

TO: City of Albany Industrial Development Finance Committee

FROM: City of Albany Industrial Development Agency Staff

RE: ValuSpace Albany LLC - IDA Application Summary

DATE: January 13, 2017

Staff Notes:

This project summary is in response to the request for financial assistance which was introduced at the December 7, 2016 Finance Committee meeting. Please note this project summary will continue to be updated as the project progresses through staff review and Agency consideration.

Applicant: ValuSpace Albany, LLC

Managing Members (% of Ownership): Jack Rosenblum Irrev. Trust 99.0% and Seth Rosenblum 1.0%

Project Location: 40 N. Russell Rd

Project Description: The project consists of the construction of a new +/- 90,000 SF, 3-story, temperature controlled self-storage facility containing a rental office and retail space for the sale of moving and packing supplies. The site will be landscaped, fenced, gated to control access in addition to an IP security camera system. The facility will include +/- 15 parking spaces. An underutilized +/- 27,000 SF structure on the site was removed in November 2016.

Estimated Project Cost: \$6,306,193 (estimated amount incurred to date: \$1,315,000)

Type of Financing: Straight Lease

Amount of Bonds Requested: None

Estimated Total Purchases Exempt from Sales Tax: \$4,414,335

Estimated Total Mortgage Amount: \$5,044,954

Current Total Assessment: \$746,000 (Per City of Albany Commissioner of Assessment and Taxation and on the 2016 Assessment Roll).

Estimated Improved Total Assessment: \$1,508,000 (Per City of Albany Commissioner of Assessment and Taxation)

Requested PILOT: N/A (Applicant is seeking as-of-right 485b 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: \$353,147
- Mortgage Recording Taxes: \$63,062
- Real Property Taxes: N/A
- Other: N/A

Employment Impact:

- Projected Permanent: 2 jobs (1.5 full-time equivalents)
- Projected Retained: 0 jobs
- Projected Construction: 31 jobs

Strategic Initiatives:

- Albany 2030
 - Increase job opportunities for all residents.
 - Encourage investment in urban land and buildings for employment and housing.

Planning Board Actions:

- Applicant appeared before the Planning Board and received Site Plan Approval on September 15, 2016.

Estimated IDA Fee

- Fee amount: \$31,531

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.