

IDA Application

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: 733 Broadway LLC

APPLICANT'S ADDRESS: 733 Broadway

CITY: Albany STATE: NY ZIP CODE: 12207

PHONE NO.: (518)431-1051 FAX NO.: (518)431-1053 E-MAIL: lharris@norstarus.com

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

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

NAME OF ATTORNEY: Geoff Cannon

ATTORNEY'S ADDRESS: 54 State Street

CITY: Albany STATE: NY ZIP CODE: 12207

PHONE NO.: (518)465-1500 x130 FAX NO.: (518)465-3906 E-MAIL: gcannon@chwattys.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 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.**

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: 733 Broadway LLC
Contact Person: Lori Harris
Phone Number: (518)431-1051
Occupant: Mixed Use- Residential Rental Apartments and Office
Project Location: 733 Broadway, Albany, NY

Approximate Size of Project Site: 1.3 acres

Description of Project:

The project includes the adaptive reuse of the existing building located at 733 Broadway. The existing building currently is used as an office, but following renovation the project would include approximately 2,500 s.f. of office and thirty (30) residential rental apartments. In addition to the office and apartments, the project will include a fitness room and storage. Additionally, the project includes 50 surface parking spaces.

The residential component will include twenty-six (26) 1 bedroom/1 bath units, four (4) 2 bedroom/2 bath units. All units are market and the average rent is \$1.46 per s.f. ranging from \$1,390 to \$1,790 per month.

The project will be a loft-style design offering common entryway to the units. The units will generally have an open floor plan with the kitchens open to the living areas with a breakfast bar which separates the living and dining space. Each unit will be equipped with a washer and a dryer. Secure access to the building will be maintained through the use of a swipe card system.

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

Employment Impact: Retained Jobs = 5 full-time (FTE) Norstar employees to remain at site.
New Construction Related Jobs = 27 job years (equivalent of 27 jobs for one year);

Project Cost: \$ 5,141,667

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:	\$ 100,000 (\$1,250,000 x 8%)
Mortgage Recording Taxes:	\$ 48,125 = (\$3,850,000 x 1.25%)
Real Property Tax Exemptions:	\$ see PILOT request
Other (please specify):	\$

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

A. Identity of Company:

1. Company Name: 733 Broadway, LLC

Present Address: 733 Broadway, Albany

Zip Code: 12207

Employer's ID No.: 80-0124131

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? 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. x Limited liability company,
Date created? 2004.

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:
Yes, an affiliate of Norstar Development USA, L.P.

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
Norstar Investment USA, Inc.	Managing member with 80% interest in LLC	Real estate investment
Black Locust	Non-managing member with 20% in LLC	Real estate investment

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

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

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 x.
(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
Neil Brown	50% owner of managing member	Real estate
Gary Silver	50% owner of managing member	Real estate
Richard L. Higgins	Owner of non-managing member	Real estate

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

Bank of America

II. DATA REGARDING PROPOSED PROJECT

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

The project includes the adaptive reuse of the existing building located at 733 Broadway for office and thirty (30) residential rental apartments. In addition to the apartments, the project includes a fitness room and storage. Additionally, the project includes 50 surface parking spaces.

The residential component of the project will include twenty-six (26) 1 bedroom/1 bath units, four (4) 2 bedroom/2 bath units. All units are market and the average rent is \$1.46 per s.f. ranging from \$1,390 to \$1,790 per month.

The project will be a loft-style design offering common entryway to the units. The units will generally be an open floor plan with the kitchens open to the living areas with a breakfast bar which separates the living and dining space. Each unit will be equipped with a washer and a dryer. Secure access to the building will be maintained through the use of a swipe card system.

B. Location of Proposed Project:

1. Street Address 733 Broadway
2. City of Albany
3. Town of
4. Village of
5. County of Albany

C. Project Site:

1. Approximate size (in acres or square feet) of Project site: 1.3 acres
- 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:

1 existing building consisting of approximately 48,000 s.f.

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

Offices of Norstar Development USA, L.P.

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

- d. Attach photograph of present buildings. Attached.

3. Utilities serving project site:

Water-Municipal: Yes

Other (describe)
Sewer-Municipal: Yes
Other (describe)
Electric-Utility: Yes
Other (describe)
Heat-Utility: Yes
Other (describe)

4. Present legal owner of project site: 733 Broadway, LLC

a. If the Company owns project site, indicate date of purchase:
September 23, 2004; Purchase price: \$ 1,475,000.

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:

*It should be noted that the land value is being carried at \$1.165M pursuant to underwriting standards. But, the actual price paid for the land was \$1.475M.

5. a. Zoning District in which the project site is located: C-3

b. Are there any variances or special permits affecting the site? Yes ____; No x. 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 x. 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 x; No _____. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation: The building will be adaptively reused as an office and thirty (30) residential rental units.

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

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:

The project includes the installation of furniture, fixtures and a small amount of equipment (i.e. appliances for the apartments and the community room as well as fitness equipment for the fitness room).

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: For use in the operation of the rental apartments.

F. Project Use:

1. What are the principal products to be produced at the Project? Office and Residential rental apartments.
2. What are the principal activities to be conducted at the Project? Office and Residential use.
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:
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: The project is located in a qualified census tract (no. 36001001100).
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:
 New Construction Related Jobs = 27 job years (equivalent of 27 jobs for one year);
 Retained Jobs = 5 FTE currently located at site.
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:

- a. Is the Project reasonably necessary to preserve the competitive position of the Company on such Project Occupant in its industry? Yes ____; No x. 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 x. 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.

Because of the change in use, the project will require site plan approval from the City of Albany. Also, a permit is required from the Department of Building and Regulatory Compliance.

2. Describe the nature of the involvement of the federal, state or local agencies described above: Site plan approval and Building Permit.

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 \$250,000 in A/E fees for this project design, \$8,000 for an economic impact analysis.

Land purchase \$1,475,000

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 x; 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 x; No _____. If yes, please complete the following for each existing or proposed tenant or subtenant:

1. Sublessee name: future residential tenants

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: Norstar Development USA, L.P.
Present Address: 733 Broadway
City: Albany State: New York Zip: 12207
Employer's ID No.:
Sublessee is:
____ Corporation: x Partnership: _____ Sole Proprietorship
Relationship to Company: affiliate
Percentage of Project to be leased or subleased: 6.6% approximately
Use of Project intended by Sublessee: office
Date of lease or sublease to Sublessee: upon completion of rehab;
Term of lease or sublease to Sublessee: annual
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 x . 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? 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					
	PROFESSIONAL MANAGERIAL	SKILLED	SEMI- SKILLED	UNSKILLED	TOTALS
Present Full Time	5	0	0	0	5
Present Part Time	0	0	0	0	0
Present Seasonal	0	0	0	0	0
First Year Full Time	5	0	1	0	5
First Year Part Time	0	0	1	0	1
First Year Seasonal	0	0	0	0	0
Second Year Full Time	6	0	0	0	6
Second Year Part Time	0	0	1	0	1
Second Year Seasonal	0	0	0	0	0

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	\$ 1,475,000
Buildings	\$ 2,880,000
Demolition	\$ _____
Working Capital	\$ _____
Soft Costs/Architects and engineering fees	\$ 400,000
Financing Costs (Includes fees/interest)	\$ 316,667

Construction loan fees and interest (if applicable)	\$ <u>see above</u>
Other (specify) : taxes	\$ _____
<u>Initial Op Def</u>	\$ <u>35,000</u>
<u>Permits</u>	\$ <u>35,000</u>
_____	\$ _____
TOTAL PROJECT COST	\$5,141,667

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

land acquisition = \$1,475,000

A/E fees and other predevelopment costs = \$400,000

Economic Impact analysis = \$8,000

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;
 - b. Maturity requested: _____ Years.
2. Is the interest on such bonds intended to be exempt from federal income taxation? Yes ____; No ____.
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
 - 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 ____
 - 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 x.

6. Is the applicant requesting the Agency to issue federally tax-exempt Enterprise Zone bonds? Yes ____; No x.

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 x.

2. Is the applicant expecting that the financing of the Project will be secured by one or more mortgages? Yes x; No _____. If yes, what is the approximate amount of financing to be secured by mortgages? \$ 4,000,000.

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 x; 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? \$ 1,250,000.

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:	\$ <u>100,000</u>
b.	Mortgage Recording Taxes:	\$ <u>50,000</u>
c.	Real Property Tax Exemptions:	<u>see PILOT request</u>
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 x; No _____. If yes, please explain.
The project is seeking a deviation from the Policy.

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:

(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 a Corporation)

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

_____ deposes and says that he is the
(Name of chief executive of applicant)

_____ of _____,
(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.

(officer of applicant)

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

(Notary Public)

(If applicant is sole proprietor)

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

(Name of Individual)

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__.

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VERIFICATION

(If applicant is partnership)

STATE OF New York)

COUNTY OF Albany)

Lori Harris, deposes and says

(Name of Individual)

that she is one of the members of the firm of 733 Broadway LLC,

(Limited Liability Company)

the limited liability company 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 limited liability company.

Lori Harris

Sworn to before me this
8 day of Jan., 2014

Georgia Rella
(Notary Public)

GEORGIA RELLA
Notary Public, State of New York
Qualified in Albany County
Reg. No. 4969552
Commission Expires July 18, 2014

VERIFICATION

(If applicant is limited liability company)

STATE OF New York) SS.:
COUNTY OF Albany

Lori Harris

_____, deposes and says

(Name of Individual)

that he is one of the members of the firm of 733 Broadway LLC,
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.

Lori Harris

Sworn to before me this
8 day of Jan, 2014

Georgia Rella
(Notary Public)

GEORGIA RELLA
Notary Public, State of New York
Qualified in Albany County
Reg. No. 4969552

Commission Expires July 19, 2015
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

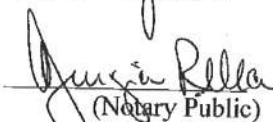
Applicant hereby releases City of Albany Industrial Development Agency and the members, officers, servants, agents and employees thereof (hereinafter collectively referred to as the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless 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
5th day of Jan, 2014


(Notary Public)

GEORGIA RELLA
Notary Public, State of New York
Qualified in Albany County
Reg. No. 4969552
Commission Expires July 16, 2014

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"):	733 Broadway, LLC
2. Brief Identification of the Project:	Construction of a 30-unit residential rental project.
3. Estimated Amount of Project Benefits Sought:	
A. Amount of Bonds Sought:	\$ 0
B. Value of Sales Tax Exemption Sought	\$ 100,000
C. Value of Real Property Tax Exemption Sought	\$ Sec PII.OT request
D. Value of Mortgage Recording Tax Exemption Sought	\$ 50,000

PROJECTED PROJECT INVESTMENT

A. Land-Related Costs	
1. Land acquisition	\$ 1,475,000
2. Site preparation	\$
3. Landscaping	\$
4. Utilities and infrastructure development	\$
5. Access roads and parking development	\$
6. Other land-related costs (describe) demolition	\$
B. Building-Related Costs	
1. Acquisition of existing structures	\$
2. Renovation of existing structures	\$ 2,550,000
3. New construction costs	\$
4. Electrical systems	\$ incl.
5. Heating, ventilation and air conditioning	\$ incl.
6. Plumbing	\$ incl.
7. Other building-related costs (describe)	\$ 330,000
(Office, contingency, GC overhead)	

C.	Machinery and Equipment Costs		Incl.
1.	Production and process equipment	\$	
2.	Packaging equipment	\$	
3.	Warehousing equipment	\$	
4.	Installation costs for various equipment	\$	
5.	Other equipment-related costs (describe) appliances	\$	
D.	Furniture and Fixture Costs		Incl.
1.	Office furniture	\$	
2.	Office equipment	\$	
3.	Computers	\$	
4.	Other furniture-related costs (describe)	\$	
E.	Working Capital Costs		
1.	Operation costs	\$	
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	\$ 250,000	
2.	Accounting/legal	\$ 125,000	
3.	Other service-related costs (describe) (permits & professional reports)	\$ 60,000	
G.	Other Costs		
1.	<u>financing costs including interest</u>	\$ 316,667	
2.	<u>Initial Op Def</u>	\$ 35,000	
H.	Summary of Expenditures		
1.	Total Land-Related Costs	\$ 1,475,000	
2.	Total Building-Related Costs	\$ 2,880,000	
3.	Total Machinery and Equipment Costs	\$	
4.	Total Furniture and Fixture Costs	\$	
5.	Total Working Capital Costs	\$	
6.	Total Professional Service Costs	\$ 400,000	
7.	Total Other Costs	\$ 386,667	

PROJECTED PROFIT

- I. Please provide projected profit as defined by earnings after income tax but before depreciation and amortization: **PLEASE SEE ROI SUMMARY & OPERATING BUDGET**

YEAR	Without IDA benefits	With IDA benefits
1	\$ project infeasible (N/A)	\$119,513
2	\$	\$126,903
3	\$	\$134,413
4	\$	\$142,045
5	\$	\$149,801

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: **ALSO, See Economic Benefits Summary**

Year	Number of Construction Jobs	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax
Current Year	0	\$	\$
Year 1	27	\$ 1,604,373	\$ 80,217
Year 2		\$	\$
Year 3		\$	\$
Year 4		\$	\$
Year 5		\$	\$

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: **Please see Economic Impact Report**

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

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

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year	0	0	0	0
Year 1	0	0	0	0
Year 2	1	0	0	0
Year 3	0	0	0	0
Year 4	0	0	0	0
Year 5	0	0	0	0

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:
100%

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

PROJECTED OPERATING IMPACT

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

Additional Purchases (1 st year following project completion)	\$ <u>7,500</u>
Additional Sales Tax Paid on Additional Purchases	\$ <u>600</u>
Estimated Additional Sales (1 st full year following project completion)	\$ <u>7,725</u>
Estimated Additional Sales Tax to be collected on additional sales (1 st full year following project completion)	\$ <u>618</u>

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

Year	Existing Real Property Taxes (Without IDA involvement)	New Pilot Payments (With IDA)	Total (Difference)
Current Year	46,733		
Year 1	144,863	47,423	97,440
Year 2	147,760	48,371	99,389
Year 3	150,715	49,339	101,376
Year 4	153,730	50,326	103,404
Year 5	156,804	51,332	105,472
Year 6	159,940	52,359	107,581
Year 7	163,139	53,406	109,733
Year 8	166,402	54,474	111,928
Year 9	169,730	55,564	114,166
Year 10	173,125	56,675	117,450

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

The proposed project will create 30 new residential rental units in downtown Albany. The proposed units will be market rate and will bring additional residents to downtown which will in turn help create new vibrancy and diversity in the central business district.

A local residential population is necessary for a dynamic, economically-strong 24-hour downtown. A substantial residential base near and in the downtown has a positive effect on the retail climate, local transportation systems, and quality of life. A densely inhabited city center creates an exciting place to live, and promotes a positive pedestrian atmosphere. In turn, downtown residents enjoy the convenient availability of community services, retail goods, cultural activities, and nearby employment.

To encourage a diverse downtown population, a wide variety of housing opportunities, retail and service business, food stores and other businesses providing basic goods and services should be available. Healthy downtowns include residential development that will lead to new mixed-uses including basic retail shops and services within walking distance of the people who live there. They also offer great restaurants, theaters, and urban amenities.

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: <u>1/8</u> , 200 <u>4</u>	Name of Person Completing Project Questionnaire on behalf of the Company.
	Name: <u>Lori Harris</u>
	Title: <u>Vice President</u>
	Phone Number: <u>(518)431-1051</u>
	Address: <u>733 Broadway, Albany, New York 12207</u>
	Signature: <u>Lori Harris</u>

CREATION OF NEW JOB SKILLS

[illegible]

30

Milestones

MILESTONES SCHEDULE

733 Broadway

Planning Board Approval

CPC Firm Commitment January, 2014

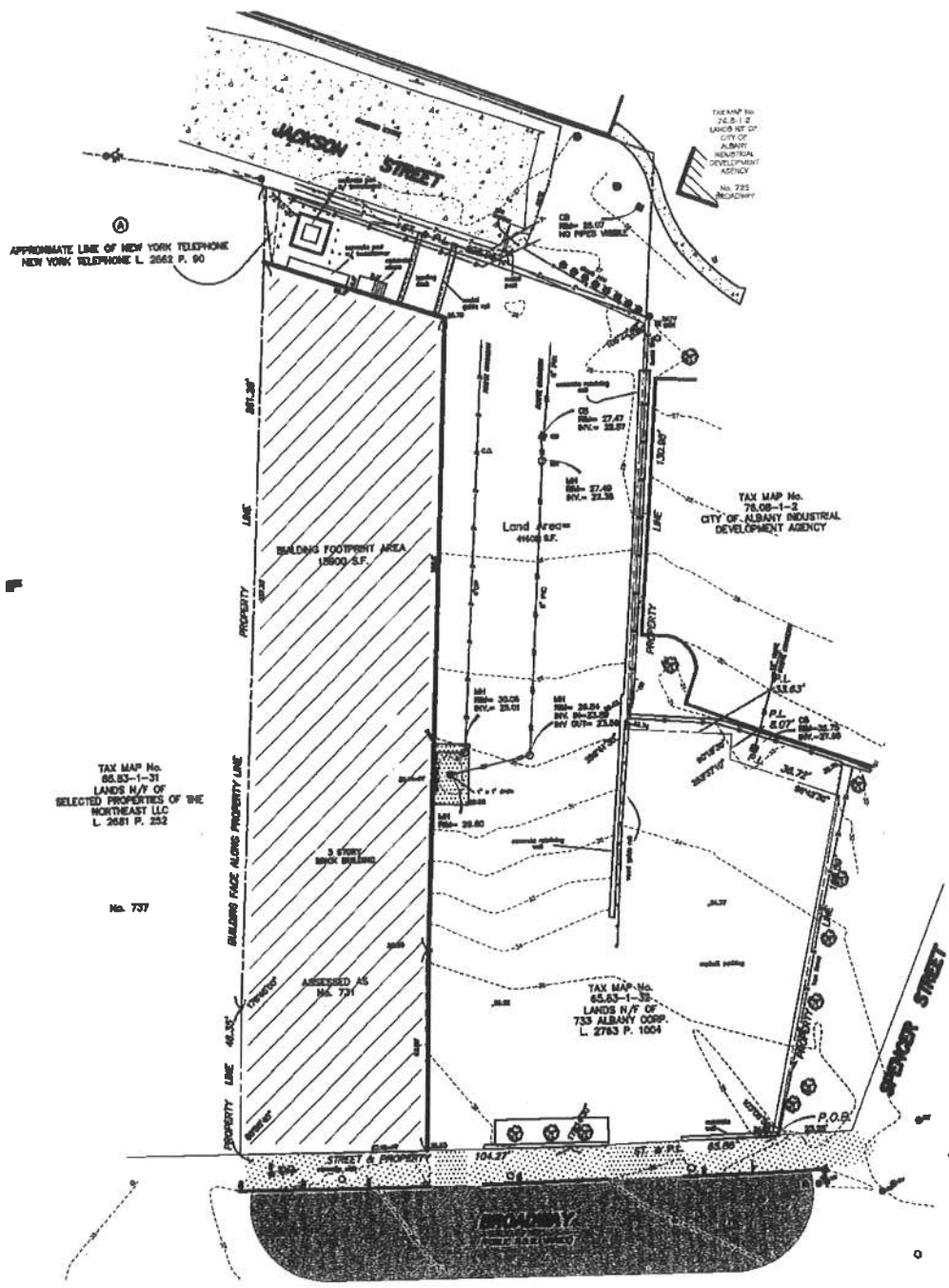
CPC Loan Closing April, 2014

Construction Start May, 2014

Construction Completion May, 2015

Lease Up May – September, 2015

Site and Survey



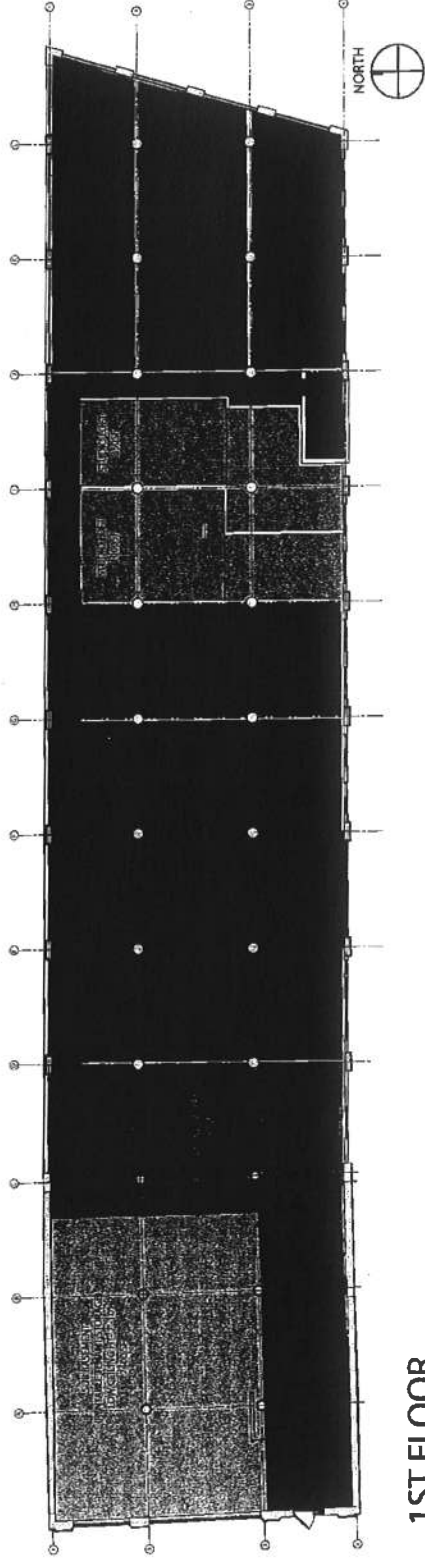
733 BROADWAY

existing site survey



3larchitects.com

PROGRAM STUDY- 733 BROADWAY, ALBANY, NY

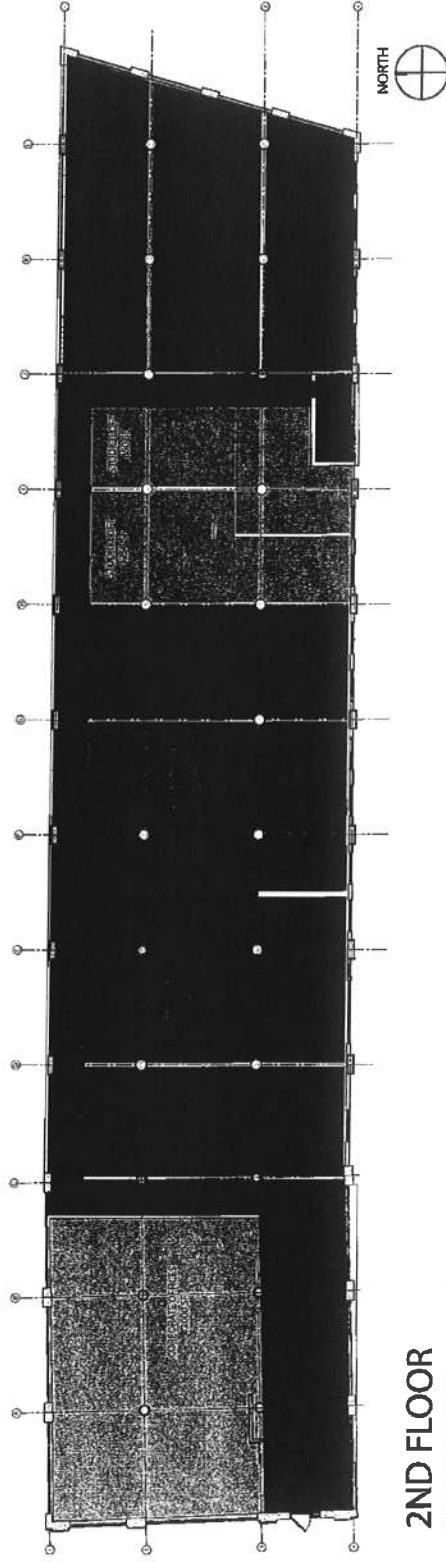


1ST FLOOR

PROGRAM STUDY FOR 733 BROADWAY

PROGRAM STUDY FOR 733 BROADWAY								
KEY		FLOOR 1		QTY.	Unit Type	Sq/Avg. each	Total sq/ per floor	Total available off this floor
	CIRCULATION	6	One bedroom Loft Apartments*		Studio Lofts	1100	6600	
		2				925	1850	
		1	Sub Basement (rentable instant storage) low CH			2000	2000	
		1	Gymnasium workout			1700	1700	
	ONE BEDROOM LOFT	1	Circulation			3150	3150	
							15300	16000

PROGRAM STUDY- 733 BROADWAY, ALBANY, NY



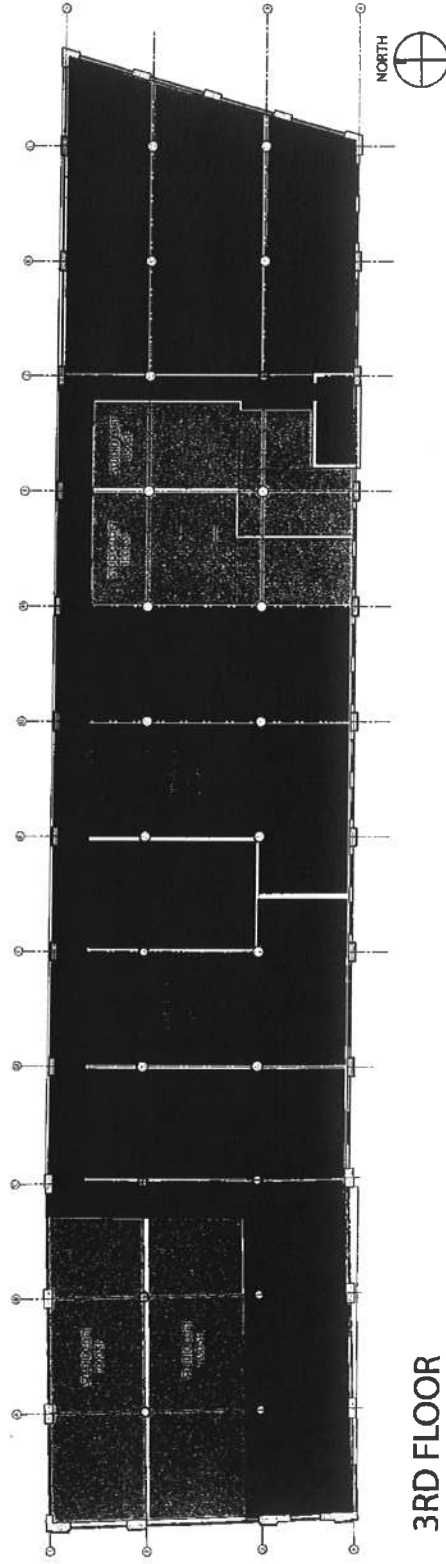
2ND FLOOR

KEY

	CIRCULATION
	ONE BEDROOM LOFT
	TWO BEDROOM LOFT
	STUDIO LOFT
	RENTABLE TENANT STORAGE
	CORPORATE OFFICE WITH SUPPORT SPACE

FLOOR 2		QTY.	Unit Type	Sf/Avg. each	Sub Totals	Total sf per floor	Total available sf this floor
5	One bedroom loft apartments*			1100	5500		
2	Two bedroom loft apartments			1300	2600		
2	Studio lofts			925	1850		
1	Office with support space			2000	2000		
1	Circulation			3300	3300	15250	16000

PROGRAM STUDY- 733 BROADWAY, ALBANY, NY



3RD FLOOR

KEY

	CIRCULATION
	ONE BEDROOM LOFT
	TWO BEDROOM LOFT
	STUDIO LOFT
	RENTABLE TENANT STORAGE
	CORPORATE OFFICE WITH SUPPORT SPACE

FLOOR 3				Total sft per floor		Total available sft this floor	
QTY.	Unit Type	Sft Avg. each	Sub Totals				
5	One bedroom loft apartments*	1100	5500				
2	Two bedroom loft apartments	1300	2600				
4	Studio lofts	925	4625				
1	Circulation	3500	3500				
				16025		16000	

Proposed Pilot

**Proposed 20 Year PILOT -
733 Broadway**

Year	Trending of Proposed PILOT	Current/ Projected Value	City Tax Rate	Full Taxes on Rehab	Requested PILOT Years 1-12	Requested PILOT Years 13-20
Year 1	Years 1 - 12 100% Abatement of Increased AV			1.02	1.02	See Below Greater of Alternatives Assumes Trending of 2%
2			\$ 46.73	\$ 144,863	\$ 47,423	
3		Existing =	\$ 47.66	\$ 147,760	\$ 48,371	
4		\$ 1,000,000	\$ 48.62	\$ 150,715	\$ 49,339	
5			\$ 49.59	\$ 153,730	\$ 50,326	
6			\$ 50.58	\$ 156,804	\$ 51,332	
7		Projected	\$ 51.59	\$ 159,940	\$ 52,359	
8		New Value	\$ 52.63	\$ 163,139	\$ 53,406	
9		\$3,100,000	\$ 53.68	\$ 166,402	\$ 54,474	
10			\$ 54.75	\$ 169,730	\$ 55,564	
11			\$ 55.85	\$ 173,125	\$ 56,675	
12			\$ 56.96	\$ 176,587	\$ 57,808	
			\$ 58.10	\$ 180,119	\$ 58,965	
YEARS 13 - 20					GREATER OF 90% Abatement	11.5% of Gross Rents
13	Years 13 - 20 Greater of 90% Abatement of Increased AV OR 11.5% of Gross Rents		\$ 59.26	\$ 183,721	\$ 71,711	\$ 80,639
14			\$ 60.45	\$ 187,396	\$ 73,145	\$ 82,252
15			\$ 61.66	\$ 191,144	\$ 74,608	\$ 83,897
16			\$ 62.89	\$ 194,967	\$ 76,100	\$ 85,575
17			\$ 64.15	\$ 198,866	\$ 77,622	\$ 87,286
18			\$ 65.43	\$ 202,843	\$ 79,174	\$ 89,032
19			\$ 66.74	\$ 206,900	\$ 80,758	\$ 90,813
20			\$ 68.08	\$ 211,038	\$ 82,373	\$ 92,629
TOTAL				\$ 3,519,790	\$ 1,251,531	\$ 1,328,164

Projected Total PILOT payments over Term	\$ 1,328,164
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