

**TO:** City of Albany Industrial Development Finance Committee

**FROM:** City of Albany Industrial Development Agency Staff

**RE:** One Columbia Place Realty, LLC - IDA Application Summary

**DATE:** June 18, 2015

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**Applicant:** One Columbia Place Realty, LLC

**Managing Members (% of Ownership):** Marc H. Paquin (100%)

**Project Location:** 1 Columbia Place and 48 Sheridan Ave

**Project Description:** The project is the revitalization of a historic structure built in 1840 (25,368 SF). The proposed project includes the conversion of a vacant 25,368 sq.ft. commercial office building into market-rate residential. The Applicant is proposing 21 one and two bedroom residential rental units. A portion of the property (nearly 25%) collapsed in August 2014. Consequently, the Applicant invested \$170,000 in shoring and stabilizing the structure in addition to \$25,000 in architectural and engineering fees. The project will require the removal and replacement of many of the existing partition walls, plumbing, electrical wiring, HVAC, windows, etc. The residential units will be serviced by an elevator with parking located next door. Each residential unit will be finished with carpet/tile floors, granite countertops, stainless steel appliances, etc.

**Estimated Project Cost:** \$2,557,000 (est. amount spent to date: \$362,000)

**Type of Financing:** Straight Lease

**Amount of Bonds Requested:** None

**Estimated Total Purchases Exempt from Sales Tax:** \$864,276

**Estimated Total Mortgage Amount:** \$2,400,000

**Current Total Assessment:** \$145,700

**Estimated Improved Total Assessment:** \$1,422,879 (\$67,756 per unit)

**Requested PILOT:** The proposal entails the Applicant entering into a 20 year PILOT agreement with the IDA.

**Estimated Value of Total PILOT Payments:**

- Total PILOT Payments: \$576,615 (vs. \$179,186 in estimated taxes if left status quo)

**Estimated Value of Tax Exemptions:**

- NYS Sales and Compensating Use Tax: \$69,142
- Mortgage Recording Taxes: \$30,000

- Real Property Taxes: \$1,173,280
- Other: N/A

**Employment Impact:**

- Projected Permanent: 1 new FTE
- Projected Construction: 25 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.
- Revitalization and diversification of downtown - adaptive reuse of underutilized or vacant buildings

**Planning Board Actions:**

- Applicant received Site Plan Approval on May 21, 2015.

**Estimated IDA Fee**

- Fee amount: \$25,570

**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.