



300 Great Oaks Boulevard • Suite 310 • Albany, New York 12203
tel 518.869.9302 • fax 518.869.9341 • info@rosenblumcompanies.com
www.rosenblumcompanies.com

December 1, 2016

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

Re: Request for IDA Assistance - 40 North Russell Road, Albany

Dear Ms. Metzger:

Please find enclosed a completed application, as well as the appropriate supplementary material required by the City of Albany Industrial Development Agency for the consideration of financial assistance associated with our proposed project at 40 North Russell Road, and payment of the \$1,500 application fee (check #5017).

We propose an adaptive reuse of the site at 40 North Russell Road to construct a new, attractive +/- 90,000 SF, three-story, temperature controlled self storage facility with a clean, well-lit rental office and retail space for the sale of moving and packing supplies. The site will be landscaped, and fenced and gated to control access.

ValuSpace Albany, LLC ("Applicant") is respectfully requesting exemptions in the amount of \$353,147 for N.Y.S. Sales and Compensating Use Tax and \$63,062 for Mortgage Recording Taxes.

The proposed project at 40 North Russell Road aligns with the City of Albany's strategic focus on new multifamily housing development in downtown and surrounding neighborhoods by providing a critical amenity for existing and prospective residents. While there are several storage facilities within the City, none provide the modern design, accessibility, temperature control and security features that align with customer expectations of a retail storage experience. Furthermore, the project will reverse blight at a long-distressed and difficult property sandwiched between two important retail centers while generating significant additional property tax revenues immediately upon completion.

Applicant is requesting IDA assistance because the higher expense of new construction that must conform with the latest, more stringent energy codes revised in October 2016 and the challenging location of the facility on a parcel with limited access or visibility from local roads, coupled with the project being an unproven prototype for the City, will result in an extended stabilization period compared to typical commercial projects.

Please note, the Application includes materials and information that are identified as confidential, proprietary or commercially sensitive information of Applicant that has commercial or competitive value to the competitors of the Applicant that are exempt from disclosure under Section 87(2)(d) of the Public Officers Law. Please hold all such identified materials and information in confidence and not available for public inspection or copying in accordance with Section 87 of the Public Officers Law.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Seth Rosenblum'.

Seth Rosenblum
Chief Executive Officer

Enclosure(s)

Rosenblum Development Corp

Client Funds Account
300 Great Oaks Blvd. Suite 310
Albany, NY 12203
(518) 869-9302

M&T Bank
Albany Office
10-4-220

5017

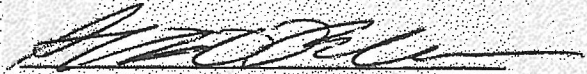
PAY **** ONE THOUSAND FIVE HUNDRED AND 00/100 DOLLARS

11/28/2016

\$1,500.00***

TO THE
ORDER OF

City of Albany Industrial Development Agency
c/o Department of Economic Development
21 Lodge Street
Albany, NY 12207



SECURITY FEATURES INCLUDED. DETAILS ON BACK

⑈005017⑈ ⑆022000046⑆ 9845817189⑈

DATE:11/28/2016 CK#:5017 TOTAL:\$1,500.00*** BANK:RDC Client Funds(rcf)
PAYEE:City of Albany Industrial Development Agency(albida)

Property Address - Code	Invoice - Date	Description	Amount
ValuSpace Albany, LLC - rr40	112816 - 11/28/2016	financial assistance app	1,500.00
			<u>1,500.00</u>

DATE:11/28/2016 CK#:5017 TOTAL:\$1,500.00*** BANK:RDC Client Funds(rcf)
PAYEE:City of Albany Industrial Development Agency(albida)

Property Address - Code	Invoice - Date	Description	Amount
ValuSpace Albany, LLC - rr40	112816 - 11/28/2016	financial assistance app	1,500.00
			<u>1,500.00</u>

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: ValuSpace Albany, L.L.C.

APPLICANT'S ADDRESS: c/o The Rosenblum Companies, 300 Great Oaks Blvd., Suite 310

CITY: Albany

STATE: NY

ZIP CODE: 12203

PHONE NO.: 518-869-9302

FAX NO.:

E-MAIL: seth@rosenblumcompanies.com

NAME OF PERSON(S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO
THIS APPLICATION: Seth Rosenblum; Jeff Mirel

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

NAME OF ATTORNEY: Edwin Kelley, Bond Schoeneck & King

ATTORNEY'S ADDRESS: One Lincoln Center

CITY: Syracuse

STATE: NY

ZIP CODE: 13202-1355

PHONE NO.: 315-218-8123

FAX NO.:

E-MAIL: ekelley@bsk.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: **ValuSpace Albany, L.L.C.**

Contact Person: **Seth Rosenblum or Jeff Mirel**

Phone Number: **518-869-9302**

Occupant: **ValuSpace Albany, L.L.C.**

Project Location: **40 North Russell Road, Albany, NY 12206**

Approximate Size of Project Site: **1.93+/- acres**

Description of Project: **Construction of a new, attractive +/- 90,000 SF, 3-story, temperature controlled self storage facility with a clean, well-lit rental office and retail space for the sale of moving and packing supplies. The site will be landscaped, and fenced and gated to control access.**

Type of Project: ☐ Manufacturing ☐ Warehouse/Distribution
☐ Commercial ☐ Not-For-Profit
x Other-Specify: Multistory self storage facility

Employment Impact: Existing Jobs **0**

New Jobs **1.5 FTE (1 FT; 1 PT)**

Project Cost: \$ **6,306,193 (est.)**

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

Amount of Bonds Requested: \$ N/A

Estimated Value of Tax-Exemptions:

N.Y.S. Sales and Compensating Use Tax:	<u>\$ 353,147 (est)</u>
Mortgage Recording Taxes:	<u>\$ 63,062 (est)</u>
Real Property Tax Exemptions:	<u>\$ N/A</u>
Other (please specify):	<u>\$ Applicant is seeking 485-b from City of Albany</u>

Provide estimates for the following:

Number of Full Time Employees at the Project Site before IDA Status:	<u>0</u>
Estimate of Jobs to be Created:	<u>1.5 FTE (1 FT; 1 PT)</u>
Estimate of Jobs to be Retained:	<u>0</u>
Average Estimated Annual Salary of Jobs to be Created:	<u>\$33,667</u>

Annualized Salary Range of Jobs to be Created:
Estimated Average Annual Salary of Jobs to be Retained:

\$25,000 - \$38,000 (est)
\$33,667 (est)

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

A. Identity of Company:

1. Company Name: **ValuSpace Albany, L.L.C.**

Present Address: **c/o The Rosenblum Companies, 300 Great Oaks Blvd, Ste 310,
Albany**

Zip Code: **12203**

Employer's ID No.: **14-1809735**

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. x Limited liability company,
Date created? 3/28/16.

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:

Subsidiary of Rosenblum Properties, L.L.C.

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
See attached		

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

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

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

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

C. Principal Owners of Company:

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

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

NAME	ADDRESS	PERCENTAGE OF HOLDING
See attached		

D. Company's Principal Bank(s) of account: **M&T Bank, 300 Great Oaks Blvd, Albany, NY**

I(B)(1) Management of Company

NAME (First, Middle, Last) HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
Seth Rosenblum 524 West Lawrence St. Albany, NY 12208	Manager/Member	Real Estate Development
Jack Rosenblum Irrev. Tr. c/o Seth Rosenblum	Member (non-control)	n/a
Jack Rosenblum Irrev. Tr. c/o Seth Rosenblum	Member (non-control)	n/a

I(C)(2) Management of Company

NAME	ADDRESS	PERCENTAGE OF HOLDING
Seth Rosenblum	Seth Rosenblum 524 West Lawrence St. Albany, NY 12208	0.0049%
Jack Rosenblum	Jack Rosenblum 517 Sir Charles Way Albany, NY 12203	0.0051%*
Jack Rosenblum Irrev. Tr	Jack Rosenblum Irrev. Tr. c/o Seth Rosenblum	49.50%
Jack Rosenblum Irrev. Tr	Jack Rosenblum Irrev. Tr. c/o Seth Rosenblum	49.50%

* Jack Rosenblum intends to transfer this share to Seth Rosenblum effective 12/31/2016

II. DATA REGARDING PROPOSED PROJECT

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

Construction of a new, attractive +/- 90,000 SF, 3-story, temperature controlled self storage facility to include +/- 15 parking spaces and a clean, well-lit rental office with retail space for the sale of moving/packing supplies. Site will be landscaped, and fenced and gated to control access. An existing commercial building in poor condition has been abated and demolished.

B. Location of Proposed Project:

1. Street Address **40 North Russell Road**
2. City of **Albany**
3. Town of
4. Village of
5. County of **Albany**

C. Project Site:

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

Is a map, survey, or sketch of the project site attached? Yes **x**; No ____.

2. Are there existing buildings on project site? Yes ____; No **x***.

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

***One (1) existing commercial structure, +/- 27,200 SF, in poor condition, has been abated and removed by applicant as of November 2016**

b. Are existing buildings in operation? Yes ____; No **x**.

If yes, describe present use of present buildings:

c. Are existing buildings abandoned? Yes ____; No **x***. About to be abandoned? Yes ____; No _____. If yes, describe:

***building was fully vacant at close of purchase by applicant**

d. Attach photograph of present buildings.

3. Utilities serving project site:
Water-Municipal: **City of Albany**
Other (describe)
Sewer-Municipal: **City of Albany**
Other (describe)
Electric-Utility: **National Grid**
Other (describe)
Heat-Utility: **National Grid (natural gas)**
Other (describe)
4. Present legal owner of project site:
- a. If the Company owns project site, indicate date of purchase: **January 11, 2016**; Purchase price: **\$825,000**.
- b. If Company does not own the Project site, does Company have option signed with owner to purchase the Project site? Yes ____; No _____. If yes, indicate date option signed with owner: _____, 20____; 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: **M-1**

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: **Variances have been approved by Albany BZA as follows:**
§375-76 D(4): front yard setback of five (5) feet (20 feet required)
§375-185: eighteen (18) space parking lot (104 spaces required)
§307-12(A)(1): wall signs above second (2nd) level of building

D. Buildings:

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

One (1) new building; +/- 90,000 SF, three (3) stories

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:
Temperature controlled self storage facility with clean, well-lit retail space for the sale of moving and packing supplies.

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:
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: **N/A**
Computer and peripherals, video monitors, rental office furniture, moving carts for customer use

F. Project Use:

1. What are the principal products to be produced at the Project?
N/A
2. What are the principal activities to be conducted at the Project?
Rental of indoor personal self storage units.
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:
Rental of storage units (varied sizes) plus sales of moving and packing supplies.
4. If the answer to question 3 is yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project? 100 %
5. If the answer to question 3 is yes, and the answer to question 4 is more than 33.33%, indicate whether any of the following apply to the Project:
 - a. Will the Project be operated by a not-for-profit corporation? Yes ____; No x. If yes, please explain:

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

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

d. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonably accessible to the residents of the city, town or village within which the Project will be located, because of a lack of reasonably accessible retail trade facilities offering such goods or services? Yes____; No x. If yes, please provide detail:

However, while there are several storage facilities within the City, none provide the modern design, accessibility, temperature control and security features that align with user expectations of a retail storage experience.

e. Will the Project be located in one of the following: (i) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (ii) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most recent census data, has (x) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? Yes x; No____. If yes, please explain: **Census Tract 3**

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:

Please see Section IV - "Employment Impact"

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

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

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

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

G. Other Involved Agencies:

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

City of Albany BZA

City of Albany Planning Board

City of Albany Department of Building and Regulatory Compliance

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

City of Albany BZA: variances as described in 5(b) above.

City of Albany Planning Board: SEQR (negative declaration), site plan approval, approval of demolition of existing structure.

Dept. Building & Regulatory Compliance: permits for construction, inspections.

H. Construction Status:

1. Has construction work on this Project begun? Yes **x**; No _____. 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.:

Abatement and demolition of existing structure is complete.

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:
\$1,315,000+ for acquisition, carrying costs, legal, consulting, design and engineering, permitting, abatement and demolition.

3. Please indicate the date the applicant estimates the Project will be completed:
September 2017.

I. Method of Construction After Agency Approval:

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

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

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

1. Sublessee name:
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: _____

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:

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? **N/A**

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

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

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

First Year Full Time		1 (est)			1 (est)
First Year Part Time		1 (est)			1 (est)
First Year Seasonal					
Second Year Full Time		1 (est)			1 (est)
Second Year Part Time		1 (est)			1 (est)
Second Year Seasonal					

- B. Indicate below (1) the estimated salary and fringe benefit averages or ranges and (2) the estimated number of employees residing in the Capital 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	N/A	\$25,000 (PT) - \$38,000 (FT) annual (est)		
Estimated Number of Employees Residing in the Capital Region Economic Development Region ¹		2		

- C. Please describe the projected timeframe for the creation of any new jobs with respect to the undertaking of the Project:
- Managers will be hired by third party management company just prior to the completion and opening of project (Q3 2017)**

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

<u>Description of Sources</u>	<u>Amount</u>
Private Sector Financing	\$ <u>5,044,954 (est)</u>
Public Sector	
Federal Programs	\$ _____
State Programs	\$ _____
Local Programs	\$ _____
Applicant Equity	\$ <u>1,261,239 (est)</u>
Other (specify, e.g., tax credits)	
_____	\$ _____
_____	\$ _____
_____	\$ _____
TOTAL AMOUNT OF PROJECT FINANCING SOURCES	\$ <u>6,306,193 (est)</u>

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

\$1,315,000+ for acquisition, carrying costs, legal, consulting, design and engineering, permitting, abatement and demolition.

- D. Amount of loan requested: \$ 5,044,954 (est);

Maturity requested: 10 years.

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

Yes ____; No x. Institution Name: _____

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

Name: _____ Phone: _____

- F. The percentage of Project costs to be financed from public sector sources is estimated to equal the following: 0 % (not including requested IDA assistance)

- G. The total amount estimated to be borrowed to finance the Project is equal to the following: \$ 5,044,954 (est)

VI. BENEFITS EXPECTED FROM THE AGENCY

A. Financing

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

B. Tax Benefits

1. Is the applicant requesting any real property tax exemption that would not be available to a project that did not involve the Agency? Yes ____; No x.
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? \$5,044,954 (est).

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 x; 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? \$4,414,335 (est).

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

a.	N.Y.S. Sales and Compensating Use Taxes:	<u>\$353,147 (est)</u>
b.	Mortgage Recording Taxes:	<u>\$63,062 (est)</u>
c.	Real Property Tax Exemptions:	<u>\$N/A</u>
d.	Other (please specify):	
	<u>Applicant is seeking 485-b from City of Albany</u>	<u>\$</u>
		<u>\$</u>

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. N/A

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

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:

The proposed project at 40 North Russell Road aligns with the City of Albany's strategic focus on new multifamily housing development in downtown and surrounding neighborhoods by providing a critical amenity for existing and prospective residents. It will reverse blight at a long-distressed and difficult property sandwiched between two important retail centers while generating significant additional property tax revenues immediately upon completion. Applicant, however, will bear the higher expense of new construction that must conform with the latest, more stringent energy codes that were revised in October 2016. These higher construction costs, the challenging location of the facility on a parcel with limited access or visibility from local roads, coupled with the project being an unproven prototype for the City, will result in an extended stabilization period compared to typical commercial projects, requiring additional financial assistance.