

Albany Industrial Development Agency

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

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

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

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

Date: January 16, 2015

AGENDA

A regular meeting of the City of Albany Industrial Development Agency will be held on **Thursday, January 22nd at 12:15 PM** at 21 Lodge Street, Albany, NY 12207

Roll Call

Reading of Minutes of the Board Meeting of December 18th, 2014

Approval of Minutes of the Board Meeting of December 18th, 2014

Reports of Committees

Report of Chief Financial Officer

-Financial Report

Unfinished Business

New Business

- Penta on Broadway, LLC – 2015 Mortgage Amendment Approval Resolution
- SUNY Associates, LLC – Public Hearing Resolution
- Albany Hotel, Inc. – Resolution Authorizing Assignment and Assumption
- Kenwood LLC
- Annual Housekeeping Resolution 2015

Other Business

Adjournment

The next regularly scheduled Board meeting will be held Thursday, February 19, 2015

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IDA MINUTES OF REGULAR MEETING Thursday, December 18, 2014

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

Absent: Lee Eck

Also Present: Sarah Reginelli, Mark Opalka, John Reilly, Joseph Scott, Bradley Chevalier, Andy Corcione, Chantel Burnash & Amy Gardner

Chair Tracy Metzger called the regular meeting of the IDA to order at 12:16 PM.

Roll Call

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

Reading of Minutes of the Special Board Meeting of November 13, 2014 and the November 20, 2014 Board Meeting

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

Approval of Minutes of the Special Board Meeting of November 13, 2014 and the November 20, 2014 Board Meeting

Chair Tracy Metzger made a proposal to approve the minutes of the Special Board meeting of November 13, 2014 and the November 20, 2014 Board meeting as presented. A motion to accept the minutes, as presented, was made by Anthony Owens and seconded by Darius Shahinfar. A vote being taken, the minutes were accepted unanimously.

Reports of Committees

None

Unfinished Business

Eleftheria Properties, LLC-Project Synopsis

Jim Googas of Eleftheria Properties, LLC was present to discuss the project with the Board and answer questions. The Project entails the construction of two multi-story buildings, approximately 85,000 SF of space, located at 241 S Allen St. It will be a market rate garden-style apartment complex containing approx. 12 one-bedroom apartments and approximately 36 two-bedroom apartments. Robert Schofield noted that although the Project is not in a distressed census tract, it is adjacent to one.

Eleftheria Properties, LLC Confirming SEQR Determination Resolution

Counsel reviewed the resolution with the Board explaining that the findings determined that this project would not have a significant effect on the environment.

Chair Tracy Metzger presented the The Eleftheria Properties, LLC – Confirming SEQR Determination Resolution to the Board. A motion to adopt the Resolution was made by Darius Shahinfar and seconded by Anthony Owens. A vote being taken, the resolution passed unanimously (5-0).

Eleftheria Properties, LLC Commercial/Retail Findings Resolution

Counsel reviewed the resolution with the Board.

Chair Tracy Metzger presented the The Eleftheria Properties, LLC – Commercial/Retail Findings Resolution to the Board. A motion to adopt the Resolution was made by Anthony Owens and seconded by Darius Shahinfar. A vote being taken, the resolution passed unanimously (5-0).

Eleftheria Properties, LLC Approval Resolution

Counsel reviewed the resolution with the Board.

Chair Tracy Metzger presented the The Eleftheria Properties, LLC – Approval Resolution to the Board. A motion to adopt the Resolution was made by Anthony Owens and seconded by Darius Shahinfar. A vote being taken, the resolution passed unanimously (5-0).

Susan Pedo joined the Board meeting at 12:29 PM.

Report of Chief Financial Officer

Mark Opalka reviewed the monthly financial report with the Board. Mr. Opalka reviewed year-to-date and projected cash inflows and outlays. At this time the IDA's projected year-end cash balance is \$2,480,949.

New Business

2015 Resolution Authorizing Professional Services Contract With Capitalize Albany Corporation

Staff reviewed the resolution and the agreement with the Board. Schedule A of the Agreement outlines the services Capitalize Albany Corporation ("the Corporation") will provide to the Industrial Development Agency (IDA) and the Capital Resource Corporation (CRC). Staff advised the Board that the IDA does not have direct staff and relies on the staff of Capitalize Albany Corporation making this agreement necessary. The agreement was consistent with last year's agreement.

Chair Tracy Metzger presented the 2015 Resolution Authorizing Professional Services Contract With Capitalize Albany Corporation to the Board. A motion to adopt the Resolution was made by Anthony Owens and seconded by Darius Shahinfar. As a board member of Capitalize Albany Corporation, Susan Pedo abstained from the vote. A vote being taken, the resolution passed unanimously (5-0).

2015 Resolution Approving Contract for Services with Capitalize Albany Corporation

Staff reviewed the resolution and the agreement with the Board. Staff advised the Board that the agreement was consistent with last year's agreement.

Chair Tracy Metzger presented the 2015 Resolution Approving Contract for Services with Capitalize Albany Corporation to the Board. A motion to adopt the Resolution was made by Robert Schofield and seconded by Darius Shahinfar. As a board member of Capitalize Albany Corporation, Susan Pedo abstained from the vote. A vote being taken, the resolution passed unanimously (5-0).

2015 Resolution Approving Contract for Services with Capital Resource Corporation

Staff reviewed the resolution and the agreement with the Board. Section 1 of the Agreement outlines the funds that the Corporation will provide to the Industrial Development Agency (IDA) in support of the Professional Services Contract with Capitalize Albany Corporation.

Chair Tracy Metzger presented the 2015 Resolution Approving Contract For Services With Capital Resource Corporation to the Board. A motion to adopt the Resolution was made by Anthony Owens and seconded by Darius Shahinfar. As a board member of Capitalize Albany Corporation, Susan Pedo abstained from the vote. A vote being taken, the resolution passed unanimously (5-0).

Other Business

None

There being no further business, Chair Tracy Metzger adjourned the meeting at 12:41 PM.

Respectfully submitted,

(Assistant) Secretary

City of Albany IDA
2014 Monthly Cash Position
December
2014

	ACTUAL												
	January	February	March	April	May	June	July	August	September	October	November	December	YTD Total
Beginning Balance	\$ 754,526	\$ 970,441	\$ 1,079,993	\$ 1,611,835	\$ 1,856,315	\$ 1,873,110	\$ 1,783,709	\$ 1,759,380	\$ 1,796,935	\$ 1,661,687	\$ 1,710,967	\$ 1,878,528	\$ 754,526
Revenue													
Fee Revenue													
Application Fee	\$ 3,000	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500	\$ 1,500	\$ 7,500
Agency Fee	293,100	30,320	669,603	244,653	85,230	-	-	51,417	-	49,536	215,960	181,003	1,820,822
Administrative Fee	500	-	-	-	-	-	-	-	-	-	500	-	1,000
Modification Fee	500	-	-	1,500	500	-	1,000	-	500	-	-	500	4,500
Subtotal - Fee Revenue	\$ 297,100	\$ 31,820	\$ 669,603	\$ 246,153	\$ 85,730	\$ -	\$ 1,000	\$ 51,417	\$ 500	\$ 49,536	\$ 217,960	\$ 183,003	\$ 1,833,822
Other Revenue													
Project Benefit Agreement	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Interest Income	41	16	24	27	32	30	30	30	29	29	29	34	350
CRC	-	-	-	-	-	-	-	-	-	-	-	-	-
NYS BIC	-	-	-	-	-	-	-	-	-	-	-	-	-
Misc	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - Other Revenue	\$ 41	\$ 100,016	\$ 24	\$ 27	\$ 32	\$ 30	\$ 30	\$ 30	\$ 29	\$ 29	\$ 29	\$ 34	\$ 100,350
Total - Revenue	\$ 297,141	\$ 131,836	\$ 669,627	\$ 246,180	\$ 85,762	\$ 30	\$ 1,030	\$ 51,447	\$ 529	\$ 49,565	\$ 217,989	\$ 183,036	\$ 1,934,172
Expenditures													
Management Contract	\$ -	\$ -	\$ 75,000	\$ -	\$ 50,000	\$ 25,000	\$ 25,000	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ 25,000	\$ 300,000
Downtown Tactical Plan	-	-	-	-	-	-	-	-	-	-	-	-	-
APA Contract	-	-	-	-	-	-	-	-	-	-	-	-	-
Audits	-	5,300	-	1,700	-	-	-	-	-	-	-	-	7,000
Agency Counsel	42,000	-	-	-	-	-	-	-	-	-	-	-	42,000
ED Support	-	-	62,500	-	-	62,500	-	-	62,500	-	-	62,500	250,000
Sub-lease AHCC	39,226	16,421	-	-	18,480	-	-	-	23,145	-	-	17,085	114,357
NYS BIC	-	-	-	-	-	-	-	-	-	-	-	-	-
D & O Insurance	-	-	-	-	-	1,647	-	-	-	-	-	-	1,647
Misc.	-	563	285	-	487	285	359	143	131	285	428	285	3,249
Legal Expenses	-	-	-	-	-	-	-	13,750	-	-	-	-	13,750
Other Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - Expenditures	\$ 81,226	\$ 22,284	\$ 137,785	\$ 1,700	\$ 68,967	\$ 89,432	\$ 25,359	\$ 13,893	\$ 135,777	\$ 285	\$ 50,428	\$ 104,870	\$ 732,003
Ending Balance	\$ 970,441	\$ 1,079,993	\$ 1,611,835	\$ 1,856,315	\$ 1,873,110	\$ 1,783,709	\$ 1,759,380	\$ 1,796,935	\$ 1,661,687	\$ 1,710,967	\$ 1,878,528	\$ 1,956,694	\$ 1,956,694

City of Albany IDA

Fee Detail by Month

December

2014

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>January</i>	LV Apartments, LP	\$ -	\$ 293,100	\$ -	\$ -	\$ 293,100
	Sixty State Place, LLC	-	-	500	500	-
	733 Broadway, LLC	1,500	-	-	-	1,500
	Tricentennial Properties, LLC	1,500	-	-	-	1,500
	TOTAL	\$ 3,000	\$ 293,100	\$ 500	\$ 500	\$ 297,100
<i>February</i>	412 Broadway Realty, LLC	\$ -	\$ 30,320	\$ -	\$ -	\$ 30,320
	CDP Holland, LLC	1,500	-	-	-	1,500
	TOTAL	\$ 1,500	\$ 30,320	\$ -	\$ -	\$ 31,820
<i>March</i>	Fuller Road Management Corporation	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000
	144 State Street Properties, LLC	-	469,603	-	-	469,603
	488 Broadway Arcade, LLC	-	100,000	-	-	-
	TOTAL	\$ -	\$ 669,603	\$ -	\$ -	\$ 669,603
	<i>April</i>	Aeon Nexus Corporation	\$ -	\$ 18,335	\$ -	\$ -
Sheridan Hollow Village, LLC/Sheridan Hollow Enterprises		-	153,843	-	-	-
Columbia 425 NS, LLC		-	-	500	-	-
Madison Properties of Albany, LLC		-	-	-	500	-
Dilek, LLC		-	-	-	500	-
132 State Street Properties, LLC		\$ -	\$ 23,515	\$ -	\$ -	-
136 State Street Properties, LLC		-	35,905	-	-	-
140 State Street Properties, LLC		-	13,055	-	-	-
TOTAL		\$ -	\$ 244,653	\$ 500	\$ 1,000	\$ 246,153
<i>May</i>	Tricentennial Properties, LLC	-	\$ 85,230	-	-	\$ 85,230
	Sixty State Place, LLC	-	-	-	500	500
	TOTAL	\$ -	\$ 85,230	\$ -	\$ 500	\$ 85,730
<i>June</i>		\$ -	-	\$ -	-	\$ -
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -

City of Albany IDA

Fee Detail by Month

December

2014

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>July</i>	Morris Street Development LLC	\$ -	\$ -	\$ -	\$ 500	\$ 500
	Columbia 425 NS, LLC	-	-	-	500	500
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000
<i>August</i>	733 Broadway, LLC	-	\$ 51,417	-	-	51,417
		-	-	-	-	-
	TOTAL	\$ -	\$ 51,417	\$ -	\$ -	\$ 51,417
<i>September</i>	Columbia 677, LLC	\$ -	\$ -	\$ -	\$ 500	\$ 500
		-	-	-	-	-
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ 500	\$ 500
<i>October</i>	40 Steuben LLC	\$ -	\$ 49,536	\$ -	\$ -	\$ 49,536
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
	TOTAL	\$ -	\$ 49,536	\$ -	\$ -	\$ 49,536
<i>November</i>	TMG-NY Albany I, LP	\$ -	\$ 215,960	\$ 500	\$ -	\$ 216,460
	Eleftheria	1,500	-	-	-	1,500
		-	-	-	-	-
		-	-	-	-	-
	TOTAL	\$ 1,500	\$ 215,960	\$ 500	\$ -	\$ 217,960
<i>December</i>	Dileck, LLC	\$ -	\$ -	\$ -	\$ 500	\$ 500
	Albany Hotel Inc.	1,500	-	-	-	1,500
	Albany Medical Center - 391 Myrtle Avenue (MOB)	-	181,003	-	-	181,003
	TOTAL	\$ 1,500	\$ 181,003	\$ -	\$ 500	\$ 183,003
	2014 TOTAL	\$ 7,500	\$ 1,820,821	\$ 1,500	\$ 4,000	\$ 1,833,821
		<i>Application Fee</i>	<i>Agency Fee</i>	<i>Administration Fee</i>	<i>Modification Fee</i>	<i>TOTAL FEE</i>

**2015 MORTGAGE AMENDMENT APPROVAL RESOLUTION
PENTA ON BROADWAY, LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the office of the Department of Development and Planning at 21 Lodge Street in the City of Albany, Albany County, New York on January 22, 2015 at 12:15 p.m., local time.

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

PRESENT:

PRESENT:

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

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Bradley Chevalier	Vice President, Director of Development, Capitalize Albany Corporation
Mark Opalka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Amy Gardner	Economic Development Assistant, Capitalize Albany Corporation
Chantel Burnash	Executive Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Agency Bond Counsel

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

Resolution No. 1115-

RESOLUTION CONSENTING TO AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN MORTGAGE DOCUMENTS WITH RESPECT TO PENTA ON BROADWAY, LLC PROJECT.

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

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

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

WHEREAS, pursuant to a resolution duly adopted by the members of the Agency on September 15, 2011 (the “Approving Resolution”), the Agency agreed to assist Penta on Broadway, LLC, a New York limited liability company (the “Company”) in undertaking a project (the “Project”) consisting of the following: (A) (1) the acquisition of an interest in a parcel of real estate containing approximately .09 acres located at 522-524 Broadway in the City of Albany, Albany County, New York (the “Land”), together with the existing buildings located thereon containing in the aggregate approximately 18,000 square feet of space (the “Facility”), (2) the reconstruction and renovation of the Facility and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment being hereinafter collectively referred to as the “Project Facility”), all of the foregoing to be owned and operated by the Company and leased to various tenants for residential and commercial uses and other directly and indirectly related activities; (B) the granting of “financial assistance” (within the meaning of the Act) with respect to the foregoing, including potential exemptions from certain sales taxes, real estate transfer taxes, mortgage recording taxes and real property taxes (the “Financial Assistance”); and (C) the lease (with the obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, on or about February 28, 2012, the Agency executed and delivered a lease agreement dated as of February 1, 2012 (the “Lease Agreement”) with Penta on Broadway, LLC (the “Company”); and

WHEREAS, in order to finance a portion of the costs of the Project, the Company obtained a loan in the principal sum of up to \$875,000.00 (the “Loan”) from Chemung Canal Trust Company (the “Original Lender”), which Loan was secured by (1) a mortgage and security agreement (the “Mortgage”) from the Agency and the Company to the Lender and (2) an assignment of rents and leases (the “Assignment of Rents”) from the Agency and the Company to the Lender; and

WHEREAS, subsequently, the Company refinanced the Original Loan (the “Current Loan”) with Capital Bank (the “Current Lender”); and

WHEREAS, the Company now desires to refinance the Current Loan with the Current Lender; and

WHEREAS, in connection with the refinancing of the Current Loan, the Company desires that the Agency execute and deliver certain mortgage and security documents (the “New Mortgage”) from the Company and the Agency to the Lender, as described in the e-mail from the Company Counsel dated

_____, 2015 (the “Company Request”), a copy of which is attached hereto as **Schedule A** (the amendment documents together with any other security documents or related documents being collectively referred to as the “Transaction Documents”); and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the “Regulations” and collectively with the SEQR Act, “SEQRA”), the Agency must satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the execution and delivery of the Transaction Documents; and

WHEREAS, pursuant to SEQRA, the Agency has reviewed the Company’s request to have the Agency execute and deliver the Transaction Documents in order to make a determination as to whether such request is subject to SEQRA, and it appears that the actions contemplated by such request are not considered “Actions” under SEQRA;

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

Section 1. Based upon an examination of the Company Request, the Agency hereby determines that the Agency’s execution and delivery of the Transaction Documents constitutes a “Type II action” pursuant to 6 NYCRR 617.5(c)(23), and therefore that, pursuant to 6 NYCRR 617.6(a)(1)(i), the Agency has no further responsibilities under SEQRA with respect to the Transaction Documents.

Section 2. The Agency hereby finds and determines that:

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

(B) The Agency has previously held a public hearing under Section 859-a of the Act with respect to the original Project and the original granting of “financial assistance” relating to the original Project;

(C) The Agency is not providing a mortgage recording tax exemption with respect to the Transaction Documents;

(D) The Company is not in default under any of the Basic Documents, including the PILOT Agreement (as defined in the Lease Agreement);

(E) The entering into of the Transaction Documents constitutes a “project,” as such term is defined in the Act;

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

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

(H) It is desirable and in the public interest for the Agency to enter into the Transaction Documents.

Section 3. The Agency hereby approves the execution and delivery of the Transaction Documents, provided, however, that such consent is contingent upon (A) the written consent by any holder of any mortgage on the Project Facility, if required, (B) approval by Agency Counsel and Agency Special Counsel to the form of the Transaction Documents, (C) compliance with the terms and conditions contained in the Basic Documents, (D) evidence satisfactory to the Agency that all payments in lieu of taxes and other local fees and assessments relating to the Project Facility, if any, have been paid, (E) no mortgage recording tax exemption shall be granted in connection with the execution of the Transaction Documents, (F) the payment by the Company of the administrative fee of the Agency, and all other fees and expenses of the Agency in connection with the delivery of the Transaction Documents, including the fees of Agency Counsel and Agency Special Counsel, and (G) the following additional conditions:

_____.

Section 4. Subject to the satisfaction of the conditions described in Section 3 hereof, the Chairman (or Vice Chairman) of the Agency is hereby authorized to execute and deliver the Transaction Documents, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in substantially the form thereof presented to this meeting, with such changes, variations, omissions and insertions as the Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

Section 5. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Transaction Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing Resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Company Request.

Section 6. This Resolution shall take effect immediately.

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

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

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on January 22, 2015 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this ___ day of January, 2015.

(Assistant) Secretary

(SEAL)

SCHEDULE A

**REQUEST FROM THE
BANK TO THE AGENCY**

**PUBLIC HEARING RESOLUTION
SUNY ASSOCIATES, LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on January 22, 2015 at 12:15 o'clock p.m., local time.

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

PRESENT:

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

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Bradley Chevalier	Vice President, Director of Development, Capitalize Albany Corporation
Mark Opalka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Amy Gardner	Economic Development Assistant, Capitalize Albany Corporation
Chantel Burnash	Executive Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Agency Bond Counsel

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

Resolution No. 0115-

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

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

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

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

WHEREAS, SUNY Associates, LLC, a Pennsylvania limited liability company (the "Company"), has submitted an application (the "Application") to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in an approximately one (1) acre parcel of land located at 1475 Washington Avenue in the City of Albany, Albany County, New York (the "Land"), (2) the construction on the Land of an approximately 183,750 square foot, four (4) story building over an approximately 145 space parking podium (the "Facility"), and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (collectively, the "Equipment") (the Land, the Facility, and the Equipment being collectively referred to as the "Project Facility"), all of the foregoing to be owned by the Company and to constitute a student housing complex and other directly and indirectly related activities; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

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

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

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

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

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

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

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

Section 4. This Resolution shall take effect immediately.

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

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

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on January 22, 2015 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this ____ day of January, 2015.

(Assistant) Secretary

(SEAL)

**RESOLUTION AUTHORIZING ASSIGNMENT AND ASSUMPTION
ALBANY HOTEL, INC. PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the office of the Agency at 21 Lodge Street in the City of Albany, Albany County, New York on January 22, 2015 at 12:15 o'clock p.m., local time.

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

PRESENT:

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

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Bradley Chevalier	Vice President, Director of Development, Capitalize Albany Corporation
Mark Opalka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Amy Gardner	Economic Development Assistant, Capitalize Albany Corporation
Chantel Burnash	Executive Assistant
John J. Reilly, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Agency Bond Counsel

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

Resolution No. 0115-__

RESOLUTION CONSENTING TO AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS WITH RESPECT TO THE ASSIGNMENT AND ASSUMPTION OF THE ALBANY HOTEL, INC. PROJECT.

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

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

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

WHEREAS, on October 31, 2011 (the "Closing Date"), the Agency entered into a lease agreement dated as of October 1, 2011 (the "Lease Agreement") by and between the Agency and Albany Hotel, Inc. (the "Company") for the purpose of undertaking a project (the "Project") consisting of the following: (A) (1) the acquisition of an interest in a parcel of land having an address of 89 State Street, in the City of Albany, Albany County, New York (the "Land"), together with an existing building (the Crowne Plaza Hotel, referred to hereinafter as the "Facility") located thereon, (2) the renovation and reconstruction of portions of the Facility; and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the "Equipment," and together with the Land and the Facility, being collectively referred to as the "Project Facility"), all of the foregoing to be owned by the Company and operated as an approximately 384 room full service hotel with related restaurants and approximately 24,000 square feet of meeting space; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real property transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease of the Project Facility to the Company pursuant to the Lease Agreement; and

WHEREAS, simultaneously with the execution and delivery of the Lease Agreement (the "Closing"), (A) the Company executed and delivered to the Agency (1) a certain lease to agency dated as of October 1, 2011 (the "Lease to Agency") by and between the Company, as landlord, and the Agency, as tenant, pursuant to which the Company leased to the Agency a portion of the Land and all improvements now or hereafter located on said portion of the Land (collectively, the "Leased Premises") for a lease term ending on December 31, 2042; (2) a certain license agreement dated as of October 1, 2011 (the "License to Agency") by and between the Company, as licensor, and the Agency, as licensee, pursuant to which the Company granted to the Agency (a) a license to enter upon the balance of the Land (the "Licensed Premises") for the purpose of undertaking and completing the Project and (b) in the event of an occurrence of an Event of Default by the Company, an additional license to enter upon the Licensed Premises for the purpose of pursuing its remedies under the Lease Agreement; and (3) a bill of sale dated as of October 1, 2011 (the "Bill of Sale to Agency"), which conveyed to the Agency all right, title and interest of the Company in the Equipment, (B) the Company and the Agency executed and delivered a payment in lieu of tax agreement dated as of October 1, 2011 (the "Payment in Lieu of Tax Agreement") by and between the Agency and the Company, pursuant to which the Company agreed to pay certain payments in lieu of taxes with respect to the Project Facility, (C) the Agency filed with the assessor and mailed to the chief executive officer of each "affected tax jurisdiction" (within the meaning of such quoted term in Section 854(16) of the Act) a copy of a New York State Board of Real Property Services Form 412-a (the form required to be filed by the Agency in order for the Agency to obtain a real property tax exemption with respect to the Project Facility under Section 412-a of the Real Property Tax Law) (the "Real Property Tax Exemption Form") relating to the Project Facility and the Payment in Lieu of Tax

Agreement, (D) the Agency and the Company executed and delivered a project benefits agreement dated as of October 1, 2011 (the "Project Benefits Agreement") relating to the granting of the Financial Assistance by the Agency to the Company, (E) the Agency executed and delivered to the Company a sales tax exemption letter (the "Sales Tax Exemption Letter") to ensure the granting of the sales tax exemption which forms a part of the Financial Assistance and (F) the Agency filed with the New York State Department of Taxation and Finance the form entitled "IDA Appointment of Project Operator or Agent for Sales Tax Purposes" (the form required to be filed pursuant to Section 874(9) of the Act) (the "Thirty-Day Sales Tax Report") (collectively, with the Lease Agreement, the "Basic Documents"); and

WHEREAS, by letter dated December 12, 2014 from the Company (see attached Exhibit A) and an application (the "Assignment Application") submitted by AFP 107 Corp., a Delaware business corporation (the "New Company"), to the Agency, the Agency has been requested (A) to consent to and approve the assignment to, and assumption by the New Company, of all of the Company's interest in the Project Facility and the Basic Documents, including but not limited to the benefits of the Lease Agreement and the Payment in Lieu of Tax Agreement and (B) to authorize the assumption by the New Company of all obligations of the Company under the Basic Documents, including, but not limited to the Payment in Lieu of Tax Agreement, the Lease Agreement and the Project Benefits Agreement, pursuant to an assignment and assumption agreement (the "Assignment and Assumption Agreement"); and

WHEREAS, pursuant to Section 9.1 of the Lease Agreement, the Company is prohibited from assigning the Lease Agreement or selling, leasing, transferring or otherwise conveying any part of the Project Facility without the prior written consent of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations" and collectively with the SEQR Act, "SEQRA"), the Agency must satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the above referenced (collectively, the "Assignment"); and

WHEREAS, pursuant to SEQRA, the Agency has examined the Assignment in order to make a determination as to whether the Assignment is subject to SEQRA, and, based on discussions with Agency Special Counsel, it appears that the Assignment constitutes a Type II action under SEQRA;

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

Section 1. Based upon an examination of the Assignment and discussions with Agency Special Counsel, the Agency hereby makes the following determinations:

(A) The Assignment constitutes a "Type II action" pursuant to 6 NYCRR 617.5(c)(23) and (26), and therefor that, pursuant to 6 NYCRR 617.6(a)(1)(i), the Agency has no further responsibilities under SEQRA with respect to the Assignment.

(B) That since compliance by the Agency with the Assignment will not result in the Agency providing more than \$100,000 of "financial assistance" (as such quoted term is defined in the Act) to the New Company, Section 859-a of the Act does not require a public hearing to be held with respect to the Assignment.

Section 2. The Agency hereby approves the Assignment and consents to (A) the assignment to, and assumption by, the New Company of all of the Company's interest in the Project Facility and the

Basic Documents, and (B) the assumption by the New Company of all obligations of the Company under the Basic Documents pursuant to the Assignment and Assumption Agreement; subject in each case, however to the following conditions: (1) receipt of confirmation that the “hold harmless agreement” of the Assignment Application has been fully executed by the New Company; (2) receipt of confirmation from the Agency that all payments due under the Project Benefits Agreement have been paid; (3) receipt of confirmation from the Agency that all reporting requirements of the Project Benefits Agreement have been received; (4) receipt of confirmation that all real property taxes and payments in lieu of taxes required by the Project have been satisfied; (5) receipt of confirmation from the Agency that no modifications shall result from the Assignment that result in any new tax relief for the Project (such as an extension of the term, increase in abatement or change in the Payment in Lieu of Tax Agreement); (6) compliance with the terms and conditions contained in the Assignment and Assumption Agreement and the Basic Documents; (7) approval by counsel to the Agency and Agency Special Counsel of the form of the documents to be executed by the Agency in connection with the Assignment, including the Assignment and Assumption Agreement and an estoppel (collectively, the “Assignment Documents”); (8) receipt by the Agency of its administrative fee relating to the Assignment and all fees and expenses incurred by the Agency with respect to the Assignment, including the fees and expenses incurred by Agency counsel and Agency Special Counsel with respect thereto; (9) that no mortgage tax exemption shall be granted by the Agency in connection with the execution and delivery of the Assignment and Assumption Agreement; and (10) the following additional conditions: _____.

Section 3. Subject to (A) satisfaction of the conditions contained in Section 2 hereof, including the condition that no modifications provide any new tax relief for the Project (such as an extension of the term, increase in abatement or change in the Payment in Lieu of Tax Agreement); and (B) the execution and delivery of the Assignment Documents by the other parties thereto, the Chairman (or Vice Chairman) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Assignment Documents, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in substantially the forms thereof approved by counsel to the Agency, with such changes, variations, omissions and insertions as the Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

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

Section 5. This Resolution shall take effect immediately.

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

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

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned, (Assistant) Secretary of the City of Albany Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on January 22, 2015, with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of the Agency and of such Resolution set forth therein and insofar as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 22nd day of January, 2015.

(Assistant) Secretary

(SEAL)

EXHIBIT A

LETTER

- SEE ATTACHED -



ROBERT G. WAKEMAN
DIRECT DIAL: (518) 788-9405
RWAKEMAN@CULLENANDDYKMAN.COM

December 12, 2014

City of Albany Industrial Development Agency
City of Albany Capital Resource Corporation
21 Lodge Street
Albany, New York 12207

Re: Albany Hotel, Inc.

Gentlemen:

In 2010, at the depths of the recession, the Crowne Plaza Hotel, the only full service hotel in downtown Albany, was in desperate straits. It had recently been acquired in a multi-state acquisition by a national investment company; however, the hotel (under prior ownership) had suffered a severe decline for many years. "Ownership" of the hotel was pursuant to a relatively short ground lease – set to expire in 2046. This ground lease discouraged further investment in the hotel because necessary and substantial capital investment could not be economically recovered in the short remaining term.

Yet, in order to retain a "brand" (such as "Crowne Plaza", or perhaps a more prestigious franchise, such as "Hilton"), a major capital investment, in the order of \$10,000,000 or more, would be necessary. Without such an investment, the Crowne Plaza would likely further decline, leaving the City without a legitimate full-service, downtown hotel.

In 2011, the new ownership of the Crowne Plaza (Albany Hotel, Inc.) began negotiations with Albany's Mayor Jennings and IDA leadership, including the IDA Treasurer, Kathy Shechan, staff at the City of Albany Economic Development Corp.; and special counsel, Joseph Scott, Esq. Discussions were frank, cordial and professional. Albany Hotel, Inc., advised the city that it was unable to justify the expense of renovations without substantial assistance. Albany Hotel was very clear that it was not compelled to do anything – this was purely up to the City.

Over a period of 8 months, the parties were able to structure an arrangement whereby Albany Hotel, Inc., committed to invest \$10,000,000 in upgrades to the hotel, exercise an option to acquire the land from the New York State Urban Development Corp. and, in return, the City agreed to various financial incentives, including a 30-year PILOT Agreement to stabilize the real estate tax burden on the property, to approximately \$365,000 per year initially, plus structured increases.

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BROOKLYN

LONG ISLAND

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WASHINGTON, D.C.

ALBANY

NEW JERSEY

CULLEN and DYKMAN LLP

December 12, 2014

Page 2

In 2012, with the agreements in place, this public-private partnership was effectuated. Albany Hotel completed the project by the spring of 2013, investing more than \$16,000,000. This capital investment was rewarded with a "Hilton" brand – a more prestigious brand, which has now allowed downtown Albany to capture far more conventions, seminars and visitors than ever before. I've attached a series of newspaper articles describing the progression of this project. I also enclose a narrative detailing the economic benefits of this project for the City.

This mutual effort by the City of Albany Economic Development Corp., the political leadership in Albany, and the owners of the Albany Hilton Hotel – has resulted in a major downtown success for which all can take justified pride.

Now the owners of the Albany Hotel have found a purchaser for the property. AFP 107 Corporation is an experienced operator who will retain the coveted "Hilton" brand and will also be investing some additional funds in the property. The purchaser seeks to assume the existing IDA Lease, the 30-year PILOT Agreement, and the Project Benefits Agreement. In the Lease, PILOT and Project Benefit Agreement, the IDA agreed not to "unreasonably" withhold its consent to an assignment and assumption of these benefits (Lease §9.1). New York jurisprudence is very clear that this language, in these circumstances, will clearly and unequivocally permit the proposed assignment without any additional financial charges or other requirements (See Astoria Bedding v. Northside, 239 AD2d 775 {3rd Dept., 1997}; Logan v. Audrey Lane, 34 AD2d 559, {2nd Dept., 2006}). I enclose the application for an assumption of the PILOT and the other documents referenced above, along with a check in the amount of \$1,500.00 for your fees.

Because Albany Hotel has met and exceeded all of its commitments, at significant economic risk, and because the result of the combined efforts by Albany's political leadership and the developer, is a major success story in the center of Albany's historic downtown, we expect a quick and enthusiastic approval of this request. We ask that all financial data contained in this transmittal be kept confidential under pertinent provisions of FOIL, as it is highly competitively sensitive, and its disclosure to our competitors could affect the profitability of the Albany Hilton Hotel. Thank you.

Very truly yours,

CULLEN and DYKMAN LLP



Robert G. Wakeman

RGW:mlr
Enclosures

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**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY
ANNUAL HOUSEKEEPING RESOLUTION 2015**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on January 22, 2015 at 12:15 p.m., local time.

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

PRESENT:

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

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Chief Executive Officer
Bradley Chevalier	Vice President, Director of Development, Capitalize Albany Corporation
Mark Opalka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Amy Gardner	Economic Development Assistant, Capitalize Albany Corporation
Chantel Burnash	Executive Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Agency Bond Counsel

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

RESOLUTION APPROVING CERTAIN APPOINTMENTS AND ADMINISTRATIVE MATTERS OF THE AGENCY.

WHEREAS, City of Albany Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, among others, for the purpose of promoting, attracting and developing

economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, under Section 858 of the Act, the Agency has the power to make certain appointments and approve certain administrative matters; and

WHEREAS, as provided in the Agency's by-laws and the Governance Committee Charter, the members of the Governance Committee have reviewed and made certain recommendations on the Agency policies; and

WHEREAS, the members of the Agency desire to make certain appointments and approve certain administrative matters;

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

Section 1. The Agency hereby takes the following actions:

(A) Approves the appointments and the administrative matters described in Schedule A attached hereto.

(B) Approves, ratifies and confirms the policies described in Schedule A and contained in the Agency's Policy Manual.

Section 2. The Agency hereby authorizes the Chairman and the Executive Director to take all steps necessary to implement the matters described in Schedule A attached.

Section 3. This Resolution shall take effect immediately.

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

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

The resolution was thereupon declared duly adopted.

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

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency held on January 22, 2015 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this _____ day of January, 2015.

(Assistant) Secretary

(SEAL)

SCHEDULE A

Confirmation of Regular Agency Meeting Schedule

Third Thursday of each month at 12:15 o'clock p.m., local time

Appointment of Chief Executive Officer and Staff to the Agency

Sarah Reginelli, Chief Executive Officer
Mark Opalka, Chief Financial Officer

Appointment of Accounting Firm of the Agency

Teal, Becker & Chiamonte, CPAs, P.C.

Appointment of Agency Counsel

John J. Reilly

Appointment of Bond Counsel to the Agency

Hodgson Russ LLP - A. Joseph Scott, III

Appointments to Governance Committee

Tracy Metzger, Chair
C. Anthony Owens
Robert T. Schofield

Appointments to Audit Committee

Susan Pedo, Chair
Hon. Darius Shahinfar
Dominick Calsolaro

Appointments to Finance Committee

C. Anthony Owens, Chair
Tracy Metzger
Susan Pedo
Hon. Darius Shahinfar
Lee Eck

Approval and Confirmation of Agency Policies

See Schedule A Attached Listing Agency Policies

Appointment of Contract Officer

Sarah Reginelli

Appointment of Investment Officer

Mark Opalka

SCHEDULE A

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¹ The payment dates for the annual administrative fees relating to 9% tax credit financings are moved from January 15 to January 1 for administrative purposes.