

TO: City of Albany Industrial Development Finance Committee

FROM: City of Albany Industrial Development Agency Staff

RE: Clinton Avenue Apartments Housing Development Fund Corporation - IDA Application Summary

DATE: October 11, 2017

Applicant: Clinton Avenue Apartments Housing Development Fund Corporation

Managing Members (% of Ownership): Deborah Leenhouts (27.9630%), Jeffrey Leenhouts (26.2963%), Catherine Sperrick (21.11%), Megan Houppert (6.11%), Sarah Hunt (6.11%)

Project Location: Clinton Avenue & Ten Broeck Street – 70 row homes – see attached list

Project Description: The project involves the revitalization of approximately 210 units in approximately 70 row houses and 2 vacant parcels. Approximately half of the units are vacant. 8 buildings are condemned. The project will be Mixed Income and Affordable: Approximately 10-15% of units will be middle income at 60 to 90% of the Capital Region Area Median Income (AMI) and 85-90% of units will be affordable at 50 or 60% AMI. The rehabilitation of the properties will be comprehensive and will be guided by the State Historic Preservation Office as we will utilize historic tax credits.

Estimated Project Cost: \$47,838,223

Type of Financing: Straight Lease

Amount of Bonds Requested: None

Estimated Total Purchases Exempt from Sales Tax: n/a

Estimated Total Mortgage Amount: \$18,401,726

Current Total Assessment: \$3,286,786 (purchase price 09/06/2017); \$7,956,200 (2017 tax roll)

Estimated Improved Total Assessment: \$6,750,000 (\$32,142.86) per unit

Requested PILOT: The proposal entails the Applicant entering into a 5% Shelter Rent, 30 year PILOT agreement with the IDA.

Estimated Value of Total PILOT Payments:

- Total PILOT Payments: \$2,562,320 (properties have not generated any tax revenue for the last 11 years)

Estimated Value of Tax Exemptions:

- NYS Sales and Compensating Use Tax: n/a HFA/HDFC

- Mortgage Recording Taxes: n/a HFA/HDFC
- Real Property Taxes: \$8,055,361
- Other: N/A

Employment Impact:

- Projected Permanent: 2 FTE retained; 5 new FTE
- Projected Construction: 65 jobs

Strategic Initiatives:

- Albany 2030
 - Increase job opportunities for all residents.
 - Encourage investment in urban land and historic buildings for employment and housing.
 - Provide a variety of housing types to meet the varied needs of Albany’s households, including market, moderate and low income housing.
 - Encourage diverse intergenerational housing. Diverse housing includes options for residents throughout different stages of life (e.g. students, couples, families with children, seniors) in the same neighborhood.
- Impact Downtown Albany, Clinton Square DRI Plan, Arbor Hill Neighborhood Plan, and Sheridan Hollow Neighborhood Plan
 - Revitalization and diversification of downtown - adaptive reuse of underutilized or vacant buildings.
 - Establish a greater critical mass of housing downtown.

Planning Board Actions:

- The applicant is renovating more than 50% of the buildings and will not require site plan review at this time.

Estimated IDA Fee

- Fee amount: \$365,500 (0.75% of total project cost)

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.