

Albany Industrial Development Agency

21 Lodge Street
Albany, New York 12207
Telephone: (518) 434-2532
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Tracy Metzger, *Chair*
Darius Shahinfar, *Treasurer*
Susan Pado, *Secretary*
C. Anthony Owens
Lee Eck
Dominick Calsolaro
Robert Schofield

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

To: Tracy Metzger
Darius Shahinfar
Susan Pado
Anthony Owens
Lee Eck
Dominick Calsolaro
Robert Schofield

Sarah Reginelli
John Reilly
Joe Scott
Mark Opalka
Brad Chevalier
Andy Corcione
Amy Gardner

Date: January 12, 2015

AGENDA

A meeting of the Finance Committee of the City of Albany Industrial Development Agency will be held on **Wednesday, January 14th at 12:15 PM** at 21 Lodge Street, Albany, NY 12207 (Conference Room)

Roll Call

Reading of Minutes of the Finance Committee Meeting of December 11th, 2014

Approval of Minutes of the Finance Committee Meeting of December 11th, 2014

Unfinished Business

— CDP Holland, LLC

New Business

— SUNY Associates, LLC
— Albany Hotel, Inc / AFP 107 Corp

Other Business

Adjournment

***The next regularly scheduled Finance Committee meeting will be held
Wednesday, February 11th at 21 Lodge Street, Albany, NY**

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Robert Schofield

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

IDA MINUTES OF FINANCE COMMITTEE MEETING

Thursday, December 11, 2014

Attending: Susan Pedo, C. Anthony Owens, Lee Eck and Darius Shahinfar

Absent: Tracy Metzger

Also Present: Dominick Calsolaro, Robert Schofield, Joseph Scott, Sarah Reginelli, Mark Opalka, Andy Corcione, Amy Gardner and Chantel Burnash

Acting Chairperson, C. Anthony Owens, called the Finance Committee meeting of the IDA to order at 12:08 PM.

Roll Call

Acting Chairperson, C. Anthony Owens, reported that all Committee members were present with the exception of Tracy Metzger.

Reading of Minutes of the Finance Committee Meeting of November 13, 2014

Since the minutes of the November 13, 2014 meeting had been distributed to the Committee members in advance for review, acting Chairperson, C. Anthony Owens made a proposal to dispense with the reading of the minutes.

Approval of Minutes of the Finance Committee Meeting of November 13, 2014

Acting Chairperson C. Anthony Owens made a proposal to approve the minutes of the Finance Committee meeting of November 13, 2014 as presented. A motion to accept the minutes, as presented, was made by Darius Shahinfar and seconded by Anthony Owens. A vote being taken, the minutes were accepted unanimously.

Unfinished Business

CDP Holland LLC

Bill Hoblock representing the project CDP Holland LLC gave a presentation providing the Committee with a reintroduction to the project. A public hearing for the project was held in March, in the interim, the project has been working through land use approvals. The approval process was delayed after the discovery of a large sewer line on the property causing a shift in the building position to avoid the line. The project will involve the demolition of the building at 25 Holland Avenue. A seven story apartment

building with 125 market rate units built in place of the demolished building. The project will include structured parking. The Applicant is seeking financial assistance, specifically: sales and use tax exemption; mortgage recording tax exemption, and real property tax abatement.

The Eleftheria Properties LLC Discussion

Staff advised the Committee that the project had been discussed extensively at the previous Finance Committee meeting. Staff reviewed their conversations with the potential lender and the lender's desire to see project stabilization support through the use of a short-term real property tax abatement. Staff reiterated, that from the completion of initial due diligence, that part of the project's long term financial feasibility was the result of the estimated total assessment of \$60,000 per unit after project completion that the Assessor provided to the developer. Also the land acquisition and estimated construction costs effect on the project's financial feasibility were discussed. The projects adjacency to a distressed census tract was discussed.

A motion to move the project to the full Board for consideration was made by Darius Shahinfar and seconded by Susan Peto. A vote being taken the motion passed unanimously.

New Business

None

Other Business

Staff Update

Chantel Burnash the new executive assistant was introduced to the Finance Committee.

There being no further business, Acting Chairperson C. Anthony Owens adjourned the meeting at 1:10 PM.

Respectfully submitted,

(Assistant) Secretary

TO: City of Albany Industrial Development Finance Committee

FROM: City of Albany Industrial Development Agency Staff

RE: CDP Holland, LLC – Preliminary Project Summary

DATE: January 12, 2015

Staff Notes:

This project summary is in response to the request for financial assistance by the Applicant which was introduced at the February 12th, 2014 Finance Committee meeting. The project was subsequently discussed at the February 20th, 2014 Board meeting. A public hearing on this project was held on March 20th, 2014. The project was subsequently discussed at the December 11th, 2014 Finance Committee meeting. The Applicant has submitted a revised PILOT request that modifies the framework and abatement schedules for the review and consideration by the Finance Committee. Please note this project summary will continue to be updated as the project progresses through staff review and Agency consideration.

Applicant: CDP Holland, LLC

Managing Members (% of Ownership): Laurence Roth (50.0%), Simon J. Milde (15.0%), James J. Flood (15.0%), Larry Baucom (15.0%)

Project Location: 25 Holland Avenue (including 19 Holland Avenue and 1 Cortland Street)

Project Description: The Applicant proposes acquiring approximately 1.1 acres of land. The Applicant proposes demolishing the existing structures, including a 33 unit apartment building built in 1940 that once served as a dormitory for the Albany College of Pharmacy. The Applicant proposes constructing approximately 125 market rate apartments with 170 structured parking spaces. The Project will offer one and two bedroom apartments ranging from approximately 700 SF to over 1,000 SF. The apartments will include designer kitchens, quality finishes, in-unit laundry (with washer and dryer), private balconies, etc. Amenities will include a fitness center, yoga/exercise studio, billiards room, private movie theatre, swimming pool, and a roof top deck.

Estimated Project Cost: \$22,973,698

Type of Financing: Straight Lease

Amount of Bonds Requested: None

Estimated Total Purchases Exempt from Sales Tax: \$9,589,849

Estimated Total Mortgage Amount: \$17,230,273

Current Total Assessment: \$1,316,200 (per discussion with Commissioner of Assessment & Taxation)

Estimated Improved Total Assessment: \$12,500,000 (per discussion with Commissioner of Assessment & Taxation)

Requested PILOT: Applicant proposes entering into a PILOT agreement with the IDA. *Please see attached, for initial discussion, the Applicant PILOT schedules and Staff's PILOT analysis.*

Estimated Value of Total PILOT Payments:

- Total PILOT Payments: *Please see attached, for initial discussion, the Applicant PILOT schedules and Staff's PILOT analysis.*

Estimated Value of Tax Exemptions:

- NYS Sales and Compensating Use Tax: \$767,187
- Mortgage Recording Taxes: \$215,378
- Real Property Taxes: *Please see attached Applicant provided PILOT Schedule for initial discussion.*
- Other: N/A

Employment Impact:

- Projected Permanent: (4) new jobs
- Projected Construction: (175) jobs

Strategic Initiatives:

- Albany 2030
 - Increase job opportunities for all residents.
 - Encourage investment in urban land and buildings for employment and housing.
 - Provide a variety of housing types to meet the varied needs of Albany's households, including market, moderate and low income housing.
 - Encourage diverse intergenerational housing. Diverse housing includes options for residents throughout different stages of life (e.g. students, couples, families with children, seniors) in the same neighborhood.

Planning Board Actions:

- Issued a Negative Declaration for this Unlisted Action as per the provisions of SEQR on 11/21/13.
- Approved the site plan on 11/21/13 with the following conditions:
 - Dialogue with the applicant shall remain open regarding the proposed architecture design of the structure and the building materials utilized.
 - Improvements proposed to the Cortland Street right-of-way shall be approved by the Division of Engineering.
 - The applicant shall adhere to the conditions of approval specified within the November 21, 2013 memorandum of the Traffic Engineering Unit.

Estimated IDA Fee

- Fee amount: \$229,737

Mission

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

The Gallery on Holland
Proposed PILOT Analysis

125 Assessed Value
750 \$12,500,000

City and County Tax		School Tax		Estimated Tax Rate	Est. Taxes With PILOT		Est. Taxes Without PILOT		Est. Abatement	Est. % Abatement
PILOT Year	Year	Year	Year							
1 (Construction)	2014	2013/2014	2014	46.8643	\$	52,096	\$	52,095.72	\$	0%
2 (Construction)	2015	2014/2015	2015	47.8016	\$	53,138	\$	53,137.64	\$	0%
3 (Lease-Up)	2016	2015/2016	2016	48.7576	\$	54,200	\$	54,200.39	\$	0%
4	2017	2016/2017	2017	49.7328	\$	93,750	\$	621,659.63	\$	85%
5	2018	2017/2018	2018	50.7274	\$	93,750	\$	634,092.82	\$	85%
6	2019	2018/2019	2019	51.7420	\$	93,750	\$	646,774.67	\$	86%
7	2020	2019/2020	2020	52.7768	\$	93,750	\$	659,710.17	\$	86%
8	2021	2020/2021	2021	53.8323	\$	93,750	\$	672,904.37	\$	86%
9	2022	2021/2022	2022	54.9090	\$	93,750	\$	686,362.46	\$	86%
10	2023	2022/2023	2023	56.0072	\$	93,750	\$	700,089.71	\$	87%
11	2024	2023/2024	2024	57.1273	\$	93,750	\$	714,091.50	\$	87%
12	2025	2024/2025	2025	58.2699	\$	93,750	\$	728,373.33	\$	87%
13	2026	2025/2026	2026	59.4353	\$	93,750	\$	742,940.80	\$	87%
14	2027	2026/2027	2027	60.6240	\$	93,750	\$	757,799.62	\$	88%
15	2028	2027/2028	2028	61.8364	\$	93,750	\$	772,955.61	\$	88%
16	2029	2028/2029	2029	63.0732	\$	258,791	\$	788,414.72	\$	67%
17	2030	2029/2030	2030	64.3346	\$	258,791	\$	804,183.01	\$	68%
18	2031	2030/2031	2031	65.6213	\$	258,791	\$	820,266.67	\$	68%
19	2032	2031/2032	2032	66.9338	\$	258,791	\$	836,672.01	\$	69%
20	2033	2032/2033	2033	68.2724	\$	258,791	\$	853,405.45	\$	70%
21	2034	2033/2034	2034	69.6379	\$	258,791	\$	870,473.56	\$	70%
22	2035	2034/2035	2035	71.0306	\$	258,791	\$	887,883.03	\$	71%
23	2036	2035/2036	2036	72.4513	\$	258,791	\$	905,640.69	\$	71%
								11,909,362.62		

Notes:

- 1) Tax escalator of 2% used.
- 2) Total unit count of 125 used.
- 3) Current assessed value is \$1,106,700.
- 4) Estimated assessed value upon completion and stabilization is \$12,500,000 (i.e. \$100,000 per unit).
- 5) The assessed value in the first 3 years remains as currently assessed to take demolition, construction and lease-up into account.
- 6) In the 12 years following construction and lease-up (i.e. years 4-15), taxes on a per unit basis are \$750 per unit.
- 7) In the following 8 years (i.e. years 16-23), taxes on a per unit basis are \$2,070 per unit.
- 8) The basis of the \$2,070 per unit tax structure is 11.5% of gross rental revenue.

The Gallery on Holland
Revised Proposed PILOT Analysis (11/25/14)

Units 125

				Estimated <i>Assumes 2% esc</i>											
City & County		School Tax		Estimated		Estimated	Estimated	Total Taxes	Estimated		Estimated	Estimated	% Abatement	% Abatement	
PILOT Year	Tax Year	Year	Tax Rate	Total	Estimated	Total Improved	Total Taxes	w/o PILOT	PILOT	Estimated	PILOT pmts	Abatement	on Total	on Improved	
				Assessment	Total Taxes	Assessment	w/o PILOT	Per Unit	Payments	Abatement	per Unit	per Unit	Assessment	Assessment	
Interim	2016	2015-16	48.75	\$ 1,316,200	\$ 64,165		\$ -	\$ -		\$ -	\$ -	\$ -			
1	2017	2016-17	49.73	\$ 1,316,200	\$ 65,455	\$ 12,500,000	\$ 621,625	\$ 4,973	\$ 82,750	\$ 538,875	\$ 662	\$ 4,311	86.69%	96.89%	
2	2018	2017-18	50.72	\$ 1,316,200	\$ 66,758	\$ 12,500,000	\$ 634,000	\$ 5,072	\$ 84,405	\$ 549,595	\$ 675	\$ 4,397	86.69%	96.89%	
3	2019	2018-19	51.74	\$ 1,316,200	\$ 68,100	\$ 12,500,000	\$ 646,750	\$ 5,174	\$ 86,093	\$ 560,657	\$ 689	\$ 4,485	86.69%	96.89%	
4	2020	2019-20	52.77	\$ 1,316,200	\$ 69,456	\$ 12,500,000	\$ 659,625	\$ 5,277	\$ 87,815	\$ 571,810	\$ 703	\$ 4,574	86.69%	96.89%	
5	2021	2020-21	53.83	\$ 1,316,200	\$ 70,851	\$ 12,500,000	\$ 672,875	\$ 5,383	\$ 100,900	\$ 571,975	\$ 807	\$ 4,576	85.00%	95.01%	
6	2022	2021-22	54.90	\$ 1,316,200	\$ 72,259	\$ 12,500,000	\$ 686,250	\$ 5,490	\$ 102,918	\$ 583,332	\$ 823	\$ 4,667	85.00%	95.01%	
7	2023	2022-23	56.00	\$ 1,316,200	\$ 73,707	\$ 12,500,000	\$ 700,000	\$ 5,600	\$ 140,000	\$ 560,000	\$ 1,120	\$ 4,480	80.00%	89.42%	
8	2024	2023-24	57.12	\$ 1,316,200	\$ 75,181	\$ 12,500,000	\$ 714,000	\$ 5,712	\$ 164,200	\$ 549,800	\$ 1,314	\$ 4,398	77.00%	86.07%	
9	2025	2024-25	58.26	\$ 1,316,200	\$ 76,682	\$ 12,500,000	\$ 728,250	\$ 5,826	\$ 203,900	\$ 524,350	\$ 1,631	\$ 4,195	72.00%	80.48%	
10	2026	2025-26	59.43	\$ 1,316,200	\$ 78,222	\$ 12,500,000	\$ 742,875	\$ 5,943	\$ 222,850	\$ 520,025	\$ 1,783	\$ 4,160	70.00%	78.24%	
11	2027	2026-27	60.62	\$ 1,316,200	\$ 79,788	\$ 12,500,000	\$ 757,750	\$ 6,062	\$ 242,500	\$ 515,250	\$ 1,940	\$ 4,122	68.00%	76.00%	
12	2028	2027-28	61.83	\$ 1,316,200	\$ 81,381	\$ 12,500,000	\$ 772,875	\$ 6,183	\$ 262,800	\$ 510,075	\$ 2,102	\$ 4,081	66.00%	73.76%	
13	2029	2028-29	63.07	\$ 1,316,200	\$ 83,013	\$ 12,500,000	\$ 788,375	\$ 6,307	\$ 283,800	\$ 504,575	\$ 2,270	\$ 4,037	64.00%	71.53%	
14	2030	2029-30	64.33	\$ 1,316,200	\$ 84,671	\$ 12,500,000	\$ 804,125	\$ 6,433	\$ 305,000	\$ 499,125	\$ 2,440	\$ 3,993	62.07%	69.38%	
15	2031	2030-31	65.62	\$ 1,316,200	\$ 86,369	\$ 12,500,000	\$ 820,250	\$ 6,562	\$ 319,900	\$ 500,350	\$ 2,559	\$ 4,003	61.00%	68.18%	
16	2032	2031-32	66.93	\$ 1,316,200	\$ 88,093	\$ 12,500,000	\$ 836,625	\$ 6,693	\$ 351,400	\$ 485,225	\$ 2,811	\$ 3,882	58.00%	64.82%	
17	2033	2032-33	68.27	\$ 1,316,200	\$ 89,857	\$ 12,500,000	\$ 853,375	\$ 6,827	\$ 358,428	\$ 494,947	\$ 2,867	\$ 3,960	58.00%	64.82%	
18	2034	2033-34	69.63	\$ 1,316,200	\$ 91,647	\$ 12,500,000	\$ 870,375	\$ 6,963	\$ 365,597	\$ 504,778	\$ 2,925	\$ 4,038	58.00%	64.82%	
19	2035	2034-35	71.02	\$ 1,316,200	\$ 93,477	\$ 12,500,000	\$ 887,750	\$ 7,102	\$ 372,908	\$ 514,842	\$ 2,983	\$ 4,119	57.99%	64.82%	
20	2036	2035-36	72.44	\$ 1,316,200	\$ 95,346	\$ 12,500,000	\$ 905,500	\$ 7,244	\$ 407,500	\$ 498,000	\$ 3,260	\$ 3,984	55.00%	61.47%	
21	2037	2036-37	73.89	\$ 1,316,200	\$ 97,254	\$ 12,500,000	\$ 923,625	\$ 7,389	\$ 415,650	\$ 507,975	\$ 3,325	\$ 4,064	55.00%	61.47%	
22	2038	2037-38	75.37	\$ 1,316,200	\$ 99,202	\$ 12,500,000	\$ 942,125	\$ 7,537	\$ 423,963	\$ 518,162	\$ 3,392	\$ 4,145	55.00%	61.47%	
Permanent	2039	2038-39	76.88	\$ 1,316,200	\$ 101,189	\$ 12,500,000	\$ 961,000	\$ 7,688							

CDP Holland, LLC - Analysis of Applicant's Revised Proposed PILOT															
PILOT Year	City and County Tax Year	School Tax Year	Tax Rate ⁽⁶⁾	Status Quo		Normal Tax			Proposed Project						
						Estimated Total Improved Assessment ⁽⁹⁾	Estimated Total Taxes w/o PILOT ⁽¹⁰⁾	Estimated Total Taxes w/o PILOT Per Unit ⁽¹¹⁾	PILOT Payments to be the Greater of ⁽¹²⁾		Estimated Abatement ⁽¹⁵⁾	Estimated PILOT Payments Per Unit ⁽¹⁶⁾	Estimated Abatement Per Unit ⁽¹⁷⁾	% Abatement on Total Assessment ⁽¹⁸⁾	% of Abatement on Improved Assessment ⁽¹⁹⁾
				Estimated PILOT Payments ⁽¹³⁾	Estimated PILOT Payments ⁽¹⁴⁾										
Interim ⁽¹⁾	2015	2014/2015	\$47.93	\$1,316,000	\$63,076	-	-	-	-	-	-	-	-	-	-
Interim ⁽¹⁾	2016	2015/2016	\$48.89	\$1,316,200	\$64,347	-	-	-	-	-	-	-	-	-	-
1 ⁽³⁾	2017	2016/2017	\$49.87	\$1,316,199	\$65,634	\$12,500,000	\$623,330	\$4,987	\$82,978	Not applicable	\$540,351	\$664	\$4,323	86.69%	96.89%
2	2018	2017/2018	\$50.86	\$1,316,200	\$66,947	\$12,500,000	\$635,796	\$5,086	\$84,638	Not applicable	\$551,158	\$677	\$4,409	86.69%	96.89%
3	2019	2018/2019	\$51.88	\$1,316,200	\$68,286	\$12,500,000	\$648,512	\$5,188	\$86,331	Not applicable	\$562,181	\$691	\$4,497	86.69%	96.89%
4	2020	2019/2020	\$52.92	\$1,316,200	\$69,651	\$12,500,000	\$661,482	\$5,292	\$88,057	Not applicable	\$573,425	\$704	\$4,587	86.69%	96.89%
5	2021	2020/2021	\$53.98	\$1,316,200	\$71,044	\$12,500,000	\$674,712	\$5,398	\$101,167	Not applicable	\$573,545	\$809	\$4,588	85.01%	95.01%
6	2022	2021/2022	\$55.06	\$1,316,200	\$72,465	\$12,500,000	\$688,206	\$5,506	\$103,191	Not applicable	\$585,015	\$826	\$4,680	85.01%	95.01%
7	2023	2022/2023	\$56.16	\$1,316,200	\$73,915	\$12,500,000	\$701,970	\$5,616	\$140,363	Not applicable	\$561,607	\$1,123	\$4,493	80.00%	89.42%
8	2024	2023/2024	\$57.28	\$1,316,200	\$75,393	\$12,500,000	\$716,010	\$5,728	\$164,631	Not applicable	\$551,379	\$1,317	\$4,411	77.01%	86.07%
9	2025	2024/2025	\$58.43	\$1,316,200	\$76,901	\$12,500,000	\$730,330	\$5,843	\$204,450	Not applicable	\$525,880	\$1,636	\$4,207	72.01%	80.48%
10	2026	2025/2026	\$59.59	\$1,316,200	\$78,439	\$12,500,000	\$744,937	\$5,959	\$223,469	Not applicable	\$521,468	\$1,788	\$4,172	70.00%	78.24%
11	2027	2026/2027	\$60.79	\$1,316,200	\$80,008	\$12,500,000	\$759,835	\$6,079	\$243,166	Not applicable	\$516,669	\$1,945	\$4,133	68.00%	76.00%
12	2028	2027/2028	\$62.00	\$1,316,200	\$81,608	\$12,500,000	\$775,032	\$6,200	\$263,562	Not applicable	\$511,470	\$2,108	\$4,092	65.99%	73.76%
13 ⁽³⁾	2029	2028/2029	\$63.24	\$1,316,200	\$83,240	\$12,500,000	\$790,533	\$6,324	\$284,606	Not applicable	\$505,927	\$2,277	\$4,047	64.00%	71.53%
14	2030	2029/2030	\$64.51	\$1,316,200	\$84,905	\$12,500,000	\$806,343	\$6,451	\$305,809	11.5% of Project Gross Revenue	\$500,534	\$2,446	\$4,004	62.07%	69.38%
15	2031	2030/2031	\$65.80	\$1,316,200	\$86,603	\$12,500,000	\$822,470	\$6,580	\$320,756	11.5% of Project Gross Revenue	\$501,714	\$2,566	\$4,014	61.00%	68.18%
16	2032	2031/2032	\$67.11	\$1,316,200	\$88,335	\$12,500,000	\$838,920	\$6,711	\$352,391	11.5% of Project Gross Revenue	\$486,529	\$2,819	\$3,892	57.99%	64.82%
17	2033	2032/2033	\$68.46	\$1,316,200	\$90,102	\$12,500,000	\$855,698	\$6,846	\$359,438	11.5% of Project Gross Revenue	\$496,260	\$2,876	\$3,970	57.99%	64.82%
18	2034	2033/2034	\$69.82	\$1,316,200	\$91,904	\$12,500,000	\$872,812	\$6,982	\$366,627	11.5% of Project Gross Revenue	\$506,185	\$2,933	\$4,049	57.99%	64.82%
19	2035	2034/2035	\$71.22	\$1,316,200	\$93,742	\$12,500,000	\$890,268	\$7,122	\$373,960	11.5% of Project Gross Revenue	\$516,309	\$2,992	\$4,130	57.99%	64.82%
20	2036	2035/2036	\$72.65	\$1,316,200	\$95,617	\$12,500,000	\$908,074	\$7,265	\$408,656	11.5% of Project Gross Revenue	\$499,417	\$3,269	\$3,995	55.00%	61.47%
21	2037	2036/2037	\$74.10	\$1,316,201	\$97,529	\$12,500,001	\$926,235	\$7,410	\$416,829	11.5% of Project Gross Revenue	\$509,406	\$3,335	\$4,075	55.00%	61.47%
22 ⁽⁴⁾	2038	2037/2038	\$75.58	\$1,316,201	\$99,480	\$12,500,000	\$944,760	\$7,558	\$425,166	11.5% of Project Gross Revenue	\$519,594	\$3,401	\$4,157	55.00%	61.47%
Permanent ⁽⁵⁾	2039	2038/2039	\$77.09	\$1,316,200	\$101,469	\$12,500,000	\$963,655	\$7,709	-	-	-	-	-	-	-
Estimated Total ⁽²⁰⁾					\$1,791,745		\$17,016,266		\$5,400,243		\$11,616,023				
Notes:															
(1) Property will likely be taxable until March 1st, 2016. Project would likely close with Agency in May or June of 2015.															
(2) Estimated start of PILOT payments.															
(3) Beginning of PILOT Payments to be the Greater of Scenario.															
(4) Estimated end of PILOT payments assuming Applicant's PILOT request.															
(5) Property returns to taxable status.															
(6) Estimated tax rate (does not include any special ad volereum taxes that are still payable under PILOT) based on City and County 2015 tax year and School 2014/2015 tax year with estimated escalation of 2.0% thereafter. DOES NOT INCLUDE LIBRARY TAX RATES THAT ARE STILL PAYABLE.															
(7) Per Commissioner of Department of Assessment & Taxation.															
(8) Estimated taxes if proposed project did not occur (i.e. left status quo). DOES NOT INCLUDE LIBRARY TAXES THAT ARE STILL PAYABLE.															
(9) Per Commissioner of Department of Assessment & Taxation based on estimate of \$100,000 per unit (inc. land and improvement assessment value). Assessment value is <u>not</u> fixed.															
(10) Estimated taxes if proposed project occurred without PILOT assistance. DOES NOT INCLUDE LIBRARY TAXES THAT ARE STILL PAYABLE. PLEASE NOTE THAT AS SHOWN VIA RESEARCH, TAXES (INC. BID AND LIBRARY) ARE 2X OR HIGHER WHAT MULTIFAMILY PROJECTS CAN SUPPORT.															
(11) Estimated taxes <u>Per Unit</u> if proposed project occurred without PILOT assistance. DOES NOT INCLUDE LIBRARY TAXES THAT ARE STILL PAYABLE.															
(12) PILOT Payments in Years 1-13 will be calculated by the schedule listed for Percent Abatement on Improved Assessment. Starting in Year 14 the PILOT Payments will be calculated as the greater of the Percent Abatement on Improved Assessment or 11.5% of Project Gross Revenue.															
(13) Estimated PILOT Payments assuming Applicant PILOT request. DOES NOT INCLUDE LIBRARY TAXES THAT ARE STILL PAYABLE.															
(14) Estimated PILOT Payments assuming Applicant PILOT request. DOES NOT INCLUDE LIBRARY TAXES THAT ARE STILL PAYABLE.															
(15) Difference of Estimated PILOT Payments from Estimated Total Taxes w/o PILOT assuming Applicant PILOT request.															
(16) Estimated PILOT Payments <u>Per Unit</u> assuming Applicant PILOT request. DOES NOT INCLUDE LIBRARY TAXES THAT ARE STILL PAYABLE.															
(17) Difference of Estimated PILOT Payments <u>Per Unit</u> from Estimated Total Taxes w/o PILOT <u>Per Unit</u> assuming Applicant PILOT request.															
(18) Percent Abatement on Total Assessment via PILOT assuming Applicant PILOT request.															
(19) Percent Abatement on Improved Assessment via PILOT assuming Applicant PILOT request.															
(20) Totals for comparison and analysis during PILOT agreement period only.															

Analysis is ONLY an estimate

MEMO

TO: City of Albany Industrial Development Agency Finance Committee
FROM: City of Albany Industrial Development Agency Staff
RE: SUNY Associates, LLC
DATE: January 12, 2015

Staff has received an initial application from SUNY Associates, LLC.

The Applicant is seeking financial assistance from the Agency in the form of a sales and use tax exemption; mortgage recording tax exemption, and real property tax exemption.

Staff puts the application listed above before the Committee for initial discussion and direction. The Applicant would like the Committee to recommend a public hearing resolution with the understanding that the application will require further discussion and potential refinement.

SUNY Associates LLC
910 Harvest Drive
Suite 105
Blue Bell, PA 19422

January 5, 2015

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

RE: Request for IDA Assistance for 1475 Washington Avenue – University Suites Project

Dear Ms. Metzger:

Attached is a completed application, as well as the appropriate supplementary material required by the City of Albany Industrial Development Agency for the consideration of financial assistance associated with the University Suites development project located at 1475 Washington Avenue.

The proposed University Suites project is a modern four-story student housing complex consisting of approximately 271 beds (118 units) over an approximately 145-space parking podium. University Suites represents the next-generation of privatized student housing, offering prospective residents enhanced student life and safety, all within walking distance of campus.

SUNY Associates LLC seeks assistance from the IDA in the form of a sales tax exemption, mortgage recording tax exemption, and real property tax exemption.

Without the requested assistance from the IDA, the proposed project fails to meet the risk-adjusted return thresholds of our investors. The subject property, as zoned and subject to approved special use permits, has a use restriction limiting the occupants to enrolled students only. This use restriction significantly narrows the market for prospective residents and commensurately increases the risk associated with the investment. The assistance requested from the IDA (i) effectively reduces the capitalized development costs, thus increasing the project returns to acceptable risk-adjusted levels, and (ii) alleviates the lease-up risk through real property tax exemption in the early operating years. With the assistance of the IDA, this project will transform 1475 Washington Avenue from a vacant parcel of land to a vibrant student community that will have a positive fiscal and economic impact on the local community through job creation, substantial incremental real property taxes, and economic output. This privatized, tax-generating student housing development seeks to maximize value for all community stakeholders.

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

Sincerely,

Jon Grant

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: SUNY Associates, LLC

APPLICANT'S ADDRESS: 910 Harvest Drive, Suite 105

CITY: Blue Bell STATE: PA ZIP CODE: 19422

PHONE NO.: 215-540-0505 FAX NO.: _____ E-MAIL: jzeisler@cap-sol.com

NAME OF PERSON(S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO
THIS APPLICATION: Jared Zeisler, Patrick Rhodes, Donald Zee, Jon Grant

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

NAME OF ATTORNEY: Donald Zee

ATTORNEY'S ADDRESS: 11 Winners Circle, Suite 140

CITY: Albany STATE: NY ZIP CODE: 12205

PHONE NO.: 518-489-9423 FAX NO.: 518-489-9428 E-MAIL: donaldzee@msn.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 eight (8) copies 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: SUNY Associates, LLC

Contact Person: Jared Zeisler

Phone Number: 215-540-0505

Occupant: Owned and operated by the Applicant

Project Location: 1475 Washington Avenue, Albany, NY

Approximate Size of Project Site: 1.0 AC

Description of Project: A to-be-constructed four-story student housing complex consisting of approximately 271 student housing beds (118 units) over an approximately 145-space parking podium.

Type of Project: ☐ Manufacturing ☐ Warehouse/Distribution
☐ Commercial ☐ Not-For-Profit
☒ Other-Specify [student housing]

Employment Impact: Existing Jobs 0

New Jobs 90 construction jobs, 7 ongoing FTE jobs on-site (5 during lease-up)

Project Cost: \$27,500,000

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

Amount of Bonds Requested: \$ N/A

Estimated Value of Tax-Exemptions:

N.Y.S. Sales and Compensating Use Tax:	\$720,000 (est.)
Mortgage Recording Taxes:	\$240,625 (est.)
Real Property Tax Exemptions:	\$1,430,000 (present value, rounded)
Other (please specify):	\$ _____

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

A. Identity of Company:

1. Company Name: SUNY Associates, LLC

Present Address: 910 Harvest Drive, Suite 105, Blue Bell, PA

Zip Code: 19422

Employer's ID No.: 47-2207012
2. If the Company differs from the Applicant, give details of relationship: N/A
3. Indicate type of business organization of Company:
 - a. _____ Corporation (If so, incorporated in what country?
What State? _____ Date Incorporated? _____ Type of
Corporation? _____ Authorized to do business in New York?
Yes ____; No ____).
 - b. _____ Partnership (if so, indicate type of partnership _____,
Number of general partners ____, Number of limited partners ____).
 - c. ☒ Limited liability company,
Date created? 10/29/14
 - 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: No

B. Management of Company:

1. List all owners, officers, members, directors and partners (complete all columns for each person): See principal owners of the Company below.

NAME (First, Middle, Last) HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
N/A	N/A	N/A

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

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

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 ____.
(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 ¹
Jon Grant	3714 Ramsgate Drive Annapolis, MD 21403	40.0%
Frank Seidman	648 Church Rd., Flourtown, PA 19031	10.25%
Frank Seidman Irr. Family Trust	648 Church Rd., Flourtown, PA 19031	10.25%
Nimish & Niti Sangrajkah ATBE	1320 Mcauley Ct., Lower Gwynedd, PA 19002	22.28%
Jared Zeisler	230 Carson Terrace, Huntington Valley, PA 19006	9.80%
Fran & Kristina Donato ATBE	4336 Annandale Dr., Schwenksville, PA 19473	6.83%
Jessica Starkey	122 Farview Avenue, Eagleville, PA 19403	0.60%

1. Ownership structure subject to change based on final capital structure.

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

TD Bank

II. DATA REGARDING PROPOSED PROJECT

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

A to-be-constructed four-story student housing complex consisting of approximately 271 student housing beds (118 units) over an approximately 145-space parking podium.

See attached narrative for more information.

B. Location of Proposed Project:

1. Street Address 1475 Washington Avenue
2. City of Albany
3. Town of N/A
4. Village of N/A
5. County of Albany

C. Project Site:

1. Approximate size (in acres or square feet) of Project site: +/- 1.0 AC
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: N/A
 - b. Are existing buildings in operation? Yes ____; No X.
If yes, describe present use of present buildings: N/A
 - c. Are existing buildings abandoned? Yes ____; No _____. About to be abandoned? Yes ____; No _____. If yes, describe: N/A
 - d. Attach photograph of present buildings. Site images attached.
3. Utilities serving project site:
Water-Municipal: Yes
Other (describe)
Sewer-Municipal: Yes
Other (describe)
Electric-Utility: Yes
Other (describe)
Heat-Utility:
Other (describe)
4. Present legal owner of project site:
 - a. If the Company owns project site, indicate date of purchase: _____, 20____; Purchase price: \$_____. N/A
 - b. If Company does not own the Project site, does Company have option signed with owner to purchase the Project site? Yes X; No _____. If yes, indicate date option signed with owner: March 13, 2014, amended October 2014; and the date the option expires: extension options.
 - 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 X; No _____. If yes, describe:
5. a. Zoning District in which the project site is located:

C-2 – Highway Commercial

- 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:

Special Use Permit (§375-73C), Area Variances (§375-73D) and a Parking Lot Permit (§375-174) to allow for construction of a four (4)-story, 292-bed student housing structure (SRO) to a height of +/- 50 feet, with lot coverage of +/- 86%, a front yard setback of +/- three (3) feet, a rear yard setback of +/- zero (0) feet and an accessory parking area for +/- 145 vehicles.

Approved w/ conditions on December 10, 2014

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:

Stories: 4-levels above a parking podium
Gross floor area: +/- 183,750 SF
Units: 118 units
Beds: 271 beds

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: Ownership and operations of a rental student housing complex.

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:

Furniture, fixtures and equipment related to the common areas of the building and individual units.

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 provided detail:

3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed:

Building décor and everyday utilization by rental residents.

F. Project Use:

1. What are the principal products to be produced at the Project?

Student rental housing

2. What are the principal activities to be conducted at the Project?

Student rental housing

3. Does the Project include facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities? Yes X ; No. If yes, please provide detail:

Student rental housing

4. If the answer to question 3 is yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project? 100%

5. If the answer to question 3 is yes, and the answer to question 4 is more than 33.33%, indicate whether any of the following apply to the Project:

a. Will the Project be operated by a not-for-profit corporation? Yes____; No X. If yes, please explain:

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

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

d. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonable 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:

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: _____

Contiguous to census tract 7

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:

The project is expected to generate 7 new ongoing FTEs working on-site at stabilization.

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 on 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 Planning Board, City of Albany Board of Zoning Appeals, City of Albany Water Board, New York State Department of Transportation, City of Albany Department of Buildings and Regulatory Compliance

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

Municipal zoning and planning board approval; local building permit approval; adequate public facilities.

H. Construction Status:

1. Has construction work on this Project begun? Yes ____; No X. If yes, please discuss in detail the approximate extent of construction and the extent of completion.

Indicate in your answer whether such specific steps have been completed as site clearance and preparation; completion of foundations; installation of footings; etc.:

2. Please indicate amount of funds expended on this Project by the Company in the past three (3) years and the purposes of such expenditures: Approximately \$275k has been spent to date on land deposits, due diligence, legal fees, surveys, traffic studies, market studies, environmental studies, architecture, engineering, approvals, fees and other predevelopment expenses.

I. Method of Construction After Agency Approval:

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

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

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

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

Individual units and/or bedrooms will be leased to students on an annual or 9-month basis.

1. Sublessee name: N/A
Present Address:
City: _____ State: _____ Zip: _____
Employer's ID No.: _____
Sublessee is: _____ Corporation: _____ Partnership: _____ Sole Proprietorship
Relationship to Company:

Percentage of Project to be leased or subleased:

Use of Project intended by Sublessee:

Date of lease or sublease to Sublessee:

Term of lease or sublease to Sublessee:

Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes ____; No _____. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

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

B. What percentage of the space intended to be leased or subleased is now subject to a binding written lease or sublease? None

IV. Employment Impact

A. Indicate below the number of people presently employed at the project site and the number that will be employed at the project site at end of the first and second years after the Project has been completed (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 – ONGOING OPERATIONS					
	PROFESSIONAL MANAGERIAL	SKILLED	SEMI- SKILLED	UNSKILLED	TOTALS
Present Full Time	N/A	N/A	N/A	N/A	N/A
Present Part Time	N/A	N/A	N/A	N/A	N/A
Present Seasonal	N/A	N/A	N/A	N/A	N/A
First Year Full Time	2 (Full-Time)	0	0	3 (FTEs)	5
First Year Part Time					
First Year Seasonal					
Second Year Full Time	2 (Full-Time)	1 (Full- Time)	1 (FTE)	3 (FTEs)	7
Second Year Part Time					
Second Year Seasonal					

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

V. Project Cost

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

<u>Description of Cost</u>	<u>Amount</u>
Land	\$1,300,000
Buildings	\$18,675,000
Machinery and equipment costs	\$727,800

Utilities, roads and appurtenant costs	N/A
Architects and engineering fees	\$935,000
Costs of Bond issue (legal, financial and printing)	N/A
Construction loan fees and interest (if applicable)	\$1,020,000
Other (specify)	
Contingency (Hard & Soft)	\$1,500,000
Admin & Indirect Costs	\$2,113,643
Other Soft Costs	\$1,228,557
TOTAL PROJECT COST	\$27,500,000

B. Have any of the above expenditures already been made by applicant?
Yes X; No _____. (If yes, indicate particular.)

Approximately \$275k has been spent to date on land deposits, due diligence, legal fees, surveys, traffic studies, market studies, environmental studies, architecture, engineering, approvals, fees and other predevelopment expenses.

V. BENEFITS EXPECTED FROM THE AGENCY

A. Financing

1. Is the applicant requesting that the Agency issue bonds to assist in financing the Project? Yes ____; No X. If yes, indicate:
 - a. Amount of loan requested: _____Dollars; N/A
 - b. Maturity requested: _____Years. N/A
2. Is the interest on such bonds intended to be exempt from federal income taxation? Yes ____; No _____. N/A
3. If the answer to question 2 is yes, will any portion of the Project be used for any of the following purposes: N/A
 - 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
 - i. skating, skateboard and ice skating): Yes____; No____
 - j. racquet sports facility (including handball and racquetball court): Yes____; No____
 - k. hot tub facility: Yes____; No____

- ### B. Tax Benefits

- | | | |
|----|---|------------------------------|
| a. | N.Y.S. Sales and Compensating Use Taxes: | \$720,000 (est.) |
| b. | Mortgage Recording Taxes: | \$257,813 (est.) |
| c. | Real Property Tax Exemptions ¹ : | \$1,357,007 (non-discounted) |
| d. | Other (please specify): | |
| | _____ | \$ _____ |
| | | \$ _____ |

5. Are any of the tax-exemptions being sought in connection with the Project inconsistent with the Agency's tax-exemption policy contained in its Rules and Regulations? Yes ; No X. If yes, please explain.

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.).

VI. 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") 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 agrees to endeavor to comply with the provisions of Article XI, Division 2 of the City Code, entitled "The Omnibus Human Rights Law". The Applicant understands that it is not subject to the provisions of The Omnibus Human Rights Law.

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.

F. 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.

G. Absence of Conflicts of Interest: The applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

H. 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.

I. 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 31 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.

J. 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.

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

(Applicant)

BY: 

NOTE: APPLICANT MUST ALSO COMPLETE THE APPROPRIATE VERIFICATION
APPEARING ON PAGES 18 THROUGH 21 HEREOF BEFORE A NOTARY PUBLIC AND MUST
SIGN AND ACKNOWLEDGE THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 22

VERIFICATION

(If applicant is limited liability company)

STATE OF PA)

) SS.:

COUNTY OF Montgomery

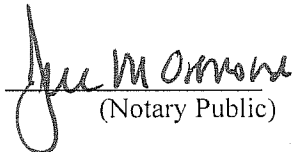
Nimish Sandhrajka, deposes and says
(Name of Individual)

that he is one of the members of the firm of SUNY Associates, LLC,
(Partnership Name)

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



Sworn to before me this
9th day of January, 2015


(Notary Public)

COMMONWEALTH OF PENNSYLVANIA

NOTARIAL SEAL
JILL M. ORMOND, Notary Public
Whitpain Twp., Montgomery County
My Commission Expires April 24, 2016

NOTE: THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 22 IS SIGNED BY THE APPLICANT.

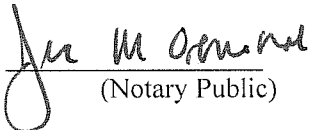
HOLD HARMLESS AGREEMENT

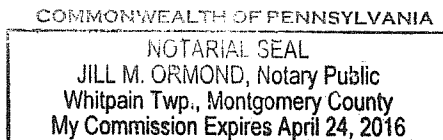
Applicant hereby releases City of Albany Industrial Development Agency and the members, officers, servants, agents and employees thereof (hereinafter collectively referred to as the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless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

(Applicant)

BY: 

Sworn to before me this
9th day of January, 2015


(Notary Public)



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

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

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

PROJECT QUESTIONNAIRE

1. Name of Project Beneficiary ("Company"):	SUNY Associates, LLC
2. Brief Identification of the Project:	271-bed student housing development
3. Estimated Amount of Project Benefits Sought:	
A. Amount of Bonds Sought:	N/A
B. Value of Sales Tax Exemption Sought	\$720,000
C. Value of Real Property Tax Exemption Sought	(not a present value) \$1,357,007
D. Value of Mortgage Recording Tax Exemption Sought	\$257,813

PROJECTED PROJECT INVESTMENT (ESTIMATES)

A. Land-Related Costs	
1. Land acquisition	\$1,300,000
2. Site preparation	\$
3. Landscaping	\$
4. Utilities and infrastructure development	\$
5. Access roads and parking development	\$
6. Other land-related costs (describe)	\$
B. Building-Related Costs	
1. Acquisition of existing structures	\$
2. Renovation of existing structures	\$
3. New construction costs	\$18,675,000
4. Electrical systems	\$
5. Heating, ventilation and air conditioning	\$
6. Plumbing	\$
7. Other building-related costs (describe)	\$

C.	Machinery and Equipment Costs	
1.	Production and process equipment	\$
2.	Packaging equipment	\$
3.	Warehousing equipment	\$
4.	Installation costs for various equipment	\$
5.	Other equipment-related costs (FF&E)	\$
D.	Furniture and Fixture Costs	
1.	Office furniture	\$
2.	Office equipment	\$
3.	Computers	\$
4.	Other furniture-related costs (common area, units)	\$727,800
E.	Working Capital Costs	
1.	Operation costs	\$115,627
2.	Production costs	\$
3.	Raw materials	\$
4.	Debt service	\$
5.	Relocation costs	\$
6.	Skills training	\$
7.	Other working capital-related costs (describe)	\$
F.	Professional Service Costs	
1.	Architecture and engineering	\$935,000
2.	Accounting/legal	\$237,500
3.	Other service-related costs (studies and surveys)	\$80,500
G.	Other Costs	
1.		\$
2.		\$
H.	Summary of Expenditures	
1.	Total Land-Related Costs	\$1,300,000
2.	Total Building-Related Costs	\$18,675,000
3.	Total Machinery and Equipment Costs	\$
4.	Total Furniture and Fixture Costs	\$727,800
5.	Total Working Capital Costs	\$115,627
6.	Total Professional Service Costs	\$1,253,000
7.	Total Other Costs	\$5,428,573

PROJECTED PROFIT

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

YEAR	Without IDA benefits ¹	With IDA benefits ¹
1	\$356,096	\$580,736
2	\$478,393	\$707,586
3	\$498,665	\$615,583
4	\$519,217	\$614,647
5	\$540,045	\$613,066

1. Includes accrued losses carried forward

PROJECTED CONSTRUCTION EMPLOYMENT IMPACT

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

Year	Number of Construction Jobs ¹	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax ²
Current Year	90	\$5,775,000	\$372,488
Year 1		\$	\$
Year 2		\$	\$
Year 3		\$	\$
Year 4		\$	\$
Year 5		\$	\$

1. Includes only direct construction jobs. However, it should be noted that the project is expected to generate a significant amount of indirect and induced jobs and economic output.

*2. Estimated **\$43.45 million** in one-time direct, indirect and induced economic output*

3. Assumed a marginal tax bracket of 6.45%

PROJECTED PERMANENT EMPLOYMENT IMPACT

- I. Please provide estimates of total number of existing permanent jobs to be preserved or retained as a result of the Project: **No existing jobs.**

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year				
Year 1				
Year 2				
Year 3				
Year 4				
Year 5				

- II. Please provide estimates of total new permanent jobs to be created at the Project:

New jobs indicated in the operating year that the permanent job will commence.

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year				
Year 1	2 (Full-Time)	0	0	3 (FTEs)
Year 2	0	1 (Full-Time)	1 (FTE)	0
Year 3				
Year 4				
Year 5				

- III. Please provide estimates for the following:

A. Creation of New Job Skills relating to permanent jobs. Please complete Schedule A.

- IV. Provide the projected percentage of employment that would be filled by City of Albany residents: **30% (est.)**

A. Provide a brief description of how the project expects to meet this percentage:

SUNY Associates is currently working with a local general contractor and all local professionals to advance the project. In all of our projects, we make a conscious effort to work with local labor and professionals to the extent possible.

PROJECTED OPERATING IMPACT

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

Additional Purchases (1 st year following project completion)	\$67,750 (repairs and maint. est.)
Additional Sales Tax Paid on Additional Purchases	\$5,420
Estimated Additional Sales (1 st full year)	

following project completion)	N/A
Estimated Additional Sales Tax to be collected on additional sales (1 st full year following project completion)	N/A

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

Year	Full Real Property Taxes (Without IDA involvement)	New Pilot Payments (With IDA)	Total Abatement	Incremental Tax Receipts
Construction	5,000	5,000	0	-
Year 1	379,400	5,000	\$374,400	-
Year 2	386,988	5,000	\$381,988	-
Year 3	394,728	199,864	\$194,864	194,864
Year 4	402,622	243,573	\$159,049	238,573
Year 5	410,675	288,972	\$121,702	283,972
Year 6	418,888	336,111	\$82,778	331,111
Year 7	427,266	385,039	\$42,227	380,039
Year 8	435,811	-	\$0	430,811
Year 9	444,528	-	\$0	439,528
Year 10	453,418	-	\$0	448,418

The proposed PILOT structure consists of a payment equal to the existing real estate taxes for the construction period (estimated to be 16 months) and the first two operating years before commencement of the prototypical abatement beginning at 50% of the incremental taxes amortizing over a five year period at 10% per year. This structure is a critically important risk mitigant that offsets the lease-up risk associated with the limited target market, which is a result of the subject site's use restriction.

An important aspect of the proposed PILOT structure is establishing a firm PILOT payment schedule in lieu of a schedule of percentages of assessed real property taxes. The local tax assessor has estimated the full annual real estate taxes for the stabilized project at approximately \$1,400 per bed. SUNY Associates seeks to establish this assessment within the framework of the PILOT agreement with the IDA by way of either (i) fixing the full assessment at approximately \$7,913,200 based on guidance received from the assessor or (ii) fixing the PILOT payments for the term of the PILOT agreement.

Proposed PILOT Structure

Existing Tax Base	\$5,000	PV of PILOT Abatement		\$1,079,698		
Full Annual RE Taxes	1,400 per bed	Aggregate Abatement		\$1,357,007		
Discount Rate	9.00%					
RE Tax Annual Escalation	2.00%					
Full RE Tax Assessment						
PILOT						
Operating Year	Full RE Taxes	Structure	Abatement	PILOT PMTs	PV of Remaining	Increment
1	379,400	100%	\$374,400	5,000	802,471	-
2	386,988	100%	\$381,988	5,000	492,705	-
3	394,728	50%	\$194,864	199,864	342,185	194,864
4	402,622	40%	\$159,049	243,573	213,933	238,573
5	410,675	30%	\$121,702	288,972	111,484	283,972
6	418,888	20%	\$82,778	336,111	38,740	331,111
7	427,266	10%	\$42,227	385,039	-	380,039
8	435,811	0%	\$0	-	-	430,811
9	444,528	0%	\$0	-	-	439,528
10	453,418	0%	\$0	-	-	448,418
11	462,486	0%	\$0	-	-	457,486
12	471,736	0%	\$0	-	-	466,736
13	481,171	0%	\$0	-	-	476,171
14	490,794	0%	\$0	-	-	485,794
15	500,610	0%	\$0	-	-	495,610
16	510,622	0%	\$0	-	-	505,622
17	520,835	0%	\$0	-	-	515,835
18	531,252	0%	\$0	-	-	526,252
19	541,877	0%	\$0	-	-	536,877
20	552,714	0%	\$0	-	-	547,714


III. Please provide a brief description for the impact of other economic benefits expected to be produced as a result of the Project:

The subject property has been inactive as vacant land for many years. The proposed project, with the assistance of the Albany IDA, is an economically impactful development solution that will contribute to the sustainability of the local community. The project is expected to create approximately 215 one-time jobs and 10 ongoing jobs (direct, indirect and induced FTEs) - inclusive of 7 FTEs on-site at stabilization - and over \$43.5 million in one-time economic output. The property currently only generates approximately \$5,000 in annual real estate taxes, but after the proposed improvements, it will generate almost \$435,000 per year in incremental real estate taxes in its first year of full assessment.

CERTIFICATION

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

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

Date Signed: January 5, 2015.	Name of Person Completing Project Questionnaire on behalf of the Company.
	Name: Patrick Rhodes Title: Authorized Representative Phone Number: 703.728.5101 Address: 1200 Steuart Street, Unit 1015, Baltimore, MD 21230
	Signature 

SCHEDULE A

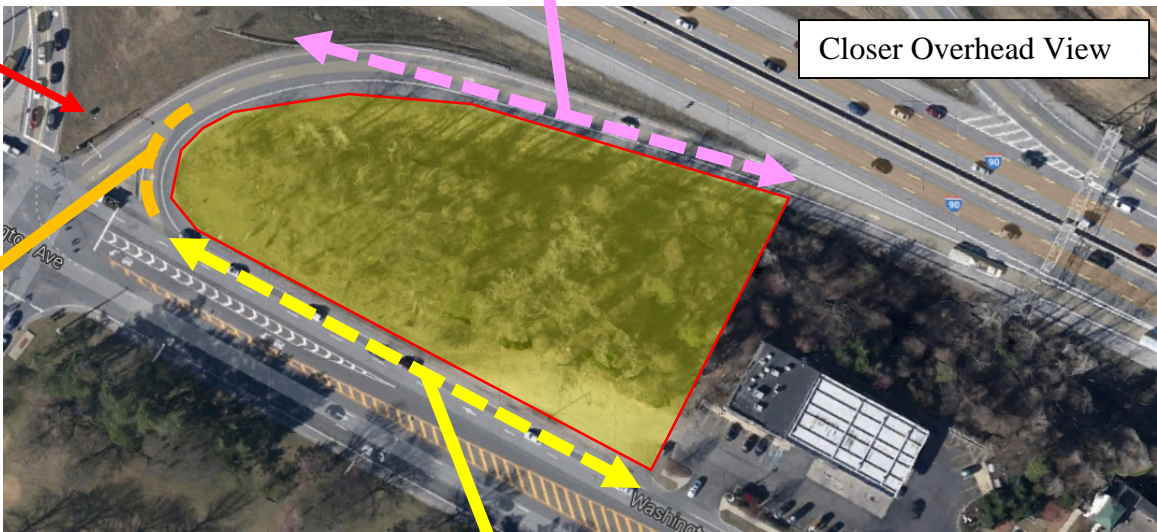
CREATION OF NEW JOB SKILLS

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

[illegible]

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

1465 Washington Avenue Parcel Images





WASHINGTON AVE STUDENT HOUSING, ALBANY NY

1475 Washington Ave

University Suites

Executive Summary

Introduction

The Privatized Student Housing Industry has been growing in this country and now globally since the concept's inception in 1997. Privatized student housing is the development of multi-unit housing for college or university students close to the campus and specifically designed to meet the security, economic and material needs of modern university students and staff. These projects typically seek to house over 100 students in fully furnished residential units with support for data, privacy and security needs that make these facilities attractive and economically viable as an investment.

Project Description

University Suites at SUNY Albany seeks to house 271 full time students or staff in state of the art housing that will be leased by the bedroom on an annual basis.

Parking Levels

The building will include space for a 145 car enclosed two story concrete parking structure specifically reserved for residents. An additional 50 valet spaces will be available upon demand.

Residential Floors

The Building will also contain 271 private rooms for residents on four floors that are all serviced by elevators, conform to all fair housing regulation, be totally ADA accessible and provide state of the art security and fire safety systems.

Each private residential room will possess a private bathroom, data and video cable connections, electric power, heat and air conditioning, natural lighting, and full furnishing including all chairs, desks, dressers and beds. The 271 private rooms are grouped together in 118 individual commons suites that each contains supportive living, cooking and laundry facilities for up to four residents. These common suites are also fully furnished including all kitchen appliances, cooking equipment, washers and dryers, large screen flat panel video monitors, and furnishing for living and dining

Base Level Support Spaces

Common Support spaces in the building can be found on the base level as well as the first residential level. These support spaces will be designed to provide a secure environment, and a number of activities that will enhance the educational experience.

On the base level there is an entry vestibule that is adjacent to the parking level and a concierge desk that will screen all visitor on a 24/7 basis and provide services and information to guests.

The elevator lobby and reception area is adjacent to the concierge desk.

Leasing and building management offices can also be found on the base level of the building to provide guidance for new or potential residents.

A Computer Lounge and Printing suite are available to all residents to enhance or replace their private computing needs and fill in when personal computers need to be repaired.

A total of four Group Study Suites allow groups of up to 12 students to study collaboratively. Suites all include a large video Bluetooth driven monitor that can share laptop data among group participants. These spaces would be scheduled online with a maximum of 24 hour notice.

A mailroom, vending area, and lavatories are also on the base level to support the fitness center and add to convenience.

The largest area of the base level has been reserved for a state of the art fitness center that provides 24/7 access to a large array of aerobic equipment and trainers including treadmills, ellipse machines, stationary bikes, stair climbers and rowing machines. A full circuit of resistance training equipment and free weights as well as universal gym equipment will be provided. In a separate room of the fitness center a video trainer will lead group spinning, yoga, and zumba sessions on a pre programmed schedule. There will also be a tanning booth for resident use.

First Floor Community Spaces

The Resident Commons Room of the building is located on the first residential floor with direct access to the private outdoor landscaped terrace and activities area. The Common's

Room is a large open space divided into five distinct activity areas including an indoor/outdoor fireplace with adjacent sitting area, a catering kitchen and bar area with TV Monitors, a gaming area with billiards, cards and ping pong tables, a large screen Video group viewing area, two small conversation areas, A small vending area will also be included for snacks and beverages. The Resident Commons Room will be the site of weekly scheduled activities including happy hours meant to mix the residents and create new friends and networking opportunities among residents.

The Private Outdoor Garden space adjacent to the Commons Room will include a fireplace seating area, lounging and study furniture grouping, lots of green planters and trees woven into seating study and conversation areas, and a large outdoor grilling area that students can use to grill food outdoors. There will be an area reserved for outdoor ping pong, chess tournaments and universal wireless internet connectivity. The Outdoor area and the entire building will be a smoke free environment.

Design Summary

The building will be a modern multi-unit residential structure with a masonry and concrete skin, large high efficiency windows with operating sash, a concrete base level up to a podium transfer slab and four stories of frame construction above. The interiors will be constructed of high quality resilient sustainable materials consistent with luxury residential accommodations.

The mechanical system will be individual high efficiency gas heating and electric cooling units controlled from each common suite with a central gas high efficiency hot water heating system. All condensing units will be located on the roof.

The electrical system will be individually metered and installed per code including GFI circuits. A photovoltaic array is being proposed for a rooftop installation.

The lighting of the common elements including the garage levels, interior corridors, and all community business, recreation and lounge spaces will be via LED fixtures with power support from rooftop photovoltaic solar arrays.

Plumbing fixtures will be water saver units with high efficiency shower heads and toilets.

Trash will be collected on a floor by floor basis including recyclables and be taken on a daily basis via porter to a compaction facility at the garage level for loading into sanitation vehicles.

Security systems throughout the building will include front desk building monitor systems for exterior spaces, stair towers, garage spaces, corridors, fitness facilities and card or proximity fob access systems for elevators, garage and building entry doors, unit entry doors, Heat and smoke detection systems as well as the automatic sprinkler system will also be monitored from the front concierge desk.

The entire building will have category high 5 data wiring to every desktop in the building and all phones. The entire building will have free cable video feed in each sleeping room and to all common Video Monitors. Wireless internet connection will be available in all common rooms and the private outdoor terrace. The building will have a redundant chase to all data and telecom closets for hot swap introduction of new technology.

Summary

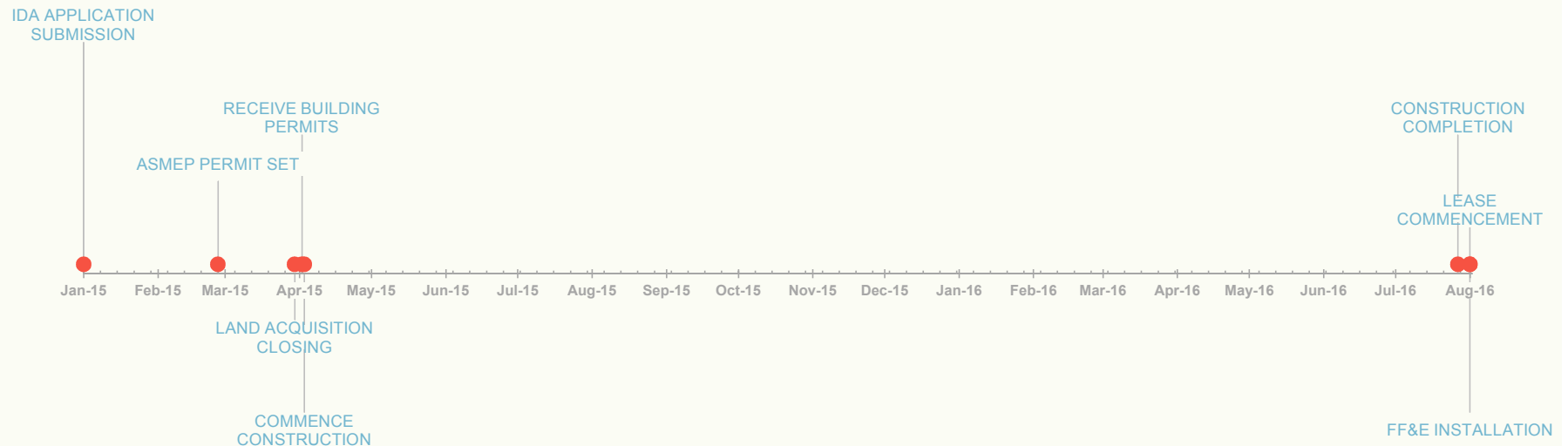
1475 Washington Street, University Suites will be a state of the art student residence. It will offer features that will provide residents with a level of security, privacy, data connectivity, quality of life, fitness facilities, environmental sensitivity, and sustainability not presently available in the Albany market area and in the top tier of such facilities within the nation. It is located in close proximity to the university center and to public transportation routes. The facility will be professionally managed by experienced on site student housing operators including student residential advisors.

University Suites

1475 Washington Avenue

Albany, NY

DEVELOPMENT TIMELINE - MILESTONE SUMMARY (CONCEPTUAL)



All dates and durations illustrated herein are estimates based on preliminary concepts and are subject to change.





President & CEO: Jon Grant, AIA, NCARB

▪ **Founded 1978**

▪ **GSX Services:**

- Real Estate Development
- Development Consulting
- Project Management

▪ **GSX Project Types:**

- Off-Campus Student Housing
- Medical Office Buildings / Outpatient Centers
- Senior Assisted Living Facilities
- Continuing Care Retirement Communities
- Corporate Tenant Relocation Representation

Higher Education Projects



- ***Virginia Commonwealth University***

8½ Canal Street
Student Housing
Richmond, VA

- ***University of Maryland (Starview Plaza)***

Student Housing
College Park, MD

- ***Coastal Carolina University***

Student Housing
Conway, SC

- ***Salisbury University***

University Village,
Halloway Hall
Campus Commons
Salisbury, MD

- ***California University of Pennsylvania***

Student Housing
California, PA

- ***University of Connecticut***

Student Housing
Storrs, CT

- ***Grove City College***

Student Housing
Grove City, PA

- ***Rowan University***

Student Housing & Academic Village,
Glassboro, NJ

- ***University of Minnesota***

Student Housing
St. Paul, MN

- ***Carnegie Mellon University***

Student Housing
Pittsburgh, PA

- ***Virginia Commonwealth University***

1200 and 1300 West Marshall Street
Student and Young Professional Housing,
Richmond, VA

- ***University of North Carolina (Chapel Hill)***

Student Housing,
Chapel Hill, NC

- ***College of Charleston***

Student Housing
Charleston, SC

Development Partners



JPI



Jerome J. Parks Companies



Collegiate Development Services

Grant Site Xploration Student Housing Program



8 ½ Canal Street
Virginia Commonwealth University
Student Housing and Commercial
Richmond, VA



8 ½ Canal Street
Virginia Commonwealth University
Student Housing and Commercial
Richmond, VA



8 ½ Canal Street
Virginia Commonwealth University
Student Housing and Commercial
Richmond, VA



8 ½ Canal Street
Virginia Commonwealth University
Student Housing and Commercial
Richmond, VA



1200 Marshall Street
Student Housing and Commercial
Richmond, Virginia



1300 Marshall Street
Student Housing and Commercial
Richmond, Virginia



The Cove
Student Housing and Commercial
Coastal Carolina University



The Cove
Student Housing and Commercial
Coastal Carolina University



[CAPITAL SOLUTIONS, INC.](#)[CS REAL ESTATE](#)[CS CAPITAL PARTNERS](#)[ABOUT CS](#)[MANAGEMENT TEAM](#)

Capital Solutions, Inc.

Capital Solutions, Inc. ("CSI") is an investment firm specializing in real estate and growth-stage private equity opportunities. Through a large network of private and institutional investors, more than \$170 million of mezzanine and equity capital has been successfully deployed in real estate and private equity, representing a total portfolio value of over \$900 million.

The principals of CSI have over 75 years of combined investment experience. Each principal brings a unique experience from across the real estate and private equity spectrums.

Deal Flow: CSI has developed a network of professional relationships and a track record for closing on committed transactions that encourages serious sponsors to bring us deals. We are not market timers as that is not how we believe investing should be treated. We remain prudent in our investing and are always in the market looking for strong investments, no matter the cycle or status of the economy.

Diversification: Our current portfolio and previous investments consist of a diversified mix of real estate and operating companies throughout the country. Our flexibility allows us to consider unusual opportunities that don't fit a typical institutional investment profile.

Co-Investment: The principals of CSI co-invest personal capital into each transaction to ensure mutual alignment of interests with its partners. We take each investment personally.

910 HARVEST DRIVE, SUITE 105 BLUE BELL, PA 19422 USA P: 215.540.0505 F: 215.540.0355 CSINFORMED@CAP-SOL.COM

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[CAPITAL SOLUTIONS, INC.](#)[CS REAL ESTATE](#)[CS CAPITAL PARTNERS](#)**PROJECT UPDATES**

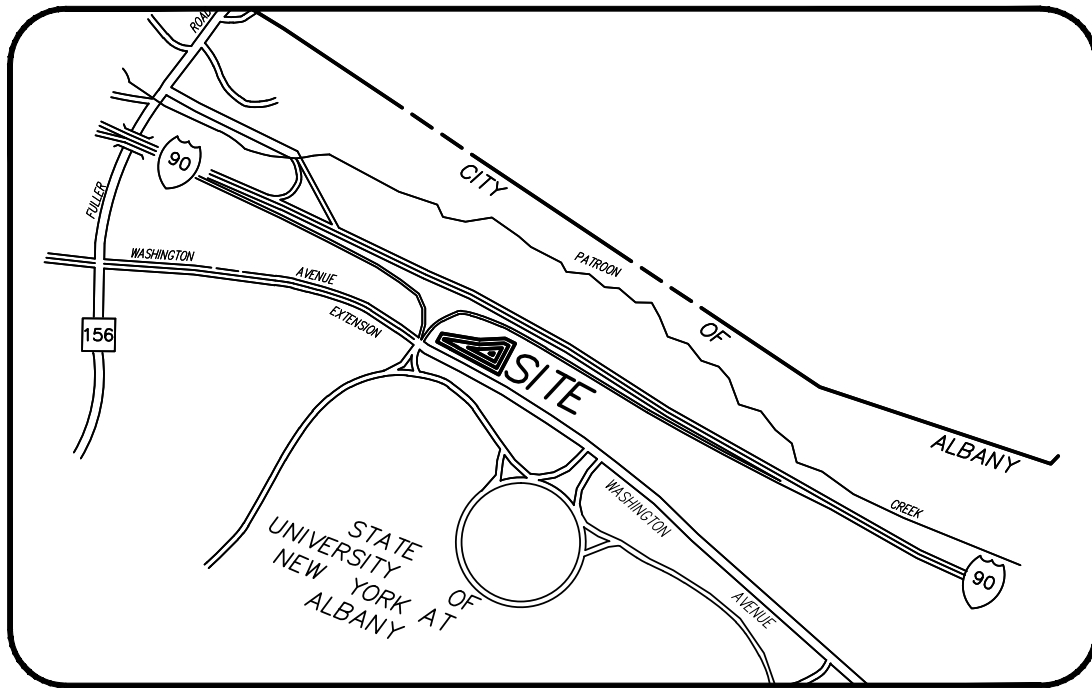
06.30.2014 [Aspen Heights at Corpus Christi](#)
06.30.2014 [31 Brewerytown](#)
03.31.2014 [Aspen Heights at Corpus Christi](#)
03.31.2014 [Aspen Heights at Starkville](#)
06.30.2013 [The Edge at University of S. Alabama](#)
06.30.2013 Lumberjack Lofts at Stephen F. Austin State University
06.30.2013 [The Summit at Colorado State University](#)
03.31.2013 [The Summit at Colorado State University](#)
03.31.2013 [Lumberjack Lofts at Stephen F. Austin State University](#)
12.31.2012 [Lumberjack Lofts at Stephen F. Austin State University](#)
12.31.2012 [The Edge at University of S. Alabama](#)
12.31.2012 [The Summit at Colorado State University](#)
08.31.2012 [The Summit at Colorado State University](#)
08.31.2012 [The Edge at University of S. Alabama](#)
08.31.2012 [Legends at Stephen F. Austin State University](#)
06.30.2012 [The Varsity at University of Baltimore](#)

NEWS ARTICLES & PRESS RELEASES

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SITE LOCATION MAP



LEGEND

R.O.W.	RIGHT OF WAY	□	MONUMENT
No.	NUMBER	○	IRON ROD
enc.	ENCROACHMENT	MH	MANHOLE
P.O.B.	POINT OF BEGINNING	⊠	CATCH BASIN
S.F.	SQUARE FEET	—	SIGN
N/F	NOW OR FORMERLY	•	BOLLARD
FL	FEET	—x—	FENCE LINE
Deg.	DEGREE	—+—	GUARD RAIL
R	RECORD	—+—	OVERHEAD WIRE, UTILITY POLE & GUY WIRE
M	MEASURED	⊕	WATER SHUT OFF
N	NORTH	⊕	WATER VALVE
S	SOUTH	⊕	HYDRANT
E	EAST	⊕	GAS VALVE
W	WEST	⊕	LIGHT POLE
tel.	TELEPHONE	⊕	CONCRETE
elec.	ELECTRIC	⊕	PAVEMENT
L	LIBER	⊕	PAVEMENT
P	PAGE	⊕	PAVEMENT
C	HANDICAPPED PARKING SPACE	⊕	PAVEMENT

GENERAL NOTES

1. UNAUTHORIZED ALTERATION OR ADDITION TO A SURVEY MAP BEARING A LICENSED LAND SURVEYOR'S SEAL IS A VIOLATION OF SECTION 7209-2, OF THE NEW YORK STATE EDUCATION LAW.
2. ONLY COPIES FROM THE ORIGINAL OF THIS SURVEY MARKED WITH THE LAND SURVEYOR'S SIGNATURE AND AN ORIGINAL EMBOSSED OR INK SEAL SHALL BE CONSIDERED VALID TRUE COPIES.
3. THIS SURVEY WAS PREPARED FOR THE PARTIES AND PURPOSE INDICATED HEREON. ANY EXTENSION OF THE USE BEYOND THE PARTIES OR PURPOSE INDICATED IS EXPRESSLY FORBIDDEN WITHOUT WRITTEN RELEASE OR PERMISSION OF FRANCIS G. McCLOSKEY, LICENSE No. 049441.
4. SUBSURFACE AND ENVIRONMENTAL CONDITIONS WERE NOT SURVEYED OR EXAMINED OR CONSIDERED AS PART OF THIS SURVEY.
5. ABSTRACT OF TITLE PROVIDED BY CHICAGO TITLE INSURANCE COMPANY No. CT14-30257-ALB, DATED 3/19/2014.
6. SPOT ELEVATIONS AND CONTOURS ARE BASED ON NGVD 1929 DATUM.
7. UNDERGROUND UTILITIES SHOWN ARE TAKEN FROM FIELD LOCATION WHERE POSSIBLE AND FROM RECORD DATA. THEIR EXACT LOCATION IN THE FIELD MAY DIFFER FROM THAT SHOWN HEREIN AND ADDITIONAL UTILITIES MAY EXIST. CALL DIG SAFELY NEW YORK AT 1-800-962-7962 TO HAVE UTILITIES MARKED ON SITE PRIOR TO COMMENCEMENT OF CONSTRUCTION.

CERTIFICATIONS

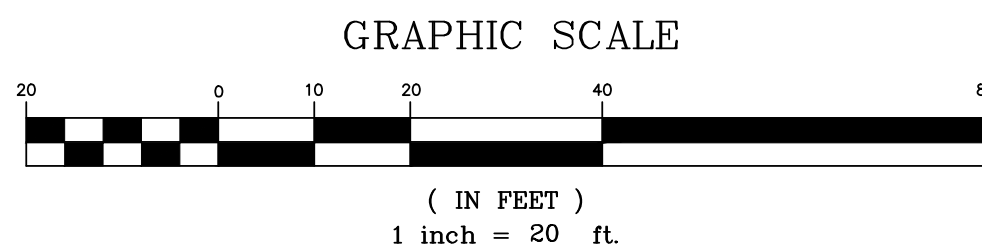
THIS SURVEY IS CERTIFIED TO:

1. CHICAGO TITLE INSURANCE COMPANY
2. GRANT VENTURES, LLC

NOTES CORRESPONDING TO SCHEDULE B SECTION 2 ITEMS

6. AGREEMENT BETWEEN MOHAWK BRUSH CO. AND THE CITY OF ALBANY RECORDED ON JUNE 6, 1955 IN LIBER 1450 PAGE 60, AS AMENDED IN LIBER 1480 PAGE 123 RECORDED ON JANUARY 24, 1956. DOES NOT AFFECT SUBJECT PARCEL AND HAS NOT BEEN SHOWN.
7. UTILITY EASEMENT TO NEW YORK TELEPHONE COMPANY RECORDED ON DECEMBER 23, 1957 IN LIBER 1564 PAGE 23. DOES NOT AFFECT SUBJECT PARCEL AND HAS NOT BEEN SHOWN.
8. UTILITY EASEMENT TO NEW YORK TELEPHONE COMPANY RECORDED ON DECEMBER 23, 1957 IN LIBER 1564 PAGE 26. AFFECTS SUBJECT PARCEL AND HAS BEEN SHOWN.
9. UTILITY EASEMENT BETWEEN MOHAWK BRUSH CO. AND THE FULLER BRUSH COMPANY AND RECORDED ON JUNE 1, 1972 IN LIBER 2045 PAGE 1057. REFERENCES NOT SUPPLIED AT TIME OF SURVEY.
10. UTILITY EASEMENT FROM THE NEW YORK TELEPHONE COMPANY (GRANTEE) TO MOHAWK BRUSH COMPANY (GRANTOR) RECORDED ON JULY 19, 1972 IN LIBER 2048 PAGE 593. REFERENCED SKETCH NOT FOUND AT TIME OF SURVEY.
11. EASEMENT BETWEEN 886 WESTERN AVENUE ASSOCIATES, L.P. AND 1455 WASHINGTON AVENUE ASSOCIATES (GRANTORS) AND THE CITY OF ALBANY, NEW YORK, (GRANTEE) RECORDED ON MAY 31, 1995 IN LIBER 2534 PAGE 870. DOES NOT AFFECT SUBJECT PARCEL AND HAS NOT BEEN SHOWN.
12. EASEMENT BETWEEN 1475 WASHINGTON AVENUE, LLC (GRANTOR) AND THE ALBANY WATER BOARD, (GRANTEE) RECORDED ON JUNE 19, 2001 IN LIBER 2683 PAGE 762 AFFECTS SUBJECT PARCEL AND HAS BEEN SHOWN.
13. MEMORANDUM OF LEASE BETWEEN 1475 WASHINGTON AVENUE, LLC (LESSOR) AND MARTINI ENTERPRISES, LLC (LESSEE) RECORDED ON OCTOBER 3, 2001 IN LIBER 2692 PAGE 84. NO SURVEY RELATED ITEMS TO PLOT.

WASHINGTON AVENUE



HERSHBERG & HERSHBERG
Consulting Engineers
and Land Surveyors
18 Locust Street
Albany, New York 12203

MAP SHOWING LOCATION OF BUILDINGS AND IMPROVEMENTS WITH REFERENCE TO PROPERTY LINES OF

**No. 1475
WASHINGTON AVENUE**

CITY OF ALBANY, COUNTY OF ALBANY, STATE OF NEW YORK

ALTERATION OF THIS DOCUMENT, EXCEPT BY A LICENSED PROFESSIONAL ENGINEER OR LAND SURVEYOR, IS ILLEGAL.

REVISIONS:

DATE: 10/6/14 SCALE: 1"=20' BY: NGJ CHK: GRT MAP No.: 140060A



617.20
Appendix B
Short Environmental Assessment Form

Instructions for Completing

Part 1 - Project Information. The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part 1 - Project and Sponsor Information							
Name of Action or Project: 1475 Washington Avenue Student Housing							
Project Location (describe, and attach a location map): 1475 Washington Avenue (Tax Map Parcel #53.00-1-30)							
Brief Description of Proposed Action: The Applicant proposes to construct a 292 bed Student Housing project which will have 4 levels of residential units over a ground level parking and will include a basement level parking with a total of approximately 145 parking spaces. These units will be furnished and will be arranged in units where between 1 and 4 bedroom/bathroom combinations will share common room space and kitchen area. Also included will be an office area, a fitness center, a clubhouse and a courtyard area. Applicant also proposes to install a barrier to prevent pedestrian crossing of Washington Avenue in the immediate area of this project.							
Name of Applicant or Sponsor: SUNY Associates, LLC		Telephone: 212-540-0505 E-Mail: jzeisler@cap-sol.com					
Address: c/o Jared Zeisler, 910 Harvest Drive, Suite 105							
City/PO: Blue Bell		State: PA	Zip Code: 19422				
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 2px;">NO</td> <td style="width: 50%; padding: 2px;">YES</td> </tr> <tr> <td style="text-align: center; padding: 2px;"><input checked="" type="checkbox"/></td> <td style="text-align: center; padding: 2px;"><input type="checkbox"/></td> </tr> </table>	NO	YES	<input checked="" type="checkbox"/>	<input type="checkbox"/>
NO	YES						
<input checked="" type="checkbox"/>	<input type="checkbox"/>						
2. Does the proposed action require a permit, approval or funding from any other governmental Agency? If Yes, list agency(s) name and permit or approval: Albany IDA - Funding			<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 2px;">NO</td> <td style="width: 50%; padding: 2px;">YES</td> </tr> <tr> <td style="text-align: center; padding: 2px;"><input type="checkbox"/></td> <td style="text-align: center; padding: 2px;"><input checked="" type="checkbox"/></td> </tr> </table>	NO	YES	<input type="checkbox"/>	<input checked="" type="checkbox"/>
NO	YES						
<input type="checkbox"/>	<input checked="" type="checkbox"/>						
3.a. Total acreage of the site of the proposed action? 1.0 acres b. Total acreage to be physically disturbed? 1.0 acres c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor? 1.0 acres							
4. Check all land uses that occur on, adjoining and near the proposed action. <input type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input type="checkbox"/> Residential (suburban) <input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input checked="" type="checkbox"/> Other (specify): Institutional - SUNYA <input type="checkbox"/> Parkland							

5. Is the proposed action, a. A permitted use under the zoning regulations?	NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>	N/A <input type="checkbox"/>
b. Consistent with the adopted comprehensive plan?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Is the proposed action consistent with the predominant character of the existing built or natural landscape?	NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>	
7. Is the site of the proposed action located in, or does it adjoin, a state listed Critical Environmental Area? If Yes, identify: _____	NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>	
8. a. Will the proposed action result in a substantial increase in traffic above present levels?	NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>	
b. Are public transportation service(s) available at or near the site of the proposed action?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
c. Are any pedestrian accommodations or bicycle routes available on or near site of the proposed action?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
9. Does the proposed action meet or exceed the state energy code requirements? If the proposed action will exceed requirements, describe design features and technologies: _____	NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>	
10. Will the proposed action connect to an existing public/private water supply? If No, describe method for providing potable water: _____	NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>	
11. Will the proposed action connect to existing wastewater utilities? If No, describe method for providing wastewater treatment: _____	NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>	
12. a. Does the site contain a structure that is listed on either the State or National Register of Historic Places?	NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>	
b. Is the proposed action located in an archeological sensitive area?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
13. a. Does any portion of the site of the proposed action, or lands adjoining the proposed action, contain wetlands or other waterbodies regulated by a federal, state or local agency?	NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>	
b. Would the proposed action physically alter, or encroach into, any existing wetland or waterbody? If Yes, identify the wetland or waterbody and extent of alterations in square feet or acres: _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
14. Identify the typical habitat types that occur on, or are likely to be found on the project site. Check all that apply: <input type="checkbox"/> Shoreline <input type="checkbox"/> Forest <input type="checkbox"/> Agricultural/grasslands <input type="checkbox"/> Early mid-successional <input type="checkbox"/> Wetland <input checked="" type="checkbox"/> Urban <input type="checkbox"/> Suburban			
15. Does the site of the proposed action contain any species of animal, or associated habitats, listed by the State or Federal government as threatened or endangered?	NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>	
16. Is the project site located in the 100 year flood plain?	NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>	
17. Will the proposed action create storm water discharge, either from point or non-point sources? If Yes, a. Will storm water discharges flow to adjacent properties? <input type="checkbox"/> NO <input checked="" type="checkbox"/> YES b. Will storm water discharges be directed to established conveyance systems (runoff and storm drains)? If Yes, briefly describe: <input type="checkbox"/> NO <input checked="" type="checkbox"/> YES Stormwater will be detained and treated, then discharged to an existing drainage system along I-90	NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>	

18. Does the proposed action include construction or other activities that result in the impoundment of water or other liquids (e.g. retention pond, waste lagoon, dam)? If Yes, explain purpose and size: _____	NO <input type="checkbox"/>	YES <input type="checkbox"/>
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid waste management facility? If Yes, describe: _____	NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: _____	NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>
I AFFIRM THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE Applicant/sponsor name: <u>Donald Zee, Esq., Attorney for Applicant</u> Date: <u>1/9/15</u> Signature: <u><i>Donald Zee</i></u> <u>Donald Zee, PC</u> <u>1 Winners Circle Suite 140</u> <u>Albany, NY 12205</u> <u>518-489-9423</u>		

Part 2 - Impact Assessment. The Lead Agency is responsible for the completion of Part 2. Answer all of the following questions in Part 2 using the information contained in Part 1 and other materials submitted by the project sponsor or otherwise available to the reviewer. When answering the questions the reviewer should be guided by the concept "Have my responses been reasonable considering the scale and context of the proposed action?"

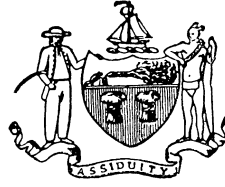
	No, or small impact may occur	Moderate to large impact may occur
1. Will the proposed action create a material conflict with an adopted land use plan or zoning regulations?	<input type="checkbox"/>	<input type="checkbox"/>
2. Will the proposed action result in a change in the use or intensity of use of land?	<input type="checkbox"/>	<input type="checkbox"/>
3. Will the proposed action impair the character or quality of the existing community?	<input type="checkbox"/>	<input type="checkbox"/>
4. Will the proposed action have an impact on the environmental characteristics that caused the establishment of a Critical Environmental Area (CEA)?	<input type="checkbox"/>	<input type="checkbox"/>
5. Will the proposed action result in an adverse change in the existing level of traffic or affect existing infrastructure for mass transit, biking or walkway?	<input type="checkbox"/>	<input type="checkbox"/>
6. Will the proposed action cause an increase in the use of energy and it fails to incorporate reasonably available energy conservation or renewable energy opportunities?	<input type="checkbox"/>	<input type="checkbox"/>
7. Will the proposed action impact existing: a. public / private water supplies? b. public / private wastewater treatment utilities?	<input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>
8. Will the proposed action impair the character or quality of important historic, archaeological, architectural or aesthetic resources?	<input type="checkbox"/>	<input type="checkbox"/>
9. Will the proposed action result in an adverse change to natural resources (e.g., wetlands, waterbodies, groundwater, air quality, flora and fauna)?	<input type="checkbox"/>	<input type="checkbox"/>

	No, or small impact may occur	Moderate to large impact may occur
10. Will the proposed action result in an increase in the potential for erosion, flooding or drainage problems?	<input type="checkbox"/>	<input type="checkbox"/>
11. Will the proposed action create a hazard to environmental resources or human health?	<input type="checkbox"/>	<input type="checkbox"/>

Part 3 - Determination of significance. The Lead Agency is responsible for the completion of Part 3. For every question in Part 2 that was answered "moderate to large impact may occur", or if there is a need to explain why a particular element of the proposed action may or will not result in a significant adverse environmental impact, please complete Part 3. Part 3 should, in sufficient detail, identify the impact, including any measures or design elements that have been included by the project sponsor to avoid or reduce impacts. Part 3 should also explain how the lead agency determined that the impact may or will not be significant. Each potential impact should be assessed considering its setting, probability of occurring, duration, irreversibility, geographic scope and magnitude. Also consider the potential for short-term, long-term and cumulative impacts.

<input type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action may result in one or more potentially large or significant adverse impacts and an environmental impact statement is required.
<input type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action will not result in any significant adverse environmental impacts.
<div> <div>Name of Lead Agency</div> <div>Date</div> </div>	
<div> <div>Print or Type Name of Responsible Officer in Lead Agency</div> <div>Title of Responsible Officer</div> </div>	
<div> <div>Signature of Responsible Officer in Lead Agency</div> <div>Signature of Preparer (if different from Responsible Officer)</div> </div>	

PRINT



CITY OF ALBANY
DEPARTMENT OF ASSESSMENT
AND TAXATION
ROOM 302 CITY HALL
ALBANY, NEW YORK ZIP 12207
TELEPHONE (518) 434-5155

GERALD D. JENNINGS
MAYOR

KEITH MCDONALD
COMMISSIONER

January 9th, 2015

Mr. Bradley Chevalier
Vice President and Director of Economic Development
Capitalize Albany Corporation
1 Lodge Street
Albany, New York 12207

Dear Mr. Chevalier,

Re. 1475 Washington Avenue Student Housing Project

This letter is to inform you of my proposed assessment for the student housing project located at 1475 Washington Avenue. The current assessed value is as follows:

<u>ADDRESS</u>	<u>DESCRIPTION</u>	<u>CURRENT ASSESSED VALUE</u>
1475 Washington Avenue	1 acre vacant land	\$ 106,700

The proposed assessed value will be as follows:

<u>ADDRESS</u>	<u>DESCRIPTION</u>	<u>PROPOSED ASSESSED VALUE</u>
1475 Washington Avenue	271 unit Student Housing	LAND \$ 106,700 TOTAL \$ 7,913,200

If you have any questions please feel free to contact me at 434-5155.

Sincerely

Keith McDonald
Commissioner

MEMO

TO: City of Albany Industrial Development Agency Finance Committee

FROM: City of Albany Industrial Development Agency Staff

RE: Albany Hotel, Inc.

DATE: January 12, 2015

Representatives from Albany Hotel, Inc. will be in attendance at the January 14, 2015 IDA Finance Committee meeting to outline their request for an Assignment of the PILOT Agreement. A formal application has been submitted.



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 Sheehan, 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.

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

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: AFP 107 Corp.

APPLICANT'S ADDRESS: 9 Park Place Fourth Floor

CITY: Great Neck STATE: NY ZIP CODE: 11021

PHONE NO.: (516)466-6464 FAX NO.: (516)829-4301 E-MAIL: skronick@unitedcapitalcorp.net

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

Tony Miceli Stephen Kronick

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

NAME OF ATTORNEY: Rochelle Laufer

ATTORNEY'S ADDRESS: 9 Park Place, Fourth Floor

CITY: Great Neck STATE: NY ZIP CODE: 11021

PHONE NO.: 516-456-6464 FAX NO.: _____ E-MAIL: _____

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 eight (8) copies 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: AFP 107 Corp.

Contact Person: Stephen Kronick

Phone Number: 516-466-6464

Occupant: AFP 107 Corp.

Project Location: 89 State Street, Albany, New York 12207

Approximate Size of Project Site: 1 acre (+/-). Project does not include parking garage site.

Description of Project:

The Hilton Albany (fka the Crowne Plaza Hotel), a 384 room full-service hotel with two restaurants, 24,000 square feet of meeting space and access to a 770 stall adjacent parking garage, seeks assistance to permit Applicant to assume the existing PILOT tax and other assistance from the IDA.

Type of Project:

☐

Manufacturing

☐

Warehouse/Distribution

☒

Commercial

☐

Not-For-Profit

☐

Other-Specify

Employment Impact: *Existing Jobs 226 (148 before IDA status)

New Jobs 78 since IDA status *based upon information provided by Albany Hotel, Inc.

Project Cost: \$ N/A

Type of Financing:

☐

Tax-Exempt

☐

Taxable

☒

Straight Lease

Amount of Bonds Requested: \$ N/A

Estimated Value of Tax-Exemptions: PILOT assumption

N.Y.S. Sales and Compensating Use Tax:

\$

Mortgage Recording Taxes:

\$

Real Property Tax Exemptions:

\$ unknown

Other (please specify):

\$

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

A. Identity of Company:

1. Company Name: AFP 107 Corp.

Present Address: 9 Park Place Fourth Floor, Great Neck, NY

Zip Code: 11021

Employer's ID No.: 27-3829606

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? Delaware 11/1/2010 Date Incorporated? Type of Corporation? C Corp Authorized to do business in New York?

Yes ☒; No ☐.

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

c. ☐ Limited liability company, Date created? _____.

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:

The company is a wholly owned subsidiary of AFP Hospitality Corp., a wholly owned subsidiary of United Capital.

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
AFP Hospitality Corp.	100% owner	None
Tony Miceli	President-Treasurer	None
Michael Weinbaum	Vice President & Asst. Sec.	None
Michael Lamoretti	Vice President & Secretary	None
Stephen Kronick	Vice President	None
Rochelle Laufer	Vice President	None
Stacey O'Brien	Asst. Secretary	None
RoberBeck	Asst. Secretary	None

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

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

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 ☒. (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 ☒. 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
United Capital Corp.	9 Park Place, Great Neck, NY 11021	100%

D. Company's Principal Bank(s) of account:
M&T

II. DATA REGARDING PROPOSED PROJECT

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

The Hilton Albany (fka the Crowne Plaza Hotel), a 384 room full-service hotel with two restaurants, 24,000 square feet of meeting space and access to a 770 stall adjacent parking garage, seeks assistance to permit Applicant to assume the existing PILOT tax and other assistance from the IDA.

B. Location of Proposed Project:

1. Street Address 89 State Street
2. City of Albany
3. Town of
4. Village of
5. County of Albany
Tax Map #76.34-2-51

C. Project Site:

1. Approximate size (in acres or square feet) of Project site: 1 +/- acre
2. Is a map, survey or sketch of the project site attached? Yes ☒; No ☐.
2. Are there existing buildings on project site? Yes ☒; No ☐.
 - a. If yes, indicate number and approximate size (in square feet) of each existing building:

See Albany Hotel, Inc. application.

- b. Are existing buildings in operation? Yes ☒; No ☐.
If yes, describe present use of present buildings:

See Albany Hotel, Inc. application.

- c. Are existing buildings abandoned? Yes ☐; No ☐. About to be abandoned? Yes ☐; No ☒. If yes, describe:

- 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
Other (describe)
4. Present legal owner of project site: Albany Hotel, Inc.
- a. If the Company owns project site, indicate date of purchase: _____, 20____; Purchase price: \$____.
- 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:

The Company has entered into a purchase and sale agreement to purchase the Hilton Albany.

5. a. Zoning District in which the project site is located:
C-3. Central Business District.
- b. ☐ Are there any variances or special permits affecting the site? Yes ☒; No ☐. If yes, list below and attach copies of all such variances or special permits:

D. Buildings:

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

2. Does part of the Project consist of additions and/or renovations to the existing buildings? Yes ☒; No ☐. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation:

Albany Hotel, Inc. recently completed a comprehensive upgrade of the property at a cost exceeding \$16,000,000.

3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed or expanded:

The building will continue to be operated as a full-service hotel.

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 ☒; 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 ☒. If yes, please provided detail:
3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed:
New equipment was installed by Albany Hotel, Inc. to meet the Hilton standards.

F. Project Use:

1. What are the principal products to be produced at the Project?
Overnight accommodations, food and beverage service, banquet and catering venue and service, conference and meeting center, leisure and entertainment.
2. What are the principal activities to be conducted at the Project?
See item "F(1)" above.
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 ☒; No ☐. If yes, please provide detail:
The sale of goods and services to customers of this full service hotel.
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 ☒. 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 ☐. If yes, please explain:

As a full-service hotel, the sale of goods and services to customers who personally visit the facilities is the primary business.

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 ☐. If yes, please explain:

N/A

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 ☐. If yes, please provide detail:

This is the only full-service hotel with significant meeting space in downtown.

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

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 ☒; No ☐. If yes, please explain:

The renovation is anticipated to increase permanent employment.

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

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

a. Is the Project reasonably necessary to preserve the competitive position of the Company on 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.

None required at this time.

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

None required at this time.

H. Construction Status: N/A

1. Has construction work on this Project begun? Yes ☐; 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.: N/A

N/A

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:

The Company was informed by Albany Hotel, Inc. that a total exceeding \$16,000,000 was expended by Albany Hotel, Inc.

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 ☐; No ☒.

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

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 ☒. 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?

IV. Employment Impact

A. Indicate below the number of people presently employed at the project site and the number that will be employed at the project site at end of the first and second years after the Project has been completed (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***					
	PROFESSIONAL MANAGERIAL	SKILLED	SEMI- SKILLED	UNSKILLED	TOTALS
Present Full Time					226*
Present Part Time					N/A
Present Seasonal					N/A
First Year Full Time					N/A
First Year Part Time					N/A
First Year Seasonal					N/A
Second Year Full Time					No Change**
Second Year Part Time					N/A
Second Year Seasonal					N/A

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

* Represents Full Time employees as of 12/31/2014.

V. Project Cost ** Per Project Benefits Agreement

N/A

A. Anticipated Project Costs. ***based upon information provided by Albany Hotel, Inc. State the costs reasonably necessary for the acquisition of the project site and the construction of the proposed project including the acquisition and installation of any machinery and equipment necessary or convenient in connection therewith, and including any utilities, access roads or appurtenant facilities, using the following categories: N/A

<u>Description of Cost</u>	<u>Amount</u>
Land	\$ _____
Buildings	\$ _____
Machinery and equipment costs	\$ _____
Utilities, roads and appurtenant costs	\$ _____
Architects and engineering fees	\$ _____
Costs of Bond issue (legal, financial	\$ _____

and printing) \$ _____

Construction loan fees and interest (if applicable) \$ _____

Other (specify) \$ _____

_____ \$ _____

_____ \$ _____

_____ \$ _____

TOTAL PROJECT COST \$ _____

B. Have any of the above expenditures already been made by applicant?
 Yes ☐; No ☒. (If yes, indicate particular.)

V. 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 ☒. 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 ☐
- j. racquet sports facility (including handball and racquetball court): Yes ☐; No ☐
- k. hot tub facility: Yes ☐; No ☐
- l. suntan facility: Yes ☐; No ☐
- m. 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 ☐.
6. Is the applicant requesting the Agency to issue federally tax-exempt Enterprise Zone bonds? Yes ☐; No ☐.

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 ☐.

2. Is the applicant expecting that the financing of the Project will be secured by one or more mortgages? Yes ☒; No ☐. If yes, what is the approximate amount of financing to be secured by mortgages? \$ _____.

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

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: | \$ _____ |
| b. | Mortgage Recording Taxes: | \$ _____ |
| c. | Real Property Tax Exemptions: | \$ _____ |
| d. | Other (please specify): | \$ _____ |
| | _____ | \$ _____ |
| | _____ | \$ _____ |

5. Are any of the tax-exemptions being sought in connection with the Project inconsistent with the Agency's tax-exemption policy contained in its Rules and Regulations? Yes ☒; No ☐. If yes, please explain.

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

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

VI. 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") 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 agrees to endeavor to comply with the provisions of Article XI, Division 2 of the City Code, entitled "The Omnibus Human Rights Law". The Applicant understands that it is not subject to the provisions of The Omnibus Human Rights Law.

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.

F. 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.

G. Absence of Conflicts of Interest: The applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

H. 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.

I. 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.

J. 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.

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

(Applicant)

BY: _____

AFP 107 Corp.

NOTE: APPLICANT MUST ALSO COMPLETE THE APPROPRIATE VERIFICATION APPEARING ON PAGES 18 THROUGH 21 HEREOF BEFORE A NOTARY PUBLIC AND MUST SIGN AND ACKNOWLEDGE THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 22

VERIFICATION

(If Applicant is a Corporation)

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

Stephen Kronick deposes and says that he is the
(Name of chief executive of applicant)
vice president of AFP 107 Corp.
(Title) (Company Name)

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

AFP 107 Corp.

(officer of applicant)

Sworn to before me this

12 day of January, 2015

Rochelle Laufer
(Notary Public)

ROCHELLE LAUFER
Notary Public, State of New York
No. 02LA4938464
Qualified In Nassau County
Commission Expires 8/25/2018

(If applicant is sole proprietor)

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

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

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

(Notary Public)

(If applicant is partnership)

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

that he is one of the members of the firm of _____,
(Limited Liability Company)

.....

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

(Notary Public)

VERIFICATION

(If applicant is limited liability company)

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

_____, deposes and says

(Name of Individual)
that he is one of the members of the firm of _____,
(Partnership Name)

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

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

(Notary Public)

NOTE: THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS THE HOLD
HARMLESS AGREEMENT APPEARING ON PAGE 22 IS SIGNED BY THE APPLICANT.

HOLD HARMLESS AGREEMENT

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

(Applicant)

BY: _____

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

(Notary Public)

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Aging Albany hotel faces gray future

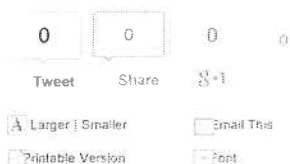
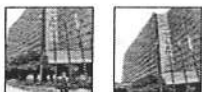
Crowne Plaza in danger of losing franchise and image without city's help

By JORDAN CARLEO-EVANGELIST Staff writer

Published 12:01 am, Friday, July 29, 2011



The Crown Plaza on Thursday, July 28, 2011, in Albany, N.Y. (Cindy Schultz / Times Union)



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ALBANY -- The Crowne Plaza hotel, a downtown anchor for three decades, is in danger of losing its franchise unless it receives at least \$10 million in upgrades, according to the Dallas private equity firm that bought it last year.

To avoid that, Albany Hotel, Inc. is asking the city's Industrial Development Agency to grant the aging State Street hotel a tax break that would save it at least \$14.3 million in taxes between now and 2042, with the hotel pledging in return to invest at least \$10 million back into the building.

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Rensselaer makes \$11M deal with Albany to strengthen casino bid

At stake is not just the fate of the Crowne Plaza but perhaps the image of State Street itself, one of the city's most visible and star-crossed downtown thoroughfares.

The roadway itself is undergoing a multi-million overhaul that includes new sidewalks, curbs and planted medians but is flanked by at least two seemingly stalled publicly backed redevelopment projects and another struggling hotel.

One of those projects, a bid to turn the old DeWitt Clinton Hotel at State and Eagle streets into an Embassy Suites, appears to have languished despite a commitment of \$4 million in state aid, while luxury boutique hotel 74 State fell into foreclosure last year.

The Crowne Plaza deal would be structured as a payment in lieu of taxes that would pave the way for the hotel to renew its expiring franchise, or flag, with the Crowne Plaza or another top-tier hotel brand and also end its somewhat complex relationship with the state.

The land on which the 384-room hotel sits at the corner of State and Lodge streets, a block below the Capitol, is actually owned by Empire State Development, the state's economic development arm.

The Crowne Plaza has a long-term lease with the state, under which it pays an annual rent to the city of about \$364,000, equivalent to the taxes on about half of the hotel's \$27 million assessed value, according to its attorney, Robert Wakeman.

Those payments are scheduled to spike to 100 percent of the building's assessed value in 2022 -- a development that the ownership group, for whom acquisition of the Crowne Plaza was just a small part of much larger deal, calls "economically unsustainable."

The owners claim the hotel's profitability is declining as it under-performs its nearby competitors -- including the much newer Hampton Inn on Chapel Street and the Wolf Road Marriott and Desmond near the airport in Colonie.

Failing to secure a new high-end franchise -- which the ownership casts as a near impossibility without the costly renovations -- would force the hotel to go independent, which would be "difficult to sustain" and potentially accelerate its decline, Wakeman wrote.

City Planning Commissioner Michael Yevoli likened that scenario to "a slow bleed" that could end with an undesirable use of the building.

Albany Hotel Inc. is owned by a subsidiary of Lone Star Real Estate Fund, a Texas-based private equity fund that last April bought Lodgian Inc. -- one of the nation's largest independent hotel owners -- for around \$270 million. The Crowne Plaza was among Lodgian's holdings.

Albany Hotel Inc. could exercise an option to buy the Crowne Plaza land from the state for \$1 million, but doing so, according to Wakeman, would cause the tax payments to immediately spike to 100 percent of the property's assessed value.

The PILOT agreement would allow the hotel to buy the property, make the needed improvements and compete for a new franchise while stabilizing the increase in annual payments for 30 years, representatives of the owners told the IDA last week.

Under the current proposal, the hotel would pay \$346,000 this year, a sum that would increase three percent annually for the first decade and then five percent annually thereafter.

The owners are also asking to be exempt from nearly \$1.1 million in sales and mortgage recording taxes related to the project. In exchange for the tax exemptions, the hotel would pay an additional \$1.5 million between 2012 and 2026 as a community development fee, which the IDA could use to back other projects.

The estimated \$14.3 million value of the property tax break does not include the community benefit payment but assumes the building's assessment would be reduced by more than a quarter to \$20 million by the time full taxes were due to be paid on it.

LATEST NEWS



Rensselaer makes \$11M deal with Albany to strengthen casino bid

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'Evolve' creators tackle monstrous expectations

The hotel's owners told the IDA they have two expert opinions to support their contention that the building is over-assessed. But city Treasurer Kathy Sheehan, a member of the IDA board, questioned that logic.

"What we're saying is they're going to invest \$10 million in this building and it's still going to be worth \$7 million less than our assessor says it is now," Sheehan said last week.

She also asked to see a more specific break-down of the projected economic benefits to the city.

"Certainly having a flagship hotel in the downtown of a capital city is something that is expected," Sheehan said Thursday. "It does absolutely benefit the city to have that here compared to having people staying in outlying areas, but we need to be able to quantify that for the taxpayers."

Yevoli said the hotel owners have since provided some of those figures. He has also said the agreement could be contingent on the hotel maintaining a certain level of hotel affiliation.

"I think for that type of project to remain competitive," Yevoli told the IDA last week, "we're going to have to be looking at numbers like this."

Reach Jordan Carleo-Evangelist at 454-5445, jcarleo-evangelist@timesunion.com or on Twitter @JCEvangelist_TU

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CROWNE PLAZA HOTEL

MICHAEL P. FARRELL/TIMES UNION

LONG A factor in the downtown Albany economy, the Crowne Plaza hotel has been acquired by a Texas-based private equity fund, which has promised to invest in the 384-room hotel at State and Lodge streets in exchange for a new deal on taxes.

Fate of Crowne Plaza linked to State Street

BY JORDAN CARLEO-EVANGELIST
STAFF WRITER

ALBANY — A city economic development panel has approved a \$14.3 million property tax break over the next 30 years for the Crowne Plaza hotel, a deal its owners say will allow them to keep the fading State Street anchor from losing its marquee hotel affiliation.

Under the agreement with the city's Industrial Development Agency, the 384-room hotel will still pay nearly \$20.3 million to the city, school district and county between now and 2042, while pledging to invest at least \$10 million into the aging facility

a block from the Capitol.

The improvements are scheduled to begin next year and conclude in 2013, according to documents submitted to the IDA.

In some ways, the three-decade-old hotel — a mainstay for lobbyists, politicians and conventioners in the state capital — may serve as a bellwether for all of State Street, a vital downtown corridor beset in recent years by false starts at redevelopment. The city, some argue, can ill afford to let it decline further.

Please see **CROWNE A3** ►

Payment deal

The payment in lieu of taxes, or PILOT, agreement approved by Albany's IDA for the Crowne Plaza replaces an existing PILOT that would have expired in 2023 and will save the hotel's owners about 14.3 million over the next 30 years, all over the last 20 years of the deal. Here's a look at the annual payments, in five-year snapshots, according to what the hotel would have paid under the old deal, what it will pay under the new one and what it would pay with no tax break at all.



YEAR	OLD PILOT	NEW PILOT	NO PILOT*	SAVINGS OVER OLD PILOT
2012	\$357,264	\$357,264	\$865,255	\$0
2017	\$414,167	\$414,167	\$1,003,068	\$0
2022	\$480,133	\$489,456	\$1,162,831	-\$9,323
2027	\$1,348,039	\$624,683	\$1,348,039	\$723,356
2032	\$1,562,747	\$797,272	\$1,562,747	\$765,475
2037	\$1,811,652	\$1,017,543	\$1,811,652	\$794,109
2042	\$2,100,202	\$2,100,202	\$2,100,202	\$0

* The figures in the "No PILOT" column are based on projected tax rate increase and assume the building's assessment would be lowered from its current \$27.3 million to \$20 million.

Source: City of Albany Industrial Development Agency

Deal promises hotel update

CROWNE

▼ CONTINUED FROM A1

The new deal replaces the hotel's existing tax break — a complex 1979 rent agreement with the city and state — that would have expired in 2023, prompting the property's annual taxes to spike. The agreement, in effect, takes what would have been a sharp increase in the hotel's annual taxes in 2023 and stretches it out over the next two decades.

The new payments — known as a PILOT for payment in lieu of taxes — will come in annual installments over 30 years, starting at \$357,264 next year and increasing to \$2,100,202 by the end of the pact.

Without the promise of those later savings, the property's owners — a large Texas investment fund — said the hotel improvements would not make financial sense.

In the near term, the hotel will also pay \$1.5 million into an IDA community development fund over 15 years starting in 2012.

"We're excited about seeing the work take place," said Michael Yevoli, the city's planning and development commissioner, who also serves as the IDA's CEO, "and it's going to be a good thing to breathe some new life into the facility."

Albany boosters, like Michele Vennard, president and CEO of the Albany County Convention and Visitors Bureau, made a case for the tax break by painting the Crowne Plaza — with its key location at State and Lodge streets — as vital to the city's ability to lure business travelers, who generate cash for the downtown economy.

But in a memo to the city economic

development officials, Vennard also noted "potential customers are noticing the wear on the property and have been waiting for much-needed updates."

And while occupancy for the hotel is not below the county average, Vennard wrote, it has failed to grow over the last three years.

Meanwhile, data offered by the hotel depict a bleaker picture, indicating in recent months its competitors — such as the Holiday Inn and Marriott on Wolf Road in Colónie, and the nearby Desmond — have sold a greater percentage of their rooms despite charging higher prices.

The Crowne Plaza's occupancy rate, according to numbers supplied by the hotel, dropped from 73.6 percent in 2005 to 59.8 percent last year, a period that roughly coincides with the national recession. Over the same span, average occupancy for all levels of hotels in the Albany-Schenectady market dropped from 61 percent to 55.8 percent, according to STR, a Nashville-based industry research firm.

Without the improvements, the Crowne Plaza — which opened as the Albany Hilton in the early 1980s — is in danger of losing its chain affiliation, forcing it to go "independent," which could lead to a downward spiral that would be bad for it and the city, its owner, Albany Hotel Inc., cautioned.

Albany Hotel Inc. is owned by a subsidiary of Lone Star Real Estate Fund, a Texas-based private equity fund that last April bought Lodgian Inc. — one of the nation's largest independent hotel owners — for \$270 million. The Crowne Plaza was among Lodgian's holdings.

The deal will take effect next year, but the property tax savings won't start accumulating until 2023, when the hotel would have begun paying taxes on its full assess-

ment. Now, that won't happen until at least 2042.

The IDA board unanimously backed the agreement on Thursday but declined to exempt the hotel from nearly \$294,000 in mortgage recording taxes the owners had requested in connection with financing linked to the deal.

Robert Wakeman, the owners' attorneys, declined comment on the vote.

The action came after board members asked the owners for more detail on the hotel's economic impact. The owners countered by saying the project would generate \$71,902,318 in county hotel occupancy taxes, state county sales taxes and income taxes over the life of the deal.

The owners also estimate the project will pour an additional \$451,911,720 in the region's economy through wages and other sources.

"Having them so close to the convention center, we view as a tremendous asset," said Gavin Donohue, chairman of the Albany Convention Center Authority, which is leading the effort to build a \$220 million exhibition space not far away.

Losing Albany's flagship hotel, Donohue said, would benefit nobody.

"The folks from the Crowne Plaza have been partners with us," he said, noting that the Crowne Plaza's room space would likely be needed to help house conventioners while the private hotel accompanying the convention center is being built.

Asked what, if anything, the hotel's struggles might mean for the viability of the convention center itself, Donohue said he did not see them as unique to Albany.

"I think you'd find that in all areas of the country due to the economy," he said.

BUSINESS

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TIMES UNION | Timesunion.com | Tuesday, May 21, 2013



LODGING

Hilton returns to downtown

\$14M renovation reincarnates 34-year-old Albany hotel and returns it to high-end branding

By Eric Anderson

Albany

Gone are the overstuffed chairs, the dark paneling and the other 1980s decorative touches.

The hotel at State and Lodge in downtown Albany has been refurbished and updated, and the Hilton name once again is on the marquee.

On Monday, Hilton and city officials showed off the results of \$14 million in improvements to the 34-year-old, 385-room hotel, which opened as the Albany Hilton in 1980 and later became an Omni and then a Crowne Plaza.

Albany Hotel Inc., a subsidiary of Texas-

Please see **HILTON E1** ▶



Photos by Paul Buckowski/Times Union

A view of the lobby, top, and the Charter Restaurant inside the Hilton Albany, which underwent \$14 million in upgrades and renovations.

THE INNOVATORS: GANPATI RAMANATH

'Nunchu' cooked up in a \$40 microwav

BUSINESS

HILTON

▼ CONTINUED FROM E1

Albany Hotel Inc., a subsidiary of Texas-based private equity fund Lone Star Real Estate Fund, successfully sought a 30-year, \$14.3 million reduction property taxes, replacing an existing deal that would have expired in 2023.

The owners said the improvements wouldn't have made financial sense without the breaks, and that the hotel risked losing its higher-end branding if it wasn't updated.

The renovation — which began 11 months ago — included freshly decorated rooms, new bedding, Wi-Fi

throughout and an updated in-room entertainment system. The lobby features a new restaurant, lounge and check-in area.

Prices for rooms for late next week range from \$143 for a room with two double beds to \$432 for a suite with access to the hotel's executive lounge and double rewards points.

Hilton has added a number of properties throughout the region in recent years, among them a Hampton Inn & Suites just two blocks away from the Hilton Albany.

Meanwhile, members of the Painters and Allied Trades District Council No. 9 said they were protesting the use of nonunion paint-



Paul Buckowski/Times Union
A view of the Hilton Albany.

ers Monday afternoon on a stairwell painting project.

Jeff Stark, their business representative, said the hotel had used union labor "until today... they brought in seven or eight guys from

New Jersey."

Stark said a picket line went up at 3 p.m.

Hotel officials said through a spokesman they were unaware of any picketing.

Meanwhile, local officials on Monday said they were pleased with the results of the renovation.

"You'd think we were in a brand-new hotel," said Mark Egan, president and CEO of the Albany-Colonie Regional Chamber of Commerce.

"This is such a game-changer for us," added Michele Vennard, president of the Albany County Convention and Visitors Bureau.

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CONCEPT

▼ CONTINUED FROM E2

The race to improve the efficiency and lower the costs of solar cells has encouraged researchers globally to look toward using organic and natural compounds in solar cells. Albany isn't alone in their research into creating organic structures to absorb and convert light to electrical energy. Korean researchers constructed a solar cell composed of peptides and carbon nano-

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\$14M adds luxury to hotel

Major investment prepares property for Hilton standards

By Eric Anderson

The Hotel Albany is in the midst of a massive updating as it prepares to return to the Hilton fold later this year. The \$14 million project includes new furniture, fixtures, and upgraded bathrooms, as well as plentiful electric outlets, in-room refrigerators and coffee makers and plenty of workspace.

Even the elevators are getting a makeover. The wood paneling is being removed, restoring the glass back walls that offer views of the Hudson River Valley as they make their way up the 15-story building. The glass was covered over during a previous remodeling.

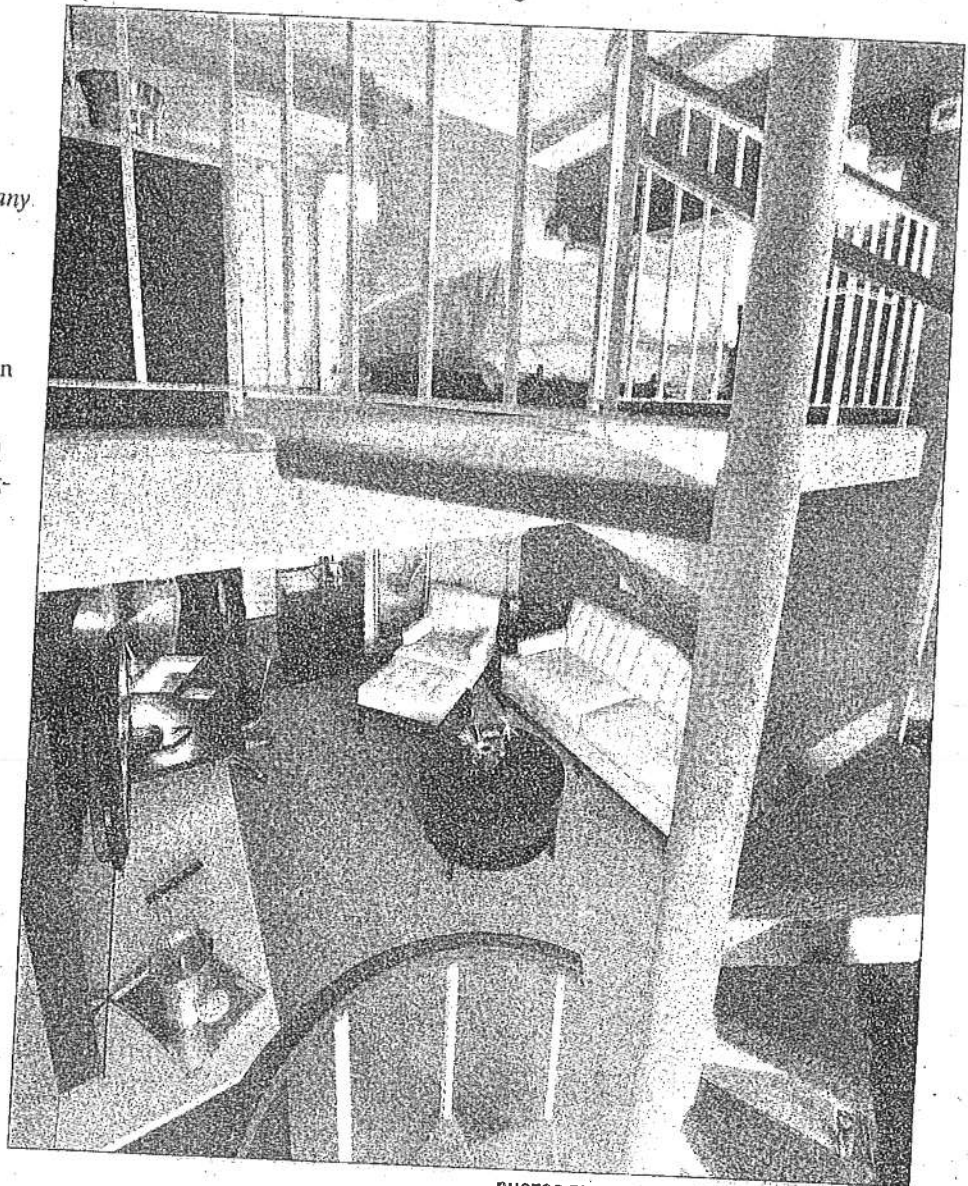
"It's like the good old days. Full circle," said Everol Gordon, banquet captain and a 24-year veteran of the hotel, which opened as the Albany Hilton at Ten Eyck Plaza back in 1980. It subsequently was the Omni Albany and then the Crowne Plaza. Now simply the Hotel Albany, an affiliate of Hilton Hotels & Resorts, it expects to become the Hilton Albany later this year.

General Manager Art Thompson said two floors have been renovated, as well as the fitness center. Work began in June and is expected to be completed by the end of the year.

The 386-room hotel also will get a lobby makeover, with an existing restaurant converted to meeting space and a new restaurant at the rear of the lobby. A bar and lounge area will replace the current registration desk, which will be shifted across the lobby.

Turner Construction is

Please see **HILTON D2** ►

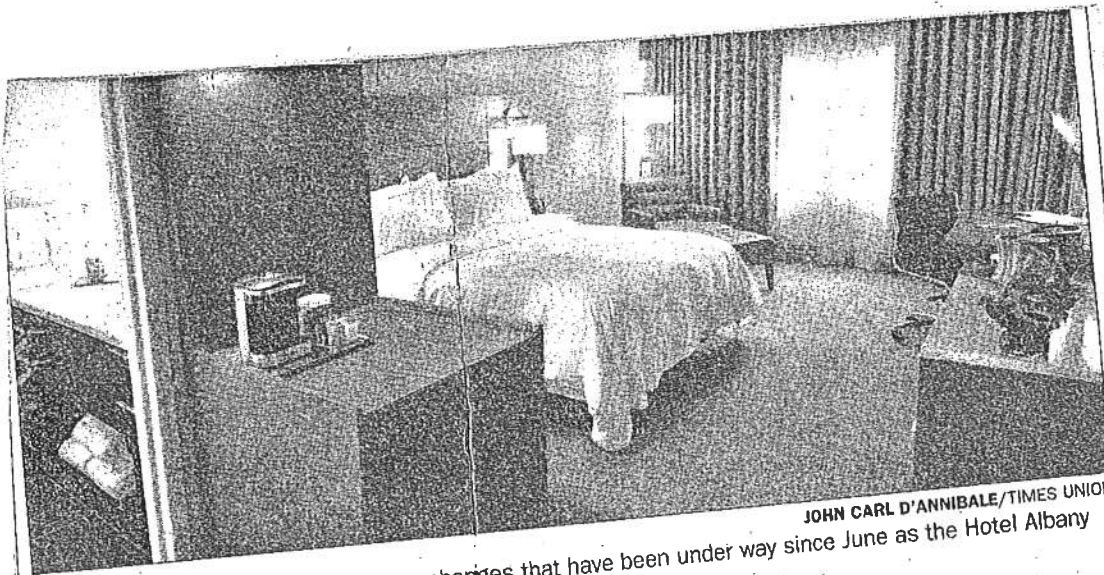


PHOTOS BY JOHN CARL D'ANNIBALE/TIMES UNION



► **THE NEW** bi-level bridal suite is ready as the Hotel Albany in downtown prepares to return to the Hilton brand later this year.

◄ **THE** 386-room hotel is receiving a new lobby and other work, including a restaurant and fitness center.



JOHN CARL D'ANNIBALE/TIMES UNION

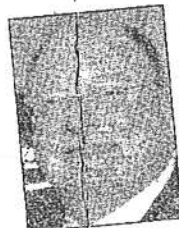
A RENOVATED double bedroom shows changes that have been under way since June as the Hotel Albany prepares to rejoin the Hilton fold later this year.

HILTON

▼ CONTINUED FROM D1

handling the renovations. An executive lounge on the 13th floor will serve the hotel's club floors, offering morning breakfast, snacks throughout the day and cocktails in the evening.

Jon Stultz, the hotel's director



STULTZ

Tuesday.

Wireless Internet access is

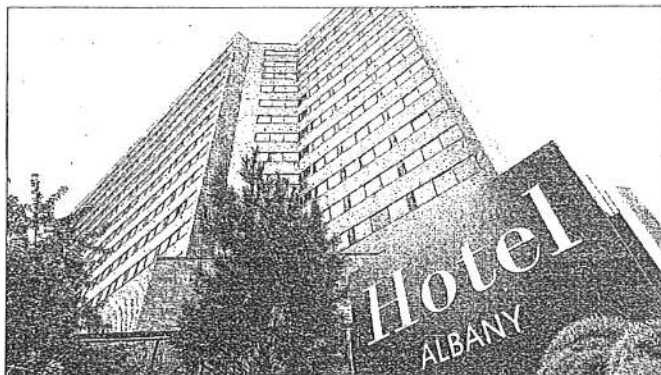
of sales and marketing, showed reporters several newly renovated rooms, including a two-story suite, during a tour of the renovations on

available throughout the building, although the hotel also can provide wired Internet access for those who seek additional security.

Average room rates will range from \$159 to \$219 per night.

The hotel remains open through the renovations.

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DONNA ABBOTT VLANDS | THE BUSINESS REVIEW
The 386-room former Crown Plaza Hotel in Albany is undergoing a \$14 million remodel.

Hotel Albany bookings double under new Hilton affiliation

BY MICHAEL DEMASI
THE BUSINESS REVIEW

A new affiliation with Hilton Hotel & Resorts, and a \$14 million renovation underway, are boosting demand for rooms and meeting space at the Hotel Albany downtown.

Revenue from room advance reservations in 2013 is slightly more than double the amount this year, said Jon Stultz, director of sales and marketing.

"Not only are we up in rooms, but in catering," Stultz said. "The meeting plan-

ners in the area are abuzz. They're very interested in this hotel coming back."

The 386-room full-service hotel, the largest in the region, had stagnated under the Crowne Plaza brand and needed significant upgrades to remain competitive.

New ownership is investing in a top-to-bottom renovation, including gutting the guest rooms, increasing the amount of banquet/meeting space, replacing the new covered entrance in front, and installing exterior accent lighting.

The hotel remains open while the work is being done by Turner Construction Co. of Albany.

Renovations are expected to be finished by the end of this year, and the property's name will change to Hilton Albany.

The first of the updated guest rooms, on the 14th and 15th floors, have already been rented.

They feature all new furnishings and a

'Not only are we up in rooms, but in catering. The meeting planners in the area are abuzz. They're very interested in this hotel coming back.'

Jon Stultz
Director of sales and marketing
Hotel Albany, the former Crowne Plaza

brighter, more spacious look, including back-lighted bathroom mirrors. Rooms will now have small refrigerators and safes large enough to fit a laptop.

Other improvements include enclosing the pool atrium to prevent the smell of chlorine from seeping into other parts of the building and a new fitness facility.

Indoor meeting space for banquets and events will increase to 34,000 square feet, making it the largest size in the region, Stultz said.

The renovated hotel is coming online at a time when overall demand is improving in Albany County. The occupancy rate is up 6.6 percent year-to-date, and the average daily rate up 9.7 percent.

Convention and meeting business is also improving, said Michele Vennard, president and CEO of the Albany County Convention and Visitors Bureau.

"We're showing steady growth," Vennard said.

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Corrections & amplifications

Brown's Brewing Co.

An article in the Aug. 10-16 print edition incorrectly stated the output that Brown's Brewing Co. will add with an ongoing expansion. The brewery will have a new annual capacity of 23,000 barrels of beer.

New York horse sales

A chart in the Aug. 10-16 print edition included incorrect data for past horse sales in Saratoga Springs. A corrected chart appears in this issue on page 29.

(1) On January 1 of the years 2012 to and including 2042, the Company will pay fixed payments in lieu of taxes in the amounts set forth in the table appearing below:

Payment Dates ¹ (January 1)	Payments
2012	\$357,264
2013	\$367,982
2014	\$379,021
2015	\$390,392
2016	\$402,104
2017	\$414,167
2018	\$426,592
2019	\$439,390
2020	\$452,571
2021	\$466,148
2022	\$489,456
2023	\$513,929
2024	\$539,625
2025	\$566,606
2026	\$594,937
2027	\$624,683
2028	\$655,918
2029	\$688,713
2030	\$723,149
2031	\$759,306
2032	\$797,272
2033	\$837,135
2034	\$878,992
2035	\$922,942
2036	\$969,089
2037	\$1,017,543
2038	\$1,068,420
2039	\$1,121,842
2040	\$1,177,934
2041	\$1,236,830
2042	\$2,100,202
2043 and thereafter	100% of Normal Tax

(2) The Agency and the Company agree that each January 1 payment date noted in the table above will represent the amount due to Albany County and the City of Albany for that particular fiscal year of Albany County and the City of Albany, and for the City of Albany City School District for the immediately preceding September tax bill.