

TO: City of Albany Industrial Development Finance Committee

FROM: City of Albany Industrial Development Agency Staff

RE: 99 Pine Street of Albany, LLC - IDA Application Summary

DATE: April 8, 2016

Staff Notes:

This project summary is in response to the request for financial assistance by the Applicant which was formally introduced at the March 9th, 2016 Finance Committee meeting. The Agency Board considered and approved a public hearing resolution on March 17th 2016. The public hearing is scheduled for April 13th, 2016. Please note this project summary will continue to be updated as the project progresses through staff review and Agency consideration.

Applicant: 99 Pine Street of Albany, LLC.

Managing Members (% of Ownership): Christopher Maddalone and Seth Meltzer (70% and 30%, respectively).

Project Location: 55 North Pearl Street (aka 99 Pine Street)

Project Description: The project consists of the acquisition a commercial office building known as the Capital Center encompassing approximately 100,000 SF on the corner of N. Pearl and Pine Streets and the partial renovation/conversion the property's third, fourth and fifth floors into approximately 35 market-rate residential units totaling +/- 34,000 SF.

Estimated Project Cost: \$6,712,771 (estimated amount spent \$50,000)

Type of Financing: Straight Lease

Amount of Bonds Requested: None

Estimated Total Purchases Exempt from Sales Tax: \$1,621,789

Estimated Total Mortgage Amount: \$5,957,262

Current Total Assessment: \$1,500,000 (Per City of Albany Commissioner of Assessment and Taxation)

Estimated Improved Total Assessment: \$4,240,000 (Per City of Albany Commissioner of Assessment and Taxation)

Requested PILOT: N/A (Applicant is seeking as-of-right 485a through the City of Albany.)

Estimated Value of Total PILOT Payments:

- Total PILOT Payments: N/A

Estimated Value of Tax Exemptions:

- NYS Sales and Compensating Use Tax: \$129,743
- Mortgage Recording Taxes: \$74,466
- Real Property Taxes: N/A
- Other: N/A

Employment Impact:

- Projected Permanent: 0 jobs
- Projected Retained: 0 jobs
- Projected Construction: 15 jobs

Strategic Initiatives:

- Albany 2030
 - Increase job opportunities for all residents.
 - Encourage investment in urban land and historic buildings for employment and housing.
 - Provide a variety of housing types to meet the varied needs of Albany's households, including market, moderate and low income housing.
 - Encourage diverse intergenerational housing. Diverse housing includes options for residents throughout different stages of life (e.g. students, couples, families with children, seniors) in the same neighborhood.
- Impact Downtown Albany
 - Revitalization and diversification of downtown - adaptive reuse of underutilized or vacant buildings.
 - Establish a greater critical mass of housing downtown.
 - Encourage development proposals compatible with a mixed-use, pedestrian oriented setting.

Planning Board Actions:

- Applicant is scheduled to appear before the Planning Board on April 21st.

Estimated IDA Fee

- Fee amount: \$33,564

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.