLIC HEARING CONCERNING THE FOLLOWING PROJECT(S) WILL BE HELD
At 12:00pm on Wednesday, February 7th, 2018 at 21 Lodge St, Albany, NY 12207
363 Ontario St, LLC

A meeting of the Finance Committee of the City of Albany Industrial Development Agency will be held on Wednesday, February 7th at 12:15 PM at 21 Lodge Street, Albany, NY 12207 (Large Conference Room).

Roll Call

Reading of Minutes of the Finance Committee Meeting of January 10, 2018

Approval of Minutes of the Finance Committee Meeting of January 10, 2018

Unfinished Business

- A. 363 Ontario St LLC (Playdium)
 - Possible Positive/Negative Recommendation for Approving Resolutions

New Business

- B. 705 Broadway, LLC
 - Third Party Review

Other Business

- A. Correspondence
- B. Park South Project Update

Adjournment

The next regularly scheduled Finance Committee meeting will be held Wednesday, March 14, 2018 at 21 Lodge Street, Albany, NY. Please check the website www.albanyida.com for updated meeting information.

Albany Industrial Development Agency

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IDA MINUTES OF FINANCE COMMITTEE MEETING

Wednesday, January 10, 2018

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

Also Present: Robert Schofield, Joseph Scott, Bill Kelly, Sarah Reginelli, Mark Opalka, Andy Corcione, Mike Bohne and Chantel Burnash

Chair Darius Shahinfar called the Finance Committee meeting of the IDA to order at 12:16 PM.

Roll Call

Chair Darius Shahinfar reported that all Committee members were present.

Reading of Minutes of the December 13, 2017 Finance Committee Meeting

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

Approval of Minutes of the December 13, 2017 Finance Committee Meeting

Chair Darius Shahinfar proposed to approve the minutes of the Finance Committee meeting of December 13, 2017. Tracy Metzger moved, seconded by Lee Eck, to accept the minutes as presented. The Members voted unanimously in favor and the motion carried.

Unfinished Business

760 Broadway, LLC – Possible Positive/Negative Recommendation for Approving Resolutions

Staff discussed the revised application for 760 Broadway, LLC, which was originally approved in October 2016. The re-routing of multiple live sanitary lines, which were uncovered during the initial phases of site work at 760 Broadway, will increase costs of the project and affect the estimated improved assessed value. The Applicant is not requesting changes to the PILOT schedule.

Staff reviewed and discussed the project summary, cost benefit analysis, Staff PILOT analysis and the City Assessor's letter with the Committee.

A motion to move the project to the next full Board meeting, with positive recommendation was made by Susan Pedo and seconded by Tracy Metzger. A vote being taken, the motion passed unanimously.

363 Ontario St LLC (Playdium) – Possible Positive/Negative Recommendation for Public Hearing Resolution

Staff discussed the application for a mixed-use development project at 363 Ontario Street, which was

introduced at the previous Finance Committee meeting. The proposed project consists of the acquisition of a +/- 1.8 acre parcel of land, construction of three mixed-use residential rental apartment complexes containing +/- 109 residential apartment units, indoor and outdoor parking, as well as a laundromat and café. The Applicant projects the proposed project will retain 3 jobs and create 7 permanent jobs and +/- 100 construction jobs.

Staff advised the Committee that 363 Ontario Street LLC is seeking a mortgage recording tax exemption, sales and compensating use tax exemption and real property tax abatements.

David Phaff, on behalf of 363 Ontario Street LLC, was present to provide an overview of the proposed project. Mr. Phaff informed the Committee that 363 Ontario Street LLC met with the Pine Hills Neighborhood Association to discuss the project. He informed the Committee that 363 Ontario Street LLC received approval from the BZA Board relating to the height of the three structures and will appear before the Planning Board at an upcoming meeting.

The Applicant responded to various questions posed by members of the Committee. The Committee asked for specific clarification of permanent, retained and construction job projections.

The Committee discussed the Project's scoring within the IDA's Evaluation and Assistance Framework as well as the applicant's request to stagger the PILOT to accommodate three individual buildings.

Staff advised that it would present and discuss the additional information requested, a project summary, PILOT analysis, and cost benefit analysis at a following Committee meeting.

A motion to move the project to the next full Board meeting with positive recommendation for consideration of a public hearing resolution was made by Tracy Metzger and seconded by Susan Pedo. A vote being taken, the motion passed unanimously.

The Committee discussed performance of the Project Evaluation and Assistance Framework and suggested future review of definitions including jobs and residential conversion.

New Business

At Hudson Park, LLC – Extension of Approval

Staff advised the Committee that At Hudson Park, LLC is requesting an extension to the Approval Resolution due to the restructuring of its financing for the project and acquiring a contractor in the allotted timeframe. Staff advised the Committee that the project costs have increased but does not require the convening of a new Public Hearing.

Gilah Moses, on behalf of At Hudson Park, LLC, was present to discuss the request for an extension to the Approval Resolution and answer questions from the Committee.

A motion to move the extension of the Approval Resolution to the full Board with a positive recommendation for consideration was made by Dominick Calsolaro and seconded by Lee Eck. A vote being taken the motion passed unanimously.

ValuSpace – Project Discussion

Staff informed the Board that the project beneficiary has requested to unwind the lease/leaseback transaction with the Agency. Counsel Scott and the Board discussed various options the Board could take with this request. Counsel Scott and Staff will work through the options and report back to the Board.

Property Acquisition/Disposition Report

Staff advised the Committee that the Agency must prepare an annual report of the Agency's real property, in order to be compliant with Public Authority Law. Staff reviewed the annual report with the Committee, which states that the Agency does not own any real property as of December 31, 2017.

Annual Investment Report

Staff advised the Committee that the Agency must prepare an annual report of the Agency's investments, in order to be compliant with Public Authority Law. Staff reviewed the annual investment report with the Committee.

Report of Chief Financial Officer

Quarterly Budget Report

Staff reviewed the quarterly budget report that was provided in advance for review.

Other Business

Agency Update

None.

There being no further business, the meeting was adjourned at 1:14 PM.

Respectfully submitted,

Lee Eck, Secretary

TO: City of Albany Industrial Development Finance Committee

FROM: City of Albany Industrial Development Agency Staff

RE: 363 Ontario St, LLC - IDA Application Summary

DATE: January 5, 2018

Applicant: 363 Ontario St, LLC

Managing Members (% of Ownership): Ryan Jankow (75%) and Tom Lynch (25%).

Project Location: 363 Ontario Street

Project Description: The project consists of the acquisition of a +/- 1.8 acre parcel of land, construction on the land of the 58,500 SF buildings containing +/- 109 residential apartment units (with tenant amenities) +/- 99 on-site parking spaces and 4,000-6,000 square feet of retail space, and acquisition of various personal property and furniture, fixtures, and equipment.

Estimated Project Cost: \$16,289,000

Type of Financing: Straight Lease

Amount of Bonds Requested: None

Estimated Total Purchases Exempt from Sales Tax: \$8,700,000

Estimated Total Mortgage Amount: \$13,831,200

Cost Benefit Analysis: The applicant has provided staff with the appropriate proformas, expenses, and requested PILOT schedule necessary to evaluate the project.

Requested PILOT: The proposal entails the Applicant entering into a 20 year PILOT agreement with the IDA.

Estimated Value of Total PILOT Payments:

- Total PILOT Payments: \$4,682,106

Estimated Value of Tax Exemptions:

- NYS Sales and Compensating Use Tax: \$696,000
- Mortgage Recording Taxes: \$136,312
- Real Property Taxes: \$7,036,022

Employment Impact:

- Projected Permanent: 5 jobs
- Projected Retained: 3 jobs
- Projected Construction: 85 jobs

Strategic Initiatives:

- Albany 2030
 - Increase job opportunities for all residents.
 - Encourage investment in urban land and buildings for employment and housing.

Community Benefit Metrics:

- See attached CAIDA Project Evaluation and Assistance Framework Staff Analysis

Planning Board Actions:

- Applicant has received approval for the requested height variance.

Estimated IDA Fee

- Fee amount: \$162,890

Mission

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

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

| | | | |
|---|----------------------------|--|---|
| Project: | 363 Ontario St, LLC | | |
| Total Score: | 11 | | |
| *Qualifies for a PILOT Deviation? | YES | | |
| Total Improved Assessed Value Estimate: | \$10,200,000 | Units: 109 | **Qualifies for Community Commitment Enhancement? NO |
| Notes/Applicable Program Restrictions: | | Improved Assessed Value per Unit Estimate: | \$93,577.98 |

COMMENTS

| | | | |
|-----------------------|-------------------------------|-----------|--|
| Revitalization | Target Geography | | |
| | Distressed Census Tract | 1 | Census Tract 16 is a distressed census tract |
| | High Vacancy Census Tract | | |
| | Downtown | | |
| | BID | | |
| | Neighborhood Plan | 1 | Midtown Colleges and University Study -Page 8&9 |
| | Identified Priority | | |
| | Downtown Residential | | |
| | Tax Exempt/Vacant | | |
| | Identified Catalyst Site | | |
| | Historic Preservation | | |
| | Community Catalyst | 1 | The project is consistent with the demand for additional residential housing identified in the Midtown Colleges and University Study (pages 8&9) |
| | Identified Growth Area | | |
| | Manufacturing / Distribution | | |
| | Technology | | |
| | Hospitality | | |
| | Existing Cluster | | |
| | Conversion to Residential | | |
| <i>Subtotal</i> | | 3 | |
| Job Creation | Permanent Jobs | | |
| | 3 - 40 | 1 | The project will create 5 permanent jobs |
| | 41-80 | | |
| | 81 - 120 | | |
| | 121-180 | | |
| | >180 | | |
| | Retained Jobs | | |
| | 3 - 40 | 1 | The project will retain 3 jobs |
| | 41-80 | | |
| | 81 - 120 | | |
| | 121-180 | | |
| | >180 | | |
| | Construction Jobs | | |
| | 6 - 80 | 1 | |
| | 81 - 160 | 1 | The project will create 85 construction jobs |
| | 161 - 240 | | |
| | > 241 | | |
| <i>Subtotal</i> | | 4 | |
| Investment | Financial Commitment | | |
| | 2.5M - 10M | 1 | |
| | 10.1M-17.5M | 1 | Total project cost is anticipated to be \$16.289 Million |
| | 17.6M-25M | | |
| | 25.1M-30M | | |
| | <i>Subtotal</i> | 2 | |
| | Community Commitment | | |
| | MWBE | | |
| | EEO Workforce Utilization | | |
| | Inclusionary Housing | | |
| | Regional Labor | 1 | Developer commits to Regional Labor for 90% of construction jobs |
| | City of Albany Labor | 1 | Developer commits to City of Albany Labor for 15% of construction jobs |
| | Apprenticeship Program | | |
| <i>Subtotal</i> | | 2 | **Must achieve subtotal of 3 and threshold of 13 to qualify for Community Commitment enhancement |
| Total: | | 11 | *Must achieve threshold of 10 to qualify for deviation |

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

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

| 363 Ontario Playdium - Analysis of Applicant's Proposed PILOT | | | | | | | | | | | | | | | | |
|--|------------------------|-----------------|-------------------------|--|--------------------------------------|--------------------------------|--|--|--|---|--|-------------------------------------|---|--|---|--|
| PILOT Year | City & County Tax Year | School Tax Year | Tax Rate ⁽⁴⁾ | Status Quo | | Proposed Project | | | | | | | | | | |
| | | | | | | Base Assessment ⁽⁷⁾ | Normal Tax | | | PILOT Payments to be the Greater of ⁽¹¹⁾ | | | | | | |
| | | | | Estimated Total 2016 Assessment ⁽⁵⁾ | Estimated Total Taxes ⁽⁶⁾ | | Estimated Total Improved Assessment ⁽⁸⁾ | Estimated Total Taxes w/o PILOT ⁽⁹⁾ | Estimated Total Taxes w/o PILOT Per Unit ⁽¹⁰⁾ | Estimated PILOT Payments ⁽¹²⁾ | Estimated PILOT Payments ⁽¹²⁾ | Estimated Abatement ⁽¹³⁾ | Estimated PILOT Payments Per Unit ⁽¹⁴⁾ | Estimated Abatement Per Unit ⁽¹⁵⁾ | % Abatement on Total Assessment ⁽¹⁶⁾ | % Abatement on Improved Assessment ⁽¹⁷⁾ |
| Construction ⁽¹⁾ | 2018 | 2017/2018 | \$46.18 | \$985,000 | \$34,800 | - | - | - | - | - | | - | - | - | - | - |
| 1 ⁽²⁾ | 2019 | 2018/2019 | \$47.10 | \$985,000 | \$34,800 | \$985,000 | \$10,200,000 | \$480,457 | \$4,367.79 | \$89,803 | Not Applicable | \$390,654 | \$816 | \$3,551 | 81.31% | 90% |
| 2 | 2020 | 2019/2020 | \$48.05 | \$985,000 | \$34,800 | \$985,000 | \$10,200,000 | \$490,066 | \$4,455.14 | \$91,599 | Not Applicable | \$398,467 | \$833 | \$3,622 | 81.31% | 90% |
| 3 | 2021 | 2020/2021 | \$49.01 | \$985,000 | \$34,800 | \$985,000 | \$10,200,000 | \$499,867 | \$4,544.25 | \$93,431 | Not Applicable | \$406,436 | \$849 | \$3,695 | 81.31% | 90% |
| 4 | 2022 | 2021/2022 | \$49.99 | \$985,000 | \$34,800 | \$985,000 | \$10,200,000 | \$509,865 | \$4,635.13 | \$95,300 | Not Applicable | \$414,565 | \$866 | \$3,769 | 81.31% | 90% |
| 5 | 2023 | 2022/2023 | \$50.99 | \$985,000 | \$34,800 | \$985,000 | \$10,200,000 | \$520,062 | \$4,727.83 | \$97,206 | Not Applicable | \$422,856 | \$884 | \$3,844 | 81.31% | 90% |
| 6 | 2024 | 2023/2024 | \$52.01 | \$985,000 | \$34,800 | \$985,000 | \$10,200,000 | \$530,463 | \$4,822.39 | \$99,150 | Not Applicable | \$431,313 | \$901 | \$3,921 | 81.31% | 90% |
| 7 | 2025 | 2024/2025 | \$53.05 | \$985,000 | \$34,800 | \$985,000 | \$10,200,000 | \$541,072 | \$4,918.84 | \$101,133 | Not Applicable | \$439,940 | \$919 | \$3,999 | 81.31% | 90% |
| 8 | 2026 | 2025/2026 | \$54.11 | \$985,000 | \$34,800 | \$985,000 | \$10,200,000 | \$551,894 | \$5,017.22 | \$103,155 | Not Applicable | \$448,738 | \$938 | \$4,079 | 81.31% | 90% |
| 9 | 2027 | 2026/2027 | \$55.19 | \$985,000 | \$34,800 | \$985,000 | \$10,200,000 | \$562,932 | \$5,117.56 | \$105,219 | Not Applicable | \$457,713 | \$957 | \$4,161 | 81.31% | 90% |
| 10 | 2028 | 2027/2028 | \$56.29 | \$985,000 | \$34,800 | \$985,000 | \$10,200,000 | \$574,190 | \$5,219.91 | \$107,323 | Not Applicable | \$466,867 | \$976 | \$4,244 | 81.31% | 90% |
| 11 | 2029 | 2028/2029 | \$57.42 | \$985,000 | \$34,800 | \$985,000 | \$10,200,000 | \$585,674 | \$5,324.31 | \$135,925 | Not Applicable | \$449,749 | \$1,236 | \$4,089 | 76.79% | 85% |
| 12 | 2030 | 2029/2030 | \$58.57 | \$985,000 | \$34,800 | \$985,000 | \$10,200,000 | \$597,388 | \$5,430.80 | \$192,614 | Not Applicable | \$404,774 | \$1,751 | \$3,680 | 67.76% | 75% |
| 13 | 2031 | 2030/2031 | \$59.74 | \$985,000 | \$34,800 | \$985,000 | \$10,200,000 | \$609,335 | \$5,539.41 | \$251,515 | 11.5% of Project Gross Sales/Revenue | \$357,820 | \$2,287 | \$3,253 | 58.72% | 65% |
| 14 | 2032 | 2031/2032 | \$60.93 | \$985,000 | \$34,800 | \$985,000 | \$10,200,000 | \$621,522 | \$5,650.20 | \$284,621 | 11.5% of Project Gross Sales/Revenue | \$336,901 | \$2,587 | \$3,063 | 54.21% | 60% |
| 15 | 2033 | 2032/2033 | \$62.15 | \$985,000 | \$34,800 | \$985,000 | \$10,200,000 | \$633,952 | \$5,763.20 | \$347,586 | 11.5% of Project Gross Sales/Revenue | \$286,366 | \$3,160 | \$2,603 | 45.17% | 50% |
| 16 | 2034 | 2033/2034 | \$63.40 | \$985,000 | \$34,800 | \$985,000 | \$10,200,000 | \$646,631 | \$5,878.47 | \$412,957 | 11.5% of Project Gross Sales/Revenue | \$233,675 | \$3,754 | \$2,124 | 36.14% | 40% |
| 17 | 2035 | 2034/2035 | \$64.66 | \$985,000 | \$34,800 | \$985,000 | \$10,200,000 | \$659,564 | \$5,996.04 | \$480,803 | 11.5% of Project Gross Sales/Revenue | \$178,761 | \$4,371 | \$1,625 | 27.10% | 30% |
| 18 | 2036 | 2035/2036 | \$65.96 | \$985,000 | \$34,800 | \$985,000 | \$10,200,000 | \$672,755 | \$6,115.96 | \$551,198 | 11.5% of Project Gross Sales/Revenue | \$121,558 | \$5,011 | \$1,105 | 18.07% | 20% |
| 19 | 2037 | 2036/2037 | \$67.28 | \$985,000 | \$34,800 | \$985,000 | \$10,200,000 | \$686,211 | \$6,238.28 | \$562,222 | 11.5% of Project Gross Sales/Revenue | \$123,989 | \$5,111 | \$1,127 | 18.07% | 20% |
| 20 | 2038 | 2037/2038 | \$68.62 | \$985,000 | \$34,800 | \$985,000 | \$10,200,000 | \$699,935 | \$6,363.04 | \$573,466 | 11.5% of Project Gross Sales/Revenue | \$126,469 | \$5,213 | \$1,150 | 18.07% | 20% |
| Permanent ⁽³⁾ | 2039 | 2038/2039 | \$69.99 | \$985,000 | \$34,800 | \$985,000 | \$10,200,000 | \$713,933 | \$23,798 | \$713,933 | | \$0 | | | 0.00% | 0% |
| Estimated Total ⁽¹⁸⁾ | | | | | \$730,801 | | | \$11,673,835 | | \$4,776,223 | | \$6,897,611 | | | | |
| Notes: (1) Project would likely close with Agency in Spring of 2018. (2) Estimated start of PILOT payments. (3) Property returns to full taxable status. (4) Estimated tax rate (does not include any special ad volereum taxes that are still payable under PILOT) based on City/County 2017 tax year and School 2016/2017 tax year with estimated escalation of 2.0% thereafter. DOES NOT INCLUDE LIBRARY TAX RATES THAT ARE STILL PAYABLE. (5) Assessment value of based on current 2017 assessment (6) Estimated taxes if proposed project did not occur (i.e. left status quo). DOES NOT INCLUDE LIBRARY TAXES THAT ARE STILL PAYABLE. (7) Assessment value of based on 2017 City of Albany Tax Rolls (8) Per letter from the City of Albany Assessor dated 11-27-2017 (9) Estimated taxes if proposed project occurred without PILOT assistance. DOES NOT INCLUDE LIBRARY TAXES THAT ARE STILL PAYABLE. (10) Estimated taxes <u>Per Unit</u> if proposed project occurred without PILOT assistance. DOES NOT INCLUDE LIBRARY TAXES THAT ARE STILL PAYABLE. (11) PILOT Payments in Years 1-12 will be calculated by the schedule listed for Percent Abatement on Improved Assessment. Starting in Year 13 the PILOT Payments will be calculated as the greater of the Percent Abatement on Improved Assessment or 11.5% of Gross Sales/Revenue (*needs to be finalized). (12) Estimated PILOT Payments. DOES NOT INCLUDE LIBRARY TAXES THAT ARE STILL PAYABLE. (13) Difference of Estimated PILOT Payments from Estimated Total Taxes w/o PILOT. (14) Estimated PILOT Payments <u>Per Unit</u> . DOES NOT INCLUDE LIBRARY TAXES THAT ARE STILL PAYABLE. (15) Difference of Estimated PILOT Payments <u>Per Unit</u> from Estimated Total Taxes w/o PILOT <u>Per Unit</u> . (16) Percent Abatement on Total Assessment via PILOT. (17) Percent Abatement on Improved Assessment via PILOT. (18) Totals for comparison and analysis during PILOT agreement period only. | | | | | | | | | | | | | | | | |

Analysis is ONLY an estimate

363 ONTARIO ST LLC
PO BOX 1366
GUILDERLAND, NY 12084

December 1, 2017

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

Re: Request for IDA Assistance for 363 Ontario St LLC Project

Dear Ms. Metzger:

Attached is a completed application, as well as the appropriate supplementary material required by the City of Albany Industrial Development Agency for consideration of financial assistance associated with the 363 Ontario St LLC Project.

The Project consists of the acquisition of a +/- 1.8 acre parcel of land, construction on the land of +/- 109 residential apartment units (with tenant amenities) +/- 99 underground and 44 surface parking spaces and 5,000 +/- square feet of retail space, and acquisition of various personal property and furniture, fixtures and equipment. The Project will be constructed in three (3) phases, starting in January, 2018 and ending in January, 2020.

However, without the Agency's financial assistance, this Project is not viable. Therefore, as detailed in the Application, the Applicant is requesting exemptions from New York State sales and use taxes relating to the construction and fit up of the Project and mortgage recording taxes in connection with the financing of the Project and a payment in lieu of tax agreement. The Applicant requests the payment in lieu of tax agreement be implemented in three (3) phases to coincide with the three (3) phases of the Project.

We are in receipt of the City of Albany Industrial Development Agency Project Evaluation and Assistance Framework and have reviewed the Summary of Baseline Eligibility Requirements and Community Benefits Metrics. We believe the Project satisfies all the Baseline Requirements and ten (10) of the Community Benefit Metrics. The ten (10) Community Benefit Metrics are as follows: (i) Distressed Census Tract, (ii) Neighborhood Plan, (iii) Community Catalyst, (iv) Conversion to Residential, (v) Financial Commitment between 10.1 M – 17.5M (satisfies two items), (vi) Community Commitment of Regional Labor, (vii) Community Commitment City of Albany Labor, (viii) 3-40 permanent jobs, (ix) 3-40 retained jobs and (x) 81-160 construction jobs (satisfies two items).

The Project is located at 363 Ontario Street which is the site of an existing bowling alley, laundromat and convenience store. The buildings are run down and located within a residential area. The Applicant seeks to enhance the existing area by creating additional residential opportunities with new and improved retail facilities to serve the project residents as well as residents in the community. The Applicant has met with the existing community and is working

with them to ensure the project will enhance the neighborhood and provide the City with an additional source of apartments and investment into the neighborhood.

The Project will generate additional sales tax and property tax revenue for the City of Albany. The construction of additional residential housing in the City will have an indirect positive impact on jobs and businesses in the surrounding area. The Applicant is requesting assistance from the Agency in order to be able to provide housing in the City which is consistent with current trends to attract young professionals, graduate students, and empty-nesters to the City.

Please do not hesitate to contact me if you should have any questions or find additional information is needed. I look forward to working with the Agency on this Project.

Sincerely,

363 Ontario St LLC

Ryan Jankow
Member

Enclosure

CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY

APPLICATION

IMPORTANT NOTICE: The answers to the questions contained in this application are necessary to determine your firm's eligibility for financing and other assistance from the City of Albany Industrial Development Agency. These answers will also be used in the preparation of papers in this transaction. Accordingly, all questions should be answered accurately and completely by an officer or other employee of your firm who is thoroughly familiar with the business and affairs of your firm and who is also thoroughly familiar with the proposed project. This application is subject to acceptance by the Agency.

TO: CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY
c/o Department of Economic Development
21 Lodge Street
Albany, New York 12207

This application by applicant respectfully states:

APPLICANT: 363 Ontario St LLC

APPLICANT'S ADDRESS: PO Box 1366

CITY: Guilderland STATE: NY ZIP CODE: 12084

PHONE NO.: (631) 793-8737 FAX NO.: E-MAIL: ryan.jankow@gmail.com

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

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

NAME OF ATTORNEY: Debra J. Lambek, Esq.

ATTORNEY'S ADDRESS: 302 Washington Avenue Extension

CITY: Albany STATE: NY ZIP CODE: 12203

PHONE NO.: (518) 491-1628 FAX NO.: E-MAIL: dlambek@lambeklaw.com

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

INSTRUCTIONS

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

bonds to be issued by the Agency in the case of an Agency Bond Transaction. The Agency has also established an administrative fee for the issuance of refunding bonds for Agency Bond Transactions. The formula for the calculation of the administrative fee for the issuance of refunding bonds is outlined in the Agency's Policy Manual. THESE FEES ARE PAYABLE ON THE CLOSING DATE.

FOR AGENCY USE ONLY

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

SUMMARY OF PROJECT

Applicant: 363 Ontario St LLC

Contact Person: Ryan Jankow

Phone Number: (631)793-8537

Occupant: n/a

Project Location: 363 Ontario Street, Albany, NY

Approximate Size of Project Site:

Description of Project: Acquisition of a +/- 1.8 acre parcel of land, construction of +/- 109 residential apartment units (with tenant amenities i.e. clubhouse) with +/- 99 underground and 44 surface parking spaces and 5,000 +/- sq. ft. of retail space.

Type of Project: ☐ Manufacturing ☐ Warehouse/Distribution
☒ Commercial ☐ Not-For-Profit
☒ Other-Specify - residential apartment units

Employment Impact: Existing Jobs 3
New Jobs +/- 7

Project Cost: \$ 16,289,000.00

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

Amount of Bonds Requested: \$ n/a

Estimated Value of Tax-Exemptions:

| | |
|--|------------------------|
| N.Y.S. Sales and Compensating Use Tax: | \$ <u>696,000.00</u> |
| Mortgage Recording Taxes: | \$ <u>138,312.00</u> |
| Real Property Tax Exemptions: | \$ <u>6,897,590.00</u> |
| Other (please specify): | \$ <u></u> |

Provide estimates for the following:

| | |
|--|----------------------------|
| Number of Full Time Employees at the Project Site before IDA Status: | <u>3</u> |
| Estimate of Jobs to be Created: | <u>7</u> |
| Estimate of Jobs to be Retained: | <u>3</u> |
| Average Estimated Annual Salary of Jobs to be Created: | <u>\$15,000 - \$50,000</u> |

Annualized Salary Range of Jobs to be Created:

\$35,000

Estimated Average Annual Salary of Jobs to be Retained:

\$35,000

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

A. Identity of Company:

1. Company Name: 363 Ontario St LLC

Present Address: PO Box 1366, Guilderland, NY

Zip Code: 12084

Employer's ID No.: 82-3136607

2. If the Company differs from the Applicant, give details of relationship:

3. Indicate type of business organization of Company:

a. _____ Corporation (If so, incorporated in what country?
What State? _____ Date Incorporated? Type of
Corporation? _____ Authorized to do business in New York?
Yes ____; No ____).

b. ____ Partnership (if so, indicate type of partnership _____,
Number of general partners ____, Number of limited partners ____).

c. ☒ Limited liability company,
Date created? 10-13-2017.

d. _____ Sole proprietorship

4. Is the Company a subsidiary or direct or indirect affiliate of any other organization(s)? If so, indicate name of related organization(s) and relationship:

B. Management of Company:

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

| NAME (First, Middle, Last) HOME ADDRESS | OFFICE HELD | OTHER PRINCIPAL BUSINESS |
|---|----------------------------|--|
| Ryan Jankow Tom Lynch | President/Member Member | real estate development projects real estate development projects |

2. Is the Company or management of the Company now a plaintiff or a defendant in any civil or criminal litigation? Yes ____; No X.

3. Has any person listed above ever been convicted of a criminal offense (other than a minor traffic violation)? Yes ____; No X.

4. Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated a bankrupt? Yes ____; No X.
(If yes to any of the foregoing, furnish details in a separate attachment).

5. If the answer to any of questions 2 through 4 is yes, please, furnish details in a separate attachment. n/a

C. Principal Owners of Company:

1. Principal owners of Company: Is Company publicly held? Yes ____; No X.
If yes, list exchanges where stock traded:

2. If no, list all stockholders having a 5% or more interest in the Company:

| NAME | ADDRESS | PERCENTAGE OF HOLDING |
|--|--|--------------------------|
| Tom Lynch, Member Ryan Jankow, Member | 20 Oak Road, Katonah, NY PO Box 1366, Guilderland, NY | 25% 75% |

D. Company's Principal Bank(s) of account: Pioneer Bank

II. DATA REGARDING PROPOSED PROJECT

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

Acquisition of a +/- 1.8 acre parcel of land, construction of +/- 109 residential apartment units (with tenant amenities i.e. clubhouse) with +/- 99 underground and 44 surface parking spaces and 5,000 +/- sq. ft. of retail space.

B. Location of Proposed Project:

- | | | |
|----|----------------|--------------------|
| 1. | Street Address | 363 Ontario Street |
| 2. | City of | Albany |
| 3. | Town of | n/a |
| 4. | Village of | n/a |
| 5. | County of | Albany |

C. Project Site:

1. Approximate size (in acres or square feet) of Project site: +/- 1.8 acres
Is a map, survey, or sketch of the project site attached? Yes X; No ____.
2. Are there existing buildings on project site? Yes X; No ____.
 - a. If yes, indicate number and approximate size (in square feet) of each existing building: Building - 140,000 sf
 - b. Are existing buildings in operation? Yes X; No ____.
If yes, describe present use of present buildings:
bowling alley, laundry mart and market
 - c. Are existing buildings abandoned? Yes ____; No X. About to be abandoned? Yes X; No _____. If yes, describe: demolished
 - d. Attach photograph of present buildings.

3. Utilities serving project site:
 - Water-Municipal: municipal
 - Other (describe)
 - Sewer-Municipal: municipal
 - Other (describe)
 - Electric-Utility: National Grid
 - Other (describe)
 - Heat-Utility: National Grid
 - Other (describe)
4. Present legal owner of project site: 660 Park Ave. Realty LLC
 - a. If the Company owns project site, indicate date of purchase: _____, 20____; Purchase price: \$ n/a _____.
 - b. If Company does not own the Project site, does Company have option signed with owner to purchase the Project site? Yes X; No _____. If yes, indicate date option signed with owner: Feb. 2, 2017; and the date the option expires: _____, 20____.
 - c. If the Company does not own the project site, is there a relationship legally or by common control between the Company and the present owners of the project site? Yes ____; No _____. If yes, describe:
5.
 - a. Zoning District in which the project site is located: MU-NC
 - b. Are there any variances or special permits affecting the site? Yes X; No _____. If yes, list below and attach copies of all such variances or special permits: Height variance

D. Buildings:

1. Does part of the Project consist of a new building or buildings? Yes X; No _____. If yes, indicate number and size of new buildings:
 3 - 58,500 sf (including below grade parking garage)
 175,500 total sf
2. Does part of the Project consist of additions and/or renovations to the existing buildings? Yes ____; No X. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation:
3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed, or expanded:
 +/- 109 residential apartment units, 5,000 +/- sf retail space with 6,000 - 8,000 +/- sf tenant amenities and parking

E. Description of the Equipment:

1. Does a part of the Project consist of the acquisition or installation of machinery, equipment or other personal property (the "Equipment")? Yes X; No _____. If yes, describe the Equipment:
apartment amenities i.e. appliances, retail tenant fit-up
2. With respect to the Equipment to be acquired, will any of the Equipment be Equipment which has previously been used? Yes ____; No X. If yes, please provide detail:
3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed:
apartment amenities i.e. appliances, retail tenant fit-up

F. Project Use:

1. What are the principal products to be produced at the Project? residential housing
2. What are the principal activities to be conducted at the Project? residential housing
3. Does the Project include facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities? Yes X; No _____. If yes, please provide detail: residential housing
4. If the answer to question 3 is yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project? 100 %
5. If the answer to question 3 is yes, and the answer to question 4 is more than 33.33%, indicate whether any of the following apply to the Project:
 - a. Will the Project be operated by a not-for-profit corporation? Yes ____; No X. If yes, please explain:

b. Is the Project likely to attract a significant number of visitors from outside the economic development region in which the Project will be located? Yes____; No X. If yes, please explain:

c. Would the Project occupant, but for the contemplated financial assistance from the Agency, locate the related jobs outside the State of New York? Yes____; No X. If yes, please explain:

d. Is the predominant purpose of the Project to make available goods^X or services which would not, but for the Project, be reasonably accessible to the residents of the city, town or village within which the Project will be located, because of a lack of reasonably accessible retail trade facilities offering such goods or services? Yes X; No____. If yes, please provide detail: Lack of market rate apartment housing

X
Lack of market rate apartment housing

e. Will the Project be located in one of the following: (i) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (ii) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most recent census data, has (x) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? Yes____; No X. If yes, please explain: _____

6. If the answers to any of subdivisions c. through e. of question 5 is yes, will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York? Yes X; No____. If yes, please explain: Project will create employment

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

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

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

- a. Is the Project reasonably necessary to preserve the competitive position of the Company or such Project Occupant in its industry? Yes____; No____. If yes, please provide detail: n/a

- b. Is the Project reasonably necessary to discourage the Company or such Project Occupant from removing such other plant or facility to a location outside the State of New York? Yes____; No____. If yes, please provide detail: n/a

G. Other Involved Agencies:

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

City of Albany Planning and Zoning

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

site plan approval
variances

H. Construction Status:

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

2. Please indicate amount of funds expended on this Project by the Company in the past three (3) years and the purposes of such expenditures:

\$300,000 - architecture, engineering, due diligence, permitting and approvals fees

3. Please indicate the date the applicant estimates the Project will be completed:
January 2020.

I. Method of Construction After Agency Approval:

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

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

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

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

1. Sublessee name: n/a
Present Address:
City: _____ State: _____ Zip: _____
Employer's ID No.: _____
Sublessee is: ____ Corporation: ____ Partnership: ____ Sole Proprietorship
Relationship to Company:
Percentage of Project to be leased or subleased:
Use of Project intended by Sublessee:
Date of lease or sublease to Sublessee:
Term of lease or sublease to Sublessee:
Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes ____; No _____. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

2. Sublessee name: n/a

Present Address:

City: _____ State: _____ Zip:

Employer's ID No.:

Sublessee is:

_____ Corporation: _____ Partnership: _____ Sole Proprietorship

Relationship to Company:

Percentage of Project to be leased or subleased:

Use of Project intended by Sublessee:

Date of lease or sublease to Sublessee:

Term of lease or sublease to Sublessee: _____

Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes____; No____. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

3. Sublessee name: n/a

Present Address:

City: _____ State: _____ Zip:

Employer's ID No.:

Sublessee is: _____ Corporation: _____ Partnership: _____ Sole Proprietorship

Relationship to Company:

Percentage of Project to be leased or subleased:

Use of Project intended by Sublessee:

Date of lease or sublease to Sublessee:

Term of lease or sublease to Sublessee:

Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes____; No____. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

B. What percentage of the space intended to be leased or subleased is now subject to a binding written lease or sublease? 0%

IV. Employment Impact

- A. Indicate the number of people presently employed at the Project site and the **additional** number that will be employed at the Project site at the end of the first and second years after the Project has been completed, using the tables below for (1) employees of the Applicant, (2) independent contractors, and (3) employees of independent contractors. (Do not include construction workers). Also indicate below the number of workers employed at the Project site representing newly created positions as opposed to positions relocated from other project sites of the applicant. Such information regarding relocated positions should also indicate whether such positions are relocated from other project sites financed by obligations previously issued by the Agency.

| TYPE OF EMPLOYMENT Employees of Applicant | | | | | |
|--|----------------------------|---------|--------------|------------|--------|
| | Professional or Managerial | Skilled | Semi-Skilled | Un-Skilled | Totals |
| Present Full Time | 0 | 0 | 3 | 0 | 3 |
| Present Part Time | 0 | 0 | 0 | 0 | 0 |
| Present Seasonal | 0 | 0 | 0 | 0 | 0 |
| First Year Full Time | 1 | 2 | 0 | 0 | 3 |
| First Year Part Time | 0 | 0 | 2 | 0 | 2 |
| First Year Seasonal | 0 | 0 | 0 | 0 | 0 |
| Second Year Full Time | 1 | 2 | 0 | 0 | 3 |
| Second Year Part Time | 0 | 0 | 4 | 0 | 4 |
| Second Year Seasonal | 0 | 0 | 0 | 0 | 0 |

| TYPE OF EMPLOYMENT Independent Contractors | | | | | |
|---|-------------------------------|---------|--------------|------------|--------|
| | Professional or Managerial | Skilled | Semi-Skilled | Un-Skilled | Totals |
| Present Full Time | 0 | 0 | 0 | 0 | 0 |
| Present Part Time | 0 | 0 | 0 | 0 | 0 |
| Present Seasonal | 0 | 0 | 0 | 0 | 0 |
| First Year Full Time | 0 | 0 | 0 | 0 | 0 |
| First Year Part Time | 0 | 0 | 0 | 0 | 0 |
| First Year Seasonal | 0 | 0 | 0 | 0 | 0 |
| Second Year Full Time | 0 | 0 | 0 | 0 | 0 |
| Second Year Part Time | 0 | 0 | 0 | 0 | 0 |
| Second Year Seasonal | 0 | 0 | 0 | 0 | 0 |

| TYPE OF EMPLOYMENT Employees of Independent Contractors | | | | | |
|--|-------------------------------|---------|--------------|------------|--------|
| | Professional or Managerial | Skilled | Semi-Skilled | Un-Skilled | Totals |
| Present Full Time | 0 | 0 | 0 | 0 | 0 |
| Present Part Time | 0 | 0 | 0 | 0 | 0 |
| Present Seasonal | 0 | 0 | 0 | 0 | 0 |

| | | | | | |
|-----------------------|---|---|---|---|---|
| First Year Full Time | 0 | 0 | 0 | 0 | 0 |
| First Year Part Time | 0 | 0 | 0 | 0 | 0 |
| First Year Seasonal | 0 | 0 | 0 | 0 | 0 |
| Second Year Full Time | 0 | 0 | 0 | 0 | 0 |
| Second Year Part Time | 0 | 0 | 0 | 0 | 0 |
| Second Year Seasonal | 0 | 0 | 0 | 0 | 0 |

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

| RELATED EMPLOYMENT INFORMATION | | | | |
|---|----------------------------|-----------------|-----------------|------------|
| | Professional or Managerial | Skilled | Semi-Skilled | Un-Skilled |
| Estimated Salary and Fringe Benefit Averages or Ranges | 35,000 - 50,000 | 25,000 - 35,000 | 15,000 - 25,000 | |
| Estimated Number of Employees Residing in the Capital Region Economic Development Region ¹ | 1 | 2 | 2 | |

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

upon completion and lease up of the Project

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

- D. Please prepare a separate attachment describing in detail the types of employment at the Project site. Such attachment should describe the activities or work performed for each type of employment.

V. Project Cost and Financing Sources

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

| <u>Description of Cost</u> | <u>Amount</u> |
|---|------------------|
| Land | \$ 950,000.00 |
| Buildings | \$ 14,800,000.00 |
| Machinery and equipment costs | \$ |
| Utilities, roads and appurtenant costs | \$ |
| Architects and engineering fees | \$ 200,000.00 |
| Costs of Bond Issue (legal, financial and printing) | \$ |
| Construction loan fees and interest (if applicable) | \$ 339,000.00 |
| Other (specify) | |
| | \$ |
| | \$ |
| | \$ |
| TOTAL PROJECT COSTS | \$ 16,289,000.00 |

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

owner equity and loan/bank financing

| <u>Description of Sources</u> | <u>Amount</u> |
|--|------------------|
| Private Sector Financing | \$ 13,831,200.00 |
| Public Sector | |
| Federal Programs | \$ n/a |
| State Programs | \$ n/a |
| Local Programs | \$ n/a |
| Applicant Equity | \$ 2,458,000.00 |
| Other (specify, e.g., tax credits) | |
| | \$ |
| | \$ |
| | \$ |
| TOTAL AMOUNT OF PROJECT FINANCING SOURCES | \$ 16,289,200.00 |

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

equity \$300,000, and due diligence, architecture and engineering expenses

- D. Amount of loan requested: \$ 0;

Maturity requested: n/a years.

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

Yes X; No _____. Institution Name: Pioneer Savings Bank

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

Name: n/a Phone: n/a

- F. The percentage of Project costs to be financed from public sector sources is estimated to equal the following: 0 %

- G. The total amount estimated to be borrowed to finance the Project is equal to the following: \$ 13,831,200.00

VI. BENEFITS EXPECTED FROM THE AGENCY

A. Financing

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

B. Tax Benefits

1. Is the applicant requesting any real property tax exemption that would not be available to a project that did not involve the Agency? Yes X; No ____.
2. Is the applicant expecting that the financing of the Project will be secured by one or more mortgages? Yes X; No _____. If yes, what is the approximate amount of financing to be secured by mortgages? \$ 13,831,200.00.

3. Is the applicant expecting to be appointed agent of the Agency for purposes of avoiding payment of N.Y.S. Sales Tax or Compensating Use Tax? Yes ☒; No _____. If yes, what is the approximate amount of purchases which the applicant expects to be exempt from the N.Y.S. Sales and Compensating Use Taxes? \$ 8,700,000.00.

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

| | | |
|----|--|------------------------|
| a. | N.Y.S. Sales and Compensating Use Taxes: | \$ <u>696,000.00</u> |
| b. | Mortgage Recording Taxes: | \$ <u>138,312.00</u> |
| c. | Real Property Tax Exemptions: | \$ <u>6,897,590.00</u> |
| d. | Other (please specify): | \$ _____ |
| | _____ | \$ _____ |

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

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

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

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

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

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

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

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

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

F. Local Labor Information. The applicant is aware of and understands the provisions of Part 24 of the Policy Manual of the Agency. Pursuant to Part 24 of the Policy Manual of the Agency, the applicant agrees to provide information, in form and substance satisfactory to the Agency, relating to construction activities for projects; specifically: (i) the Company’s contact person responsible and accountable for providing information about the bidding for and awarding of construction contracts relative to this Application and the Project, (ii) the nature of construction jobs created by the Project, including the number, type, and duration of construction positions; and (iii) submit to the Agency a “Construction Completion Report” listing the names and business locations of prime contractors, subcontractors, and vendors who were engaged in the construction phase of the Project.

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

H. Project Benefits Agreement. The applicant agrees to enter into a project benefits agreement with the Agency where the applicant agrees that (1) the amount of Financial Assistance to be received shall be contingent upon, and shall bear a direct relationship to the success or lack of success of such project in delivering certain described public benefits (the “Public Benefits”) and (2) the Agency will be entitled to recapture some or all of the Financial Assistance granted to the applicant if the project is unsuccessful in whole or in part in delivering the promised Public Benefits.

I. Assignment of Agency Abatements. In connection with any Agency Straight Lease Transaction or Agency Bond Transaction, the Agency may grant to the applicant certain exemptions from mortgage recording taxes, sales and use taxes and real property taxes. The

applicant understands that the grant of such exemptions by the Agency is intended to benefit the applicant. Subsequently, if the applicant determines to convey the Project and, in connection with such conveyance to assign such exemptions to the purchaser, the applicant understand that any such assignment is subject to review and consent by the Agency, together with the satisfaction of any conditions that may be imposed by the Agency.

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

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

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

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

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

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

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

Q.

Additional Information. Additional information regarding the requirements noted in this Application and other requirements of the Agency is included the Agency's Policy Manual which can be accessed at www.albanyida.com.

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

363 Ontario St LLC

Applicant

By:

Title:

Ryan Jankow, Member

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

VERIFICATION

(If Applicant is a Corporation)

STATE OF _____)
) SS.:
COUNTY OF _____)

_____deposes and says that he is the
(Name of chief executive of applicant)

_____of _____,
(Title) (Company Name)

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

(officer of applicant)

Sworn to before me this
____day of _____, 20__.

(Notary Public)

VERIFICATION

(If applicant is sole proprietor)

STATE OF _____)
) SS.:
COUNTY OF _____)

_____, deposes and says

(Name of Individual)

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

Sworn to before me this
____day of _____, 20__.

(Notary Public)

VERIFICATION

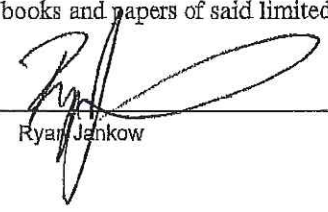
(If applicant is limited liability company)

STATE OF New York)
) SS.:
COUNTY OF Albany)

Ryan Jankow, deposes and says

(Name of Individual)
that he is one of the members of the firm of 363 Ontario St LLC,
(Limited Liability Company)

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



Ryan Jankow

Sworn to before me this
1st day of December, 2017


(Notary Public)

MARGARET M LANNI
Notary Public, State of New York
No. 01LA4920641
Qualified in Saratoga County
Commission Expires Feb. 16, 2018

VERIFICATION

(If applicant is partnership)

STATE OF _____)
) SS.:
COUNTY OF _____)

_____, deposes and says

(Name of Individual)

that he is one of the members of the firm of _____,

(Partnership Name)

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

Sworn to before me this
____ day of _____, 20__.

(Notary Public)

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

HOLD HARMLESS AGREEMENT

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

(Applicant)
363 Ontario St LLC

BY: 
Ryan Jankow, Member

Sworn to before me this
1st day of October, 2017


(Notary Public)

363 Ontario St
MARGARET M LANNI
Notary Public, State of New York
No. 01LA4920641
Qualified in Saratoga County
Commission Expires Feb. 16, 2018

Ryan Jankow, Member

17

October

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

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

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

PROJECT QUESTIONNAIRE

| | |
|--|--|
| 1. Name of Project Beneficiary (“Company”): | 363 Ontario St LLC |
| 2. Brief Identification of the Project: | 363 Ontario Street |
| 3. Estimated Amount of Project Benefits Sought: | |
| A. Amount of Bonds Sought: | \$ _____ n/a |
| B. Value of Sales Tax Exemption Sought | \$ _____ 696,000.00 |
| C. Value of Real Property Tax Exemption Sought | \$ _____ 6,897,590.00 |
| D. Value of Mortgage Recording Tax Exemption Sought | \$ _____ 138,312.00 |
| 4. Likelihood of accomplishing the Project in a timely fashion (please explain): | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> . We anticipate constructing the Project over a 2 year period in 3 phases. _____ _____ |

PROJECTED PROJECT INVESTMENT

| | |
|--|------------------------|
| A. Land-Related Costs | |
| 1. Land acquisition | \$ _____ 950,000.00 |
| 2. Site preparation | \$ _____ |
| 3. Landscaping | \$ _____ |
| 4. Utilities and infrastructure development | \$ _____ |
| 5. Access roads and parking development | \$ _____ |
| 6. Other land-related costs (describe) | \$ _____ |
| | |
| B. Building-Related Costs | |
| 1. Acquisition of existing structures | \$ _____ |
| 2. Renovation of existing structures | \$ _____ |
| 3. New construction costs | \$ _____ 14,800,000.00 |
| 4. Electrical systems | \$ _____ |
| 5. Heating, ventilation and air conditioning | \$ _____ |
| 6. Plumbing | \$ _____ |
| 7. Other building-related costs (describe) | \$ _____ |
| | |

| | | |
|----|--|------------------|
| C. | Machinery and Equipment Costs | |
| 1. | Production and process equipment | \$ _____ |
| 2. | Packaging equipment | \$ _____ |
| 3. | Warehousing equipment | \$ _____ |
| 4. | Installation costs for various equipment | \$ _____ |
| 5. | Other equipment-related costs (describe) | \$ _____ |
| | | |
| D. | Furniture and Fixture Costs | |
| 1. | Office furniture | \$ _____ |
| 2. | Office equipment | \$ _____ |
| 3. | Computers | \$ _____ |
| 4. | Other furniture-related costs (describe) | \$ _____ |
| | | |
| E. | Working Capital Costs | |
| 1. | Operation costs | \$ _____ |
| 2. | Production costs | \$ _____ |
| 3. | Raw materials | \$ _____ |
| 4. | Debt service | \$ _____ |
| 5. | Relocation costs | \$ _____ |
| 6. | Skills training | \$ _____ |
| 7. | Other working capital-related costs (describe) | \$ _____ |
| | | |
| F. | Professional Service Costs | |
| 1. | Architecture and engineering | \$ 200,000.00 |
| 2. | Accounting/legal | \$ _____ |
| 3. | Other service-related costs (describe) | \$ _____ |
| | | |
| G. | Other Costs | |
| 1. | construction loan fees and interest | \$ 339,000.00 |
| 2. | _____ | \$ _____ |
| | | |
| H. | Summary of Expenditures | |
| 1. | Total Land-Related Costs | \$ 950,000.00 |
| 2. | Total Building-Related Costs | \$ 14,800,000.00 |
| 3. | Total Machinery and Equipment Costs | \$ _____ |
| 4. | Total Furniture and Fixture Costs | \$ _____ |
| 5. | Total Working Capital Costs | \$ _____ |
| 6. | Total Professional Service Costs | \$ 200,000.00 |
| 7. | Total Other Costs | \$ 339,000.00 |
| | | |

PROJECTED PROFIT

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

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

PROJECTED CONSTRUCTION EMPLOYMENT IMPACT

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

| Year | Number of Construction Jobs | Total Annual Wages and Benefits | Estimated Additional NYS Income Tax |
|--------------|-----------------------------|---------------------------------|-------------------------------------|
| Current Year | | \$ 0 | \$ 0 |
| Year 1 | 85 | \$ 2,125,000.00 | \$ 318,750.00 |
| Year 2 | 85 | \$ 2,125,000.00 | \$ 318,750.00 |
| Year 3 | 0 | \$ | \$ |
| Year 4 | 0 | \$ | \$ |
| Year 5 | 0 | \$ | \$ |

PROJECTED PERMANENT EMPLOYMENT IMPACT

- I. Estimates of the total number of existing permanent jobs to be preserved or retained as a result of the Project are described in the tables in Section IV of the Application. 3
- II. Estimates of the total new permanent jobs to be created at the Project are described in the tables in Section IV of the Application. 7
- III. Please provide estimates for the following:
- A. Creation of New Job Skills relating to permanent jobs. Please complete Schedule A.
- IV. Provide the projected percentage of employment that would be filled by City of Albany residents:
50%
- A. Provide a brief description of how the project expects to meet this percentage:
The Applicant will list positions with the local Job Development Authority to try and obtain any employees.

PROJECTED OPERATING IMPACT

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

| | |
|---|-------------|
| Additional Purchases (1 st year following project completion) | \$ <u>0</u> |
| Additional Sales Tax Paid on Additional Purchases | \$ <u>0</u> |
| Estimated Additional Sales (1 st full year following project completion) | \$ <u>0</u> |
| Estimated Additional Sales Tax to be collected on additional sales (1 st full year following project completion) | \$ <u>0</u> |

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

| Year | Existing Real Property Taxes (Without IDA involvement) | New Pilot Payments (With IDA) | Total (Difference) |
|--------------|---|----------------------------------|-----------------------|
| Current Year | \$50,000 | | |
| Year 1 | | | |
| Year 2 | | | |
| Year 3 | | | |
| Year 4 | | | |
| Year 5 | | | |
| Year 6 | | | |
| Year 7 | | | |
| Year 8 | | | |
| Year 9 | | | |
| Year 10 | | | |

III. Please provide a detailed description for the impact of other economic benefits and all anticipated community benefits expected to be produced as a result of the Project (attach additional pages as needed for a complete and detailed response): See cover letter. In addition, local retail and service industries will benefit from new people living in the City of Albany.

*We have attached a Chart outlining the tax benefit with respect to a payment in lieu of tax agreement. The Company desires the PILOT benefits to be staggered to start in conjunction with each phase of the Project.

CERTIFICATION

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

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

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

| | |
|---|---|
| Date Signed: _____, 20 <u>17</u> . | Name of Person Completing Project Questionnaire on behalf of the Company. Name: <u>Ryan Jankow</u> Title: <u>Member</u> Phone Number: <u>(631) 793-8537</u> Address: <u>PO Box 1366, Guilderland NY 12084</u> Signature: _____ |
|---|---|

SCHEDULE A

CREATION OF NEW JOB SKILLS

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

[illegible]

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

20 YEAR PILOT

Square Foot 175,500

Proj increase
2.00%

| Year | Land Value | Building Value | Total Value | Abatement Savings | Taxable Value | Rate per \$1,000 | Taxes | psf |
|--------------|------------|----------------|---------------|-------------------|---------------|------------------|------------|---------|
| Construction | \$ 985,000 | | \$ 985,000 | 100% | \$ 985,000 | \$ 46.18 | \$ 45,487 | \$ 0.26 |
| Year 1 | \$ 985,500 | \$ 9,215,000 | \$ 985,000 | 90% | \$ 1,907,000 | \$ 47.10 | \$ 89,826 | \$ 0.51 |
| Year 2 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 90% | \$ 1,907,000 | \$ 48.05 | \$ 91,623 | \$ 0.52 |
| Year 3 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 90% | \$ 1,907,000 | \$ 49.01 | \$ 93,455 | \$ 0.53 |
| Year 4 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 90% | \$ 1,907,000 | \$ 49.99 | \$ 95,324 | \$ 0.54 |
| Year 5 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 90% | \$ 1,907,000 | \$ 50.99 | \$ 97,231 | \$ 0.55 |
| Year 6 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 90% | \$ 1,907,000 | \$ 52.01 | \$ 99,175 | \$ 0.57 |
| Year 7 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 90% | \$ 1,907,000 | \$ 53.05 | \$ 101,159 | \$ 0.58 |
| Year 8 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 90% | \$ 1,907,000 | \$ 54.11 | \$ 103,182 | \$ 0.59 |
| Year 9 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 90% | \$ 1,907,000 | \$ 55.19 | \$ 105,246 | \$ 0.60 |
| Year 10 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 90% | \$ 1,907,000 | \$ 56.29 | \$ 107,351 | \$ 0.61 |
| Year 11 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 85% | \$ 2,367,750 | \$ 57.42 | \$ 135,953 | \$ 0.77 |
| Year 12 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 75% | \$ 3,289,250 | \$ 58.57 | \$ 192,642 | \$ 1.10 |
| Year 13 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 65% | \$ 4,210,750 | \$ 59.74 | \$ 251,544 | \$ 1.43 |
| Year 14 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 60% | \$ 4,671,500 | \$ 60.93 | \$ 284,650 | \$ 1.62 |
| Year 15 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 50% | \$ 5,593,000 | \$ 62.15 | \$ 347,616 | \$ 1.98 |
| Year 16 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 40% | \$ 6,514,500 | \$ 63.40 | \$ 412,987 | \$ 2.35 |
| Year 17 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 30% | \$ 7,436,000 | \$ 64.66 | \$ 480,834 | \$ 2.74 |
| Year 18 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 20% | \$ 8,357,500 | \$ 65.96 | \$ 551,229 | \$ 3.14 |
| Year 19 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 20% | \$ 8,357,500 | \$ 67.28 | \$ 562,254 | \$ 3.20 |
| Year 20 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 20.00% | \$ 8,357,500 | \$ 68.62 | \$ 573,499 | \$ 3.27 |

\$ 4,776,781

Taxes without savings

| | Land Value | Building Value | Total Value | Abatement Savings | Taxable Value | Rate per \$1,000 | Taxes | psf |
|--------------|------------|----------------|---------------|-------------------|---------------|------------------|------------|---------|
| Construction | \$ 985,500 | | \$ 985,000 | 0.00% | \$ 985,000 | \$ 46.18 | \$ 45,487 | \$ 0.26 |
| Year 1 | \$ 985,500 | \$ 9,215,000 | \$ 985,000 | 0.00% | \$ 10,200,500 | \$ 47.10 | \$ 480,479 | \$ 2.74 |
| Year 2 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,500 | 0.00% | \$ 10,200,500 | \$ 48.05 | \$ 490,088 | \$ 2.79 |
| Year 3 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,500 | 0.00% | \$ 10,200,500 | \$ 49.01 | \$ 499,890 | \$ 2.85 |
| Year 4 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 0.00% | \$ 10,200,500 | \$ 49.99 | \$ 509,888 | \$ 2.91 |
| Year 5 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 0.00% | \$ 10,200,500 | \$ 50.99 | \$ 520,086 | \$ 2.96 |
| Year 6 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 0.00% | \$ 10,200,500 | \$ 52.01 | \$ 530,487 | \$ 3.02 |
| Year 7 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 0.00% | \$ 10,200,500 | \$ 53.05 | \$ 541,097 | \$ 3.08 |
| Year 8 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 0.00% | \$ 10,200,500 | \$ 54.11 | \$ 551,919 | \$ 3.14 |
| Year 9 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 0.00% | \$ 10,200,500 | \$ 55.19 | \$ 562,957 | \$ 3.21 |
| Year 10 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 0.00% | \$ 10,200,500 | \$ 56.29 | \$ 574,217 | \$ 3.27 |
| Year 11 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 0.00% | \$ 10,200,500 | \$ 57.42 | \$ 585,701 | \$ 3.34 |
| Year 12 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 0.00% | \$ 10,200,500 | \$ 58.57 | \$ 597,415 | \$ 3.40 |
| Year 13 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 0.00% | \$ 10,200,500 | \$ 59.74 | \$ 609,363 | \$ 3.47 |
| Year 14 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 0.00% | \$ 10,200,500 | \$ 60.93 | \$ 621,551 | \$ 3.54 |
| Year 15 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 0.00% | \$ 10,200,500 | \$ 62.15 | \$ 633,982 | \$ 3.61 |
| Year 16 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 0.00% | \$ 10,200,500 | \$ 63.40 | \$ 646,661 | \$ 3.68 |
| Year 17 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 0.00% | \$ 10,200,500 | \$ 64.66 | \$ 659,594 | \$ 3.76 |
| Year 18 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 0.00% | \$ 10,200,500 | \$ 65.96 | \$ 672,786 | \$ 3.83 |
| Year 19 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 0.00% | \$ 10,200,500 | \$ 67.28 | \$ 686,242 | \$ 3.91 |
| Year 20 | \$ 985,500 | \$ 9,215,000 | \$ 10,200,000 | 0.00% | \$ 10,200,500 | \$ 68.62 | \$ 699,967 | \$ 3.99 |

\$ 11,674,371

Projected Savings \$ 6,897,590

Assumptions

1 Assumed Tax Rate per Thousand

City/County Tax 17.78
School Tax (non-homestead) 27.49

45.27
one year escalation 1.02
\$ 46.18



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

KATHY SHEEHAN
MAYOR

TREY KINGSTON
ACTING CITY ASSESSOR

November 27, 2017

Joseph Landy
21 Lodge Street
Albany, New York 12207

Re: 363 Ontario Street, Albany

Dear Mr. Landy:

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

- A 109-unit apartment complex consisting of 66-1 Bedroom units (880 average square feet), 42-2 Bedroom units (1,220 average square feet) and 1 Penthouse unit (2,000 average square feet) also 1- Commercial retail (5,000 average square feet).

Based on the above and consistent with the income capitalization methodology utilized by this office for other apartment complex properties throughout the City, we are projecting the current total assessed value for the subject property, consistent with the assumption that the property was in an "as-stabilized" condition as of March 1, 2017 and its value estimate was as of July 1, 2016, to be:

\$10,200,000

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

As such, all such financial information provided by the Applicant is assumed to be true, correct and reliable and the total assessed value set forth above was predicated, in large measure, based on such data. However, it should be noted that this value may not be valid in other time periods or as conditions change. If new information of significance is brought to this office, the above total assessed value would be subject to change, consistent with such new information.

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

Sincerely,

A handwritten signature in blue ink, appearing to read 'Trey Kingston', followed by a horizontal line.

Trey Kingston, Esq.
Acting Assessor



52 S. Allen Street
Albany, NY 12208
November 6, 2017

City of Albany Planning Department
200 Henry John Blvd, Suite 3
Albany NY 12210-1550

Attn: Richard Berkley, Chair, Board of Zoning Appeals and Mr. Al DeSalvo, Chair, Planning Board
RE: Jankow Application – 363 Ontario Street

Dear Mr. Chairmen:

On behalf of the Board of the Pine Hills Neighborhood Association, I am writing to express our conditional support for the proposed apartment complex at 363 Ontario Street. There are many positive aspects to recommend this project. However, we have two concerns:

1. whether financials will be submitted by developers to show that the project is financially feasible only with the addition of an extra half story -- in other words, does it truly have to be four stories, a height not permitted by new ReZone and thus requiring a variance; and
2. whether the latest design truly integrates itself into that particular site as the Planning Board requested. At least, ask the architect to choose an exterior color that helps the building blend into the site. Right now, they look like giant ice cubes.

If it turns out that four stories are required in order to make the project possible, PHNA would support it, provided the design was further reviewed to integrate into that sight.

Sincerely,

Virginia Hammer

cc: Lauren Alpert, Planner
Pine Hills NA Board of Directors
Leah Golby, Common Council Member for 10th Ward
Judy Doesschate, Common Council Member for 9th Ward
PHNA Board of Directors

Pine Hills Neighborhood Association, 52 South Allen Street, Albany, NY 12208 438-0195
vhammer@gmail.com