

Albany Industrial Development Agency

21 Lodge Street
Albany, New York 12207
Telephone: (518) 434-2532
Fax: (518) 434-9846

Anthony J. Ferrara, *Chairman*
Willard A. Bruce, *Vice-Chairman*
Kathy Sheehan, *Treasurer*
Susan Peto, *Secretary*
Martin Daley
C. Anthony Owens
John R. Vero

Michael Yevoli, *Chief Executive Officer*
Erik J. Smith, *Chief Financial Officer*
John Reilly, *Agency Counsel*

To: Anthony J. Ferrara
Willard A. Bruce
Kathy Sheehan
Susan Peto
Martin Daley
C. Anthony Owens
John R. Vero

Michael Yevoli
Erik Smith
John Reilly
Joseph Scott
Bradley Chevalier

Date: July 13, 2012

AGENDA

PLEASE NOTE THAT PUBLIC HEARINGS CONCERNING THE FOLLOWING PROJECTS WILL BE HELD AT 12 NOON ON
Thursday, July 19, 2012 at 21 Lodge Street, Albany, NY 12207

Scannell Properties #145, LLC

The regular meeting of the City of Albany Industrial Development Agency will be held on **Thursday, July 19, 2012 at 12:15PM**
at the 21 Lodge Street, Albany, NY 12207 (Conference Room).

Roll Call

Reading of Minutes of the Regular Meeting of June 21, 2012

Approval of Minutes of the Regular Meeting of June 21, 2012

Reports of Committees

Report of Chief Executive Officer

Report of Chief Financial Officer

- Financial Report

Communications

Unfinished Business

- Dilek, LLC Project Synopsis
- Dilek, LLC Resolution Confirming SEQR Determination
- Dilek, LLC Resolution Approving URTIP PILOT
- Dilek, LLC Approving Resolution
- Honest Weight Food Co-Operative, Inc. Project Synopsis
- Honest Weight Food Co-Operative, Inc. Resolution Confirming SEQR Determination
- Honest Weight Food Co-Operative, Inc. PILOT Deviation Approval Resolution
- Honest Weight Food Co-Operative, Inc. Approving Resolution

New Business

- FC 178WAE, LLC Public Hearing Resolution
- 581 Livingston Avenue, LLC Public Hearing Resolution
- Sixty State Place, LLC Confirming Resolution

Other Business

Adjournment

* The next regularly scheduled meeting is Thursday, August 16, 2012 at 21 Lodge Street, Albany, NY 12207

Albany Industrial Development Agency

21 Lodge Street
Albany, New York 12207
Telephone: (518) 434-2532
Fax: (518) 434-9846

Anthony J. Ferrara, *Chairman*
Willard A. Bruce, *Vice-Chairman*
Kathy Sheehan, *Treasurer*
Susan Pedo, *Secretary*
Martin Daley
C. Anthony Owens
John R. Vero

Michael Yevoli, *Chief Executive Officer*
Erik J. Smith, *Chief Financial Officer*
John Reilly, *Agency Counsel*

IDA MINUTES OF REGULAR MEETING Thursday, June 21, 2012

Attending: Anthony J. Ferrara, Willard A. Bruce, Kathy Sheehan, Susan Pedo & Martin Daley

Absent: C. Anthony Owens & John Vero

Also Present: Michael Yevoli, Erik Smith, John Reilly, Joseph Scott, Bradley Chevalier & Amy Gardner

Chairman Anthony J. Ferrara called the regular meeting of the IDA to order at 12:15PM.

Roll Call

Chairman Ferrara reported that all Board members were present with the exception of C. Anthony Owens and John Vero.

Reading of Minutes of the Regular Meeting of May 31, 2012

Since the minutes of the previous meeting had been distributed to Board members in advance for review, Chairman Ferrara made a proposal to dispense with the reading of the minutes.

Approval of Minutes of the Regular Meeting of May 31, 2012

Chairman Ferrara made a proposal to approve the minutes of the regular Board meeting of May 31, 2012 as presented. A motion to accept the minutes, as presented, was made by Bill Bruce and seconded by Martin Daley. A vote being taken, the minutes were accepted unanimously.

Reports of Committees

None

Report of Chief Executive Officer

None

Report of Chief Financial Officer

Erik Smith reviewed the monthly financial report with the Board. Mr. Smith reviewed year-to-date and projected cash inflows and outlays. Mr. Smith advised the Board that the expenditure activity through May 31st is consistent with the IDA's budget. At this time the IDA's projected year-end cash balance is \$177,140.

New Business

True North Albany Extended Stay, LLC 2012 Mortgage Approval Resolution

Joe Scott reviewed the Resolution with the Board. The Company is changing its banking relationship and refinancing a prior mortgage. In connection with the change, the Applicant requests that the Agency execute a new mortgage from the Applicant and the Agency to the New Bank as well as enter into security or related documents. The Company also requests that the Agency consider a mortgage recording tax exemption on both the original mortgage amount as previously granted and the new money portion. This matter was discussed at the most recent Finance Committee meeting. The Committee supported the structure of the refinancing transaction as well as the extension of the mortgage recording tax exemption on the original mortgage amount. The Committee concluded it did not support providing a mortgage recording tax exemption on the new money portion. Mr. Browning, a representative of the Company, said he anticipated that closing would be on July 31st. Staff also reported that the Company is current with its PILOT payments, employment reporting and insurance.

Chairman Ferrara presented the True North Albany Extended Stay, LLC 2012 Mortgage Approval Resolution to the Board. A motion to adopt the Resolution was made by Kathy Sheehan and seconded by Bill Bruce. A vote being taken, the resolution passed unanimously.

Scannell Properties #145, LLC Public Hearing Resolution

Staff introduced the project to the Board. The proposed project location is a 7.8-acre parcel located at 55 Commerce Avenue. The Applicant proposes demolishing the existing structure, the former Crowley Dairy facility which has been vacant for over 5 years, and building a new 125,000 distribution center. Staff advised the Board that the estimated cost of the project is \$7.5 million. Staff highlighted the employment and other economic impacts this potential project would have on the community. The Applicant is requesting a sales tax exemption, mortgage recording tax exemption, and a real property tax abatement which is consistent with the Agency's standard 5 year PILOT. Staff advised the Board that the Finance Committee reviewed the project. The Committee recommended that the Board consider the resolution to hold a public hearing.

Dan Slote with NAI Platform, a representative for the Applicant, gave a brief presentation on the project as well as the background on Scannell Properties – the parent company of the Applicant. Scannell Properties is a privately owned company out of Indianapolis, Indiana. The Company has a proven track record of completing build-to-suit projects all across the country, including the Capital Region.

Chairman Ferrara presented the Scannell Properties #145, LLC Public Hearing Resolution to the Board. A motion to adopt the Resolution was made by Martin Daley and seconded by Susan Pedo. A vote being taken, the resolution passed unanimously.

Communications

None

Unfinished Business

None

Other Business

Staff gave an update on the website and indicated that they are continuing to transfer materials from the old website to the new website.

There being no further business, Chairman Ferrara adjourned the meeting at 1:00PM.

Respectfully submitted,

Susan Pedo, Secretary

City of Albany IDA
2012 Monthly Cash Position
June 2012

	ACTUAL						PROJECTED						
	January	February	March	April	May	June	July	August	September	October	November	December	YTD Total
Beginning Balance	\$ 655,663	\$ 623,254	\$ 665,288	\$ 686,239	\$ 562,424	\$ 559,852	\$ 480,297	\$ 429,604	\$ 523,231	\$ 648,087	\$ 565,241	\$ 550,138	\$ 655,663
Revenue													
Fee Revenue													
Application Fee	\$ -	\$ -	\$ -	\$ -	\$ 3,000	\$ 4,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,500
Agency Fee	-	-	24,140	-	-	-	-	108,741	139,962	-	-	-	272,843
Administrative Fee	-	-	-	500	500	500	-	-	-	-	-	-	1,500
Modification Fee	-	7,663	-	1,500	-	-	-	-	-	-	-	-	9,163
Subtotal - Fee Revenue	\$ -	\$ 7,663	\$ 24,140	\$ 2,000	\$ 3,500	\$ 5,000	\$ -	\$ 108,741	\$ 139,962	\$ -	\$ -	\$ -	\$ 291,006
Other Revenue													
Project Benefit Agreement	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Interest Income	57	49	60	51	51	47	40	36	44	54	47	46	581
CRC	-	-	-	37,500	-	-	43,333	10,833	10,833	10,833	10,833	10,833	135,000
NYS BIC	-	-	-	-	-	-	-	-	-	-	-	-	-
Misc	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - Other Revenue	\$ 57	\$ 100,049	\$ 60	\$ 37,551	\$ 51	\$ 47	\$ 43,373	\$ 10,869	\$ 10,877	\$ 10,887	\$ 10,880	\$ 10,879	\$ 235,581
Total - Revenue	\$ 57	\$ 107,712	\$ 24,200	\$ 39,551	\$ 3,551	\$ 5,047	\$ 43,373	\$ 119,610	\$ 150,839	\$ 10,887	\$ 10,880	\$ 10,879	\$ 526,587
Expenditures													
Management Contract	\$ -	\$ -	\$ -	\$ 83,333	\$ -	\$ 20,833	\$ 41,667	\$ 20,833	\$ 20,833	\$ 20,833	\$ 20,833	\$ 20,833	\$ 250,000
APA Contract	5,250	-	-	5,250	-	-	5,250	-	-	5,250	-	-	21,000
Audits	-	-	3,100	-	3,900	-	-	-	-	-	-	-	7,000
Agency Counsel	-	-	-	-	-	-	42,000	-	-	-	-	42,000	84,000
ED Support	-	-	-	62,500	-	62,500	-	-	-	62,500	-	62,500	250,000
Sub-lease AHCC	-	65,527	-	12,061	2,222	-	5,000	5,000	5,000	5,000	5,000	5,000	109,810
NYS BIC	27,216	-	-	-	-	-	-	-	-	-	-	-	27,216
D & O Insurance	-	-	-	-	-	1,268	-	-	-	-	-	-	1,268
Misc.	-	150	149	223	-	-	150	150	150	150	150	150	1,422
Other Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - Expenditures	\$ 32,466	\$ 65,677	\$ 3,249	\$ 163,367	\$ 6,122	\$ 84,601	\$ 94,067	\$ 25,983	\$ 25,983	\$ 93,733	\$ 25,983	\$ 130,483	\$ 751,716
Ending Balance	\$ 623,254	\$ 665,288	\$ 686,239	\$ 562,424	\$ 559,852	\$ 480,297	\$ 429,604	\$ 523,231	\$ 648,087	\$ 565,241	\$ 550,138	\$ 430,534	\$ 430,534

City of Albany IDA

Fee Detail by Month

June 2012

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>January</i>		\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>February</i>	Daughters of Sarah	\$ -	\$ -	\$ -	\$ 7,663	\$ 7,663
		-	-	-	-	-
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ 7,663	\$ 7,663
<i>March</i>	Penta on Braodway	\$ -	\$ 11,015	\$ -	\$ -	\$ 11,015
	4-6 Sheridan, LLC	-	13,125	-	-	13,125
	TOTAL	\$ -	\$ 24,140	\$ -	\$ -	\$ 24,140
<i>April</i>	Living Resources	\$ -	\$ -	\$ 500	\$ -	\$ 500
	AMRI				1,500	
	TOTAL	\$ -	\$ -	\$ 500	\$ 1,500	\$ 2,000
<i>May</i>	Honest Weight Food Co-op	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500
	Dilek, LLC	1,500	-	-	-	1,500
	Sage Colleges	-	-	500	-	500
		-	-	\$ -	-	-
	TOTAL	\$ 3,000	\$ -	\$ 500	\$ -	\$ 3,500
<i>June</i>	581 Livingston Avenue, LLC	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500
	Scanell Properties #145, LLC	1,500	-	-	-	1,500
	Albany Institute of History & Art	-	-	500	-	500
	FC 178WAE, LLC	1,500	-	-	-	1,500
		-	-	-	-	-
	TOTAL	\$ 4,500	\$ -	\$ 500	\$ -	\$ 5,000

City of Albany IDA

Fee Detail by Month

June 2012

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>July</i>		\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>August</i>	Dilek, LLC	\$ -	\$ 19,444	\$ -	\$ -	\$ 19,444
	Honest Weight Food Co-op	-	89,297	-	-	89,297
		-	-	-	-	-
	TOTAL	\$ -	\$ 108,741	\$ -	\$ -	\$ 108,741
<i>September</i>	Columbia Harriman 455	\$ -	\$ 91,212	\$ -	\$ -	\$ 91,212
	Sixty State Place, LLC	-	48,750	-	-	48,750
		-	-	-	-	-
	TOTAL	\$ -	\$ 139,962	\$ -	\$ -	\$ 139,962
<i>October</i>	581 Livingston Avenue, LLC	\$ -	-	\$ -	\$ -	\$ -
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -
<i>November</i>		\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -
<i>December</i>		\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -
	2012 TOTAL	\$ 7,500	\$ 272,843	\$ 1,500	\$ 9,163	\$ 291,006
		<i>Application Fee</i>	<i>Agency Fee</i>	<i>Administration Fee</i>	<i>Modification Fee</i>	<i>TOTAL FEE</i>

City of Albany CRC
2012 Monthly Cash Position
June 2012

	ACTUAL						PROJECTED						
	January	February	March	April	May	June	July	August	September	October	November	December	YTD Total
Beginning Balance	\$ 142,598	\$ 142,610	\$ 142,621	\$ 142,633	\$ 100,642	\$ 100,650	\$ 100,659	\$ 57,334	\$ 46,505	\$ 35,676	\$ 24,845	\$ 14,014	\$ 142,598
Revenue													
Fee Revenue													
Application Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Agency Fee	-	-	-	-	-	-	-	-	-	-	-	-	-
Administrative Fee	-	-	-	-	-	-	-	-	-	-	-	-	-
Modification Fee	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - Fee Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Revenue													
Interest Income	\$ 12	\$ 11	\$ 12	\$ 9	\$ 9	\$ 8	\$ 8	\$ 5	\$ 4	\$ 3	\$ 2	\$ 1	84
Misc	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - Other Revenue	\$ 12	\$ 11	\$ 12	\$ 9	\$ 9	\$ 8	\$ 8	\$ 5	\$ 4	\$ 3	\$ 2	\$ 1	84
Total - Revenue	\$ 12	\$ 11	\$ 12	\$ 9	\$ 9	\$ 8	\$ 8	\$ 5	\$ 4	\$ 3	\$ 2	\$ 1	84
Expenditures													
Management Contract	\$ -	\$ -	-	37,500	-	-	43,333	10,833	10,833	10,833	10,833	10,833	\$ 135,000
Audits	-	-	-	4,500	-	-	-	-	-	-	-	-	4,500
D & O Insurance	-	-	-	-	-	-	-	-	-	-	-	1,364	1,364
Misc.	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - Expenditures	\$ -	\$ -	\$ -	\$ 42,000	\$ -	\$ -	\$ 43,333	\$ 10,833	\$ 10,833	\$ 10,833	\$ 10,833	\$ 12,197	\$ 140,864
Ending Balance	\$ 142,610	\$ 142,621	\$ 142,633	\$ 100,642	\$ 100,650	\$ 100,659	\$ 57,334	\$ 46,505	\$ 35,676	\$ 24,845	\$ 14,014	\$ 1,818	\$ 1,818

City of Albany CRC

Fee Detail by Month

June 2012

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>January</i>		\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>February</i>		\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>March</i>		\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>April</i>		\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>May</i>		\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>June</i>		\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -

City of Albany CRC

Fee Detail by Month

June 2012

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>July</i>		\$ -	\$ -	-	-	-
	TOTAL	\$ -	\$ -	-	-	-
<i>August</i>		\$ -	\$ -	-	-	-
	TOTAL	\$ -	\$ -	-	-	-
<i>September</i>		\$ -	\$ -	-	-	-
	TOTAL	\$ -	\$ -	-	-	-
<i>October</i>		\$ -	\$ -	-	-	-
	TOTAL	\$ -	\$ -	-	-	-
<i>November</i>		\$ -	\$ -	-	-	-
	TOTAL	\$ -	\$ -	-	-	-
<i>December</i>		\$ -	\$ -	-	-	-
	TOTAL	\$ -	\$ -	-	-	-
	2011 TOTAL	\$ -	\$ -	-	-	-
		<i>Application Fee</i>	<i>Agency Fee</i>	<i>Administration Fee</i>	<i>Modification Fee</i>	<i>TOTAL FEE</i>

TO: City of Albany Industrial Development Agency Board

FROM: City of Albany Industrial Development Agency Staff

RE: Dilek, LLC - IDA Application Final Summary

DATE: July 13, 2012

Applicant: Dilek, LLC

Managing Members (% of Ownership): Yusuf Dincer (51%), Ayse Dincer (49%)

Project Location: 423-425 Madison Avenue

Project Description: This building, located prominently on the northeast corner of Lark Street and Madison Avenue, has been vacant for over a year. The applicant proposes demolishing the existing one story structure and constructing a new three story, 7,000 sq.ft. mixed-use structure. The building will house 6 market rate apartments (one bedroom) on floors 2-3 and 2,500 sq.ft. of restaurant space on the first floor. The proposed building provides a scale and identity that had been previously present and eventually removed. The proposed restaurant will add texture and vibrancy on this highly visible corner while the apartment units will expand residential capacity within the district. The project has received support from various neighborhood stakeholders, including the Hudson/ Park Neighborhood Association.

Estimated Project Cost: \$1,944,415 (estimated amount spent to date \$352,293)

Type of Financing: Straight Lease

Amount of Bonds Requested: None

Estimated Total Purchases Exempt from Sales Tax: \$800,000 (includes both building and restaurant up-fit)

Estimated Total Mortgage Amount: \$1,200,000 (for building only)

Current Assessment: \$225,700 (will be reduced to approximately \$24,400 upon demolition of existing building per discussion with Commissioner of Assessment & Taxation)

Estimated Improved Assessment: \$360,000 (per discussion with Commissioner of Assessment & Taxation)

Requested PILOT: Agency URTIP PILOT which equates to 100% abatement on the increased assessment value for the first 7 years. At which time the abatement on the increased assessment value decreases at 25% per year for the following 3 years. Full assessment will be paid in Year 11 and every year thereafter.

Estimated Value of Total PILOT Payments:

- Total PILOT Payments: \$41,149 (over 10 year PILOT period)

Estimated Value of Tax Exemptions:

- NYS Sales and Compensating Use Tax: \$64,000
- Mortgage Recording Taxes: \$15,000
- Real Property Taxes: \$142,665 (over 10 year PILOT period)
- Other: N/A

Employment Impact:

- Projected Permanent: (19) new FTEs via restaurant staff
- Projected Construction: (14) new FTE jobs

Other Economic Impacts:

- Adds to the supply of residential rental to help meet the demand for such living options in the area
- Increases consumer base to support Lark Street businesses
- Offers another option to Lark Street dining that will likely attract consumers outside of the neighborhood
- Increases local sales tax revenues
- Increases Lark Street BID revenues that will be used to further the betterment of the district

Strategic Initiatives:

- Albany 2030
 - Furthers the plan's vision to provide safe, livable neighborhoods that include walkable streets, housing choices, mixed-use neighborhood centers, and access to downtown.
 - Provides architectural compatibility between new and existing development.
 - Targets blighting influences.
 - Enhances, promotes, and strengthens the neighborhood centers by supporting small, local businesses.
- Park South Urban Renewal
 - Project is located just outside renewal plan area, but will assist in strengthening the northeast corner of plan area.

Planning Board Actions:

- Issued a Negative Declaration for this Type 1 Action as per the provisions of SEQR on 1/19/12.
- Approved the site plan on 1/19/12 with the following conditions:
 - The applicant shall obtain final approval from the Department of Water & Water Supply.
 - The applicant shall obtain final approval from the Traffic Engineering Unit.

Estimated IDA Fee

- Fee amount: \$19,445

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.

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY
LEASE/LEASEBACK TRANSACTION
DILEK, LLC PROJECT**

I. PROJECT IDENTIFICATION:

1. Project Applicant: Dilek, LLC, a limited liability company organized and existing under the laws of the State of New York (the “Company”).
2. The Project:
 - (A) Acquisition of Land: the acquisition of an interest in a parcel of land containing approximately 0.06 acres and located at 423-425 Madison Avenue in the City of Albany, Albany County, New York (the “Land”) together with the existing facility containing approximately 1,730 square feet of space located on the Land (the “Existing Facility”).
 - (B) Construction: the demolition of the Existing Facility and the construction of a new building to contain approximately 7,000 square feet of space (the “Facility”).
 - (C) Equipment component: the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment being collectively referred to as the “Project Facility”).
 - (D) Lease: The Project Facility will be leased by the Agency to the Company pursuant to a lease agreement (the “Lease Agreement”) by and between the Agency and the Company, which Project Facility will be owned by the Company and leased to various commercial and residential tenants, including Mel’s Pies and Burgers, for use by the tenants for commercial, restaurant, retail and/or residential uses and other directly and indirectly related activities.

II. PRIOR ACTION ON PROJECT:

3. SEQR Compliance:
 - (A) SEQR classification of the Initial Project: Negative Declaration.
 - (B) SEQR Lead Agency: City of Albany Planning Board.
 - (C) Date of Lead Agency Action: January 19, 2012.
4. Inducement Proceedings:
 - (A) Public Hearing Resolution: adopted on May 31, 2012.
 - (B) Public Hearing:
 - (1) Mailed to Affected Taxing Jurisdictions: June 11, 2012.
 - (2) Date Posted: June, 2012.
 - (3) Published in Albany Times Union: June 6, 2012
 - (4) Date of Public Hearing: June 21, 2012.
 - (5) Location of Public Hearing: offices of the City of Albany Industrial Development Agency at 21 Lodge Street, Albany, New York.
5. Payment In Lieu of Taxes:
 - (A) URTIP Application Filed: May, 2012.

III. PROPOSED AGENCY ACTION ON JULY 19, 2012:

6. SEQR Resolution: Confirming Findings of Planning Board.
7. URTIP Approval Resolution: Approving the Project for URTIP Benefits.
8. Approving Resolution: Approving the Company's project and the proposed financial assistance.

IV. DETAILS OF PROPOSED STRAIGHT LEASE TRANSACTION:

9. Relationship of Agency to Company: The Agency will acquire, construct and install the Project Facility and lease the Project Facility to the Company pursuant to the Lease Agreement.
10. Business Terms: The Agency fee is estimated to be \$19,444 (1% of the Project costs of \$1,944,415 (est)).
11. Basic Documents:
 - (A) Underlying Lease from the Company to the Agency.
 - (B) License Agreement from the Company to the Agency.
 - (C) Bill of Sale to Agency.
 - (D) Lease Agreement by and between the Company and the Agency.
 - (E) Payment in Lieu of Tax Agreement by and between the Agency and the Company.
12. Proposed Closing Date: July, 2012.
13. Special Agency Counsel: Hodgson Russ LLP, Albany, New York.

**RESOLUTION CONFIRMING SEQR DETERMINATION
DILEK, LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on July 19, 2012 at 12:15 p.m., local time.

The meeting was called to order by the Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Anthony J. Ferrara	Chairman
Willard A. Bruce	Vice Chairman
Hon. Kathy Sheehan	Treasurer
Susan Pedo	Secretary
Martin Daley	Member
C. Anthony Owens	Member
John R. Vero	Member

ABSENT:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Bradley Chevalier	Economic Development Specialist, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Bond Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. ____

**RESOLUTION CONCURRING IN THE DETERMINATION BY THE CITY OF
ALBANY PLANNING BOARD, AS LEAD AGENCY FOR A CERTAIN PROPOSED
PROJECT FOR DILEK, LLC.**

WHEREAS, the Agency is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others,

for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Dilek, LLC, a New York limited liability company (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 0.06 acres and located at 423-425 Madison Avenue in the City of Albany, Albany County, New York (the “Land”) together with the existing facility containing approximately 1,730 square feet of space located on the Land (the “Existing Facility”), (2) the demolition of the Existing Facility, (3) the construction of a new building to contain approximately 7,000 square feet of space (the “Facility”) and (4) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), the Facility and portions of the Equipment to be owned by the Company and leased to various commercial and residential tenants, including Mel’s Pies and Burgers, and the balance of the Equipment to be owned by Mel’s Pies and Burgers, for use by the tenants for commercial, restaurant, retail and/or residential uses and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43 B of the Consolidated Laws of New York, as amended (the “SEQR Act”), and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), the Agency has been informed that (1) the Planning Board of the City of Albany, New York (the “Planning Board”) was designated to act as “lead agency” with respect to the Project, and (2) the Planning Board issued a Determination of Non Significance on January 19, 2012 (the “Negative Declaration”), determining that the acquisition, construction and installation of the Project Facility will not have a “significant effect on the environment”; and

WHEREAS, the Agency is an “involved agency” with respect to the Project and the Agency now desires to concur in the determination by the Planning Board, as “lead agency” with respect to the Project, to acknowledge receipt of a copy of the Negative Declaration and to indicate whether the Agency has any information to suggest that the Planning Board was incorrect in determining that the Project will not have a “significant effect on the environment” pursuant to SEQRA and, therefore, that no environmental impact statement need be prepared with respect to the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency has received copies of, and has reviewed, the Application and the Negative Declaration (collectively the “Reviewed Documents”) and, based upon said Reviewed Documents, the Agency hereby ratifies and concurs in the designation of the Planning Board as “lead agency” with respect to the Project under SEQRA (as such quoted term is defined in SEQRA).

Section 2. The Agency hereby determines that the Agency has no information to suggest that the Planning Board was incorrect in determining that the Project will not have a “significant effect on the environment” pursuant to the SEQRA and, therefore, that no environmental impact statement need be prepared with respect to the Project (as such quoted phrase is used in SEQRA).

Section 3. The members of the Agency are hereby directed to notify the Planning Board of the concurrence by the Agency that the Planning Board shall be the “lead agency” with respect to the Project, and to further indicate to the Planning Board that the Agency has no information to suggest that the Planning Board was incorrect in its determinations contained in the Negative Declaration.

Section 4. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Anthony J. Ferrara	VOTING	_____
Willard A. Bruce	VOTING	_____
Susan Pedo	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
C. Anthony Owens	VOTING	_____
John R. Vero	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK

) SS.:

COUNTY OF ALBANY

)

I, the undersigned Secretary of City of Albany Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the resolution contained therein, held on July 19, 2012, with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of the Agency and of such resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respect duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present through said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 19th day of July, 2012.

Secretary

(SEAL)

**RESOLUTION APPROVING URTIP PILOT
DILEK, LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on July 19, 2012 at 12:15 p.m., local time.

The meeting was called to order by the Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Anthony J. Ferrara	Chairman
Willard A. Bruce	Vice Chairman
Hon. Kathy Sheehan	Treasurer
Susan Pedo	Secretary
Martin Daley	Member
C. Anthony Owens	Member
John R. Vero	Member

ABSENT:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Bradley Chevalier	Economic Development Specialist, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Bond Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. ____

**RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A PILOT
AGREEMENT WITH RESPECT TO THE DILEK, LLC PROJECT.**

WHEREAS, the Agency is authorized and empowered by the provisions of Chapter 1030 of 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, recreation and civic facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people

of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Dilek, LLC, a New York limited liability company (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 0.06 acres and located at 423-425 Madison Avenue in the City of Albany, Albany County, New York (the “Land”) together with the existing facility containing approximately 1,730 square feet of space located on the Land (the “Existing Facility”), (2) the demolition of the Existing Facility, (3) the construction of a new building to contain approximately 7,000 square feet of space (the “Facility”) and (4) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), the Facility and portions of the Equipment to be owned by the Company and leased to various commercial and residential tenants, including Mel’s Pies and Burgers, and the balance of the Equipment to be owned by Mel’s Pies and Burgers, for use by the tenants for commercial, restaurant, retail and/or residential uses and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to the authorization contained in a resolution adopted by the members of the Agency on May 31, 2012 (the “Public Hearing Resolution”), the Agency’s staff (A) caused notice of a public hearing of the Agency pursuant to Section 859-a(2) of the Act (the “Public Hearing”) to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project to be mailed on June 11, 2012 to the chief executive officer of the county and of the city and school district in which the Project is to be located, (B) caused notice of the Public Hearing to be published in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, (C) conducted the Public Hearing on June 21st at 12:00 o’clock p.m., local time at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York, and (D) prepared a report of the Public Hearing (the “Report”) which fairly summarized the views presented at said public hearing and distributed same to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6NYCRR Part 617, as amended (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on July 19, 2012 (the “SEQR Resolution”), the Agency (A) ratified the determination by the Planning Board of the City of Albany, New York (the “Planning Board”) to act as “lead agency” with respect to the Project, (B) acknowledged receipt of a copy of a negative declaration issued by the Planning Board on January 19, 2012 (the “Negative Declaration”), and (C) indicated that the Agency had no information to suggest that the Planning Board was incorrect in authorizing the issuance of the Negative Declaration; and

WHEREAS, in connection with the Project, the Company has submitted an application (the "Real Property Tax Abatement Application") asking for real property tax abatement consistent with the Agency's Urban Reinvestment Incentive Program (the "URTIP Program"); and

WHEREAS, pursuant to the Real Property Tax Abatement Application, the Company has requested that the Agency enter into a payment in lieu of tax agreement (the "PILOT Agreement") providing for a tax abatement schedule consistent with the Agency's URTIP Program;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(B) The Project constitutes a "project," as such term is defined in the Act; and

(C) In accordance with the URTIP Program, the Company has represented to the Agency Company the following: (1) the Project is located in a business improvement district, and (2) the undertaking of the Project will result in an increase in the assessed valuation of the project site by at least fifty percent (50%).

(D) Based on the review of the Real Property Tax Abatement Application by the Agency, the Project is eligible for the URTIP Program; and

(E) It is desirable and in the public interest for the Agency to grant the Company the URTIP Program benefits and execute and deliver the PILOT Agreement.

Section 2. In consequence of the foregoing, the Agency hereby determines to enter into the PILOT Agreement.

Section 3. The form and substance of the PILOT Agreement are hereby approved.

Section 4. The Chairman (or Vice Chairman) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the PILOT Agreement, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in substantially the forms thereof presented to this meeting, with such changes, variations, omissions and insertions thereto as the Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

Section 5. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the PILOT Agreement, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing Resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the PILOT Agreement binding upon the Agency.

Section 6. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Anthony J. Ferrara	VOTING	_____
Willard A. Bruce	VOTING	_____
Susan Pedo	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
C. Anthony Owens	VOTING	_____
John R. Vero	VOTING	_____

The Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ALBANY)

I, the undersigned, Secretary of the City of Albany Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on July 19, 2012, with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of the Agency and of such Resolution set forth therein and insofar as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respect duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due public notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this ____ day of July, 2012.

Secretary

(S E A L)

**APPROVING RESOLUTION
DILEK, LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on July 19, 2012 at 12:15 p.m., local time.

The meeting was called to order by the Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Anthony J. Ferrara	Chairman
Willard A. Bruce	Vice Chairman
Hon. Kathy Sheehan	Treasurer
Susan Pedo	Secretary
Martin Daley	Member
C. Anthony Owens	Member
John R. Vero	Member

ABSENT:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Bradley Chevalier	Economic Development Specialist, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Bond Counsel

The following resolution was offered by _____, seconded by _____, to wit:

**RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION
WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR DILEK,
LLC.**

WHEREAS, the Agency is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Dilek, LLC, a New York limited liability company (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 0.06 acres and located at 423-425 Madison Avenue in the City of Albany, Albany County, New York (the “Land”) together with the existing facility containing approximately 1,730 square feet of space located on the Land (the “Existing Facility”), (2) the demolition of the Existing Facility, (3) the construction of a new building to contain approximately 7,000 square feet of space (the “Facility”) and (4) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), the Facility and portions of the Equipment to be owned by the Company and leased to various commercial and residential tenants, including Mel’s Pies and Burgers, and the balance of the Equipment to be owned by Mel’s Pies and Burgers, for use by the tenants for commercial, restaurant, retail and/or residential uses and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to the authorization contained in a resolution adopted by the members of the Agency on May 31, 2012 (the “Public Hearing Resolution”), the Agency’s staff (A) caused notice of a public hearing of the Agency pursuant to Section 859-a(2) of the Act (the “Public Hearing”) to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project to be mailed on June 11, 2012 to the chief executive officer of the county and of the city and school district in which the Project is to be located, (B) caused notice of the Public Hearing to be published in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, (C) conducted the Public Hearing on June 21st at 12:00 o’clock p.m., local time at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York, and (D) prepared a report of the Public Hearing (the “Report”) which fairly summarized the views presented at said public hearing and distributed same to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6NYCRR Part 617, as amended (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on July 19, 2012 (the “SEQR Resolution”), the Agency (A) ratified the determination by the Planning Board of the City of Albany, New York (the “Planning Board”) to act as “lead agency” with respect to the Project, (B) acknowledged receipt of a copy of a negative declaration issued by the Planning Board on January 19, 2012 (the “Negative Declaration”), and (C) indicated that the Agency had no information to suggest that the Planning Board was incorrect in authorizing the issuance of the Negative Declaration; and

WHEREAS, the Agency has given due consideration to the Application, and to representations by the Company that (A) the granting by the Agency of the Financial Assistance with respect to the

Project will be an inducement to the Company to undertake the Project in City of Albany, New York and (B) the completion of the Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and will not result in the abandonment of one or more plants or facilities of any occupant of the Project Facility located in the State of New York; and

WHEREAS, the Agency desires to encourage the Company to preserve and advance the job opportunities, health, general prosperity and economic welfare of the people of City of Albany, New York by undertaking the Project in City of Albany, New York; and

WHEREAS, in order to consummate the Project and the granting of the Financial Assistance described in the notice of the Public Hearing, the Agency proposes to enter into the following documents (hereinafter collectively referred to as the "Agency Documents"): (A) a certain lease to agency (the "Lease to Agency" or the "Underlying Lease") by and between the Company, as landlord, and the Agency, as tenant, pursuant to which the Company will lease to the Agency a portion of the Land and all improvements now or hereafter located on said portion of the Land (collectively, the "Leased Premises"); (B) a certain license agreement (the "License to Agency" or the "License Agreement") by and between the Company, as licensor, and the Agency, as licensee, pursuant to which the Company will grant to the Agency (1) a license to enter upon the balance of the Land (the "Licensed Premises") for the purpose of undertaking and completing the Project and (2) in the event of an occurrence of an Event of Default by the Company, an additional license to enter upon the Licensed Premises for the purpose of pursuing its remedies under the Lease Agreement (as hereinafter defined); (C) a lease agreement (and a memorandum thereof) (the "Lease Agreement") by and between the Agency and the Company, pursuant to which, among other things, the Company agrees to undertake the Project as agent of the Agency and the Company further agrees to lease the Project Facility from the Agency and, as rental thereunder, to pay the Agency's administrative fee relating to the Project and to pay all expenses incurred by the Agency with respect to the Project; (D) a payment in lieu of tax agreement (the "Payment in Lieu of Tax Agreement") by and between the Agency and the Company, pursuant to which the Company will agree to pay certain payments in lieu of taxes with respect to the Project Facility; (E) if the Company intends to finance the Project with borrowed money, one or more mortgages and any other security documents and related documents (collectively, the "Mortgage") from the Agency and the Company to the Company's lenders with respect to the Project (the "Lender"), which Mortgage will grant liens on and security interests in the Project Facility to secure one or more loans from the Lender to the Company with respect to the Project (collectively, the "Loan"); (F) all building loan and other agreements requested by the Lender in connection with the Loan (collectively with the Mortgage, the "Loan Documents"); and (G) various certificates relating to the Project (the "Closing Documents");

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. All action taken by the Chief Executive Officer of the Agency with respect to the Public Hearing with respect to the Project is hereby ratified and confirmed.

Section 2. The law firm of Hodgson Russ LLP is hereby appointed Special Counsel to the Agency with respect to all matters in connection with the Project. Special Counsel for the Agency is hereby authorized, at the expense of the Company, to work with the Company, counsel to the Company, counsel to the Agency and others to prepare, for submission to the Agency, all documents necessary to effect the transactions contemplated by this Resolution. Special Counsel has prepared and submitted an initial draft of the Agency Documents to staff of the Agency.

Section 3. The Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act;

(B) The Project constitutes a “project,” as such term is defined in the Act;

(C) The Project site is located entirely within the boundaries of City of Albany, New York;

(D) It is estimated at the present time that the costs of the planning, development, acquisition, construction, reconstruction and installation of the Project Facility (collectively, the “Project Costs”) will be approximately \$1,944,415;

(E) The completion of the Project will not result in the removal of a plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State of New York to another area of the State of New York or in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project Facility located in the State of New York;

(F) The granting of the Financial Assistance by the Agency with respect to the Project will promote and maintain the job opportunities, general prosperity and economic welfare of the citizens of City of Albany, New York and the State of New York and improve their standard of living, and thereby serve the public purposes of the Act;

(G) The Agency has reviewed the Hearing Report and has fully considered all comments contained therein; and

(H) It is desirable and in the public interest for the Agency to enter into the Agency Documents.

Section 4. In consequence of the foregoing, the Agency hereby determines to: (A) proceed with the Project; (B) acquire, reconstruct and install the Project Facility; (C) lease the Project Facility to the Company pursuant to the Lease Agreement; (D) enter into the Payment in Lieu of Tax Agreement; (E) secure the Loan by entering into the Loan Documents; and (F) grant the Financial Assistance with respect to the Project.

Section 5. The Agency is hereby authorized (A) to acquire a license in the Licensed Premises pursuant to the License Agreement, (B) to acquire a leasehold interest in the Leased Premises pursuant to the Underlying Lease, (C) to acquire title to the Equipment pursuant to a bill of sale (the “Bill of Sale to Agency”) from the Company to the Agency, and (D) to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisitions are hereby approved, ratified and confirmed.

Section 6. The Agency is hereby authorized to acquire, construct and install the Project Facility as described in the Lease Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition, construction and installation are hereby ratified, confirmed and approved.

Section 7. The Chairman (or Vice Chairman) of the Agency, with the assistance of Agency Counsel and/or Special Counsel, is authorized to negotiate and approve the form and substance of the Agency Documents.

Section 8. (A) The Chairman (or Vice Chairman) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Agency Documents, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in the forms thereof as the Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

(B) The Chairman (or Vice Chairman) of the Agency is hereby further authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 9. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing Resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 10. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Anthony J. Ferrara	VOTING	_____
Willard A. Bruce	VOTING	_____
Susan Peto	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
C. Anthony Owens	VOTING	_____
John R. Vero	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ALBANY)

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on July 19, 2012 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 19th day of July, 2012.

(Assistant) Secretary

(SEAL)

TO: City of Albany Industrial Development Agency Board

FROM: City of Albany Industrial Development Agency Staff

RE: Honest Weight Food Co-Operative, Inc. - IDA Application Final Summary

DATE: July 13, 2012

Applicant: Honest Weight Food Co-Operative, Inc.

Managing Members (% of Ownership): The Co-Operative has over 8,000 shareholders who each hold an equal single share.

Project Location: 100 Watervliet Avenue

Project Description: The 2.67 +/- acre property was purchased back in 2007 with the intent that it would serve as the future home of the applicant. Since the purchase, the applicant has been working towards commencement of the project. During that time, the existing building has been used for minimal dry storage. The applicant proposes demolishing the existing 41,100 sq.ft. industrial building and constructing a new 30,700 sq.ft. natural foods grocery store. The breakdown of this space is expected to be 18,000 sq.ft. of retail space; 5,000 sq.ft. of preparation space, coolers, and freezers; 3,000 sq.ft. of warehouse and mechanical space; 2,600 sq.ft. of administrative space; 850 sq.ft. community space and 600 sq.ft. of support space. The new building is intended to offer owners and customers an inviting, functional and aesthetically appealing shopping experience, consistent with new competition entering the regional market.

Estimated Project Cost: \$8,929,746 (estimated amount spent to date \$600,000)

Type of Financing: Straight Lease

Amount of Bonds Requested: None

Estimated Total Purchases Exempt from Sales Tax: \$1,875,000

Estimated Total Mortgage Amount: \$6,431,875

Current Assessment: \$1,350,000 (will be reduced to approximately \$270,800 upon demolition of existing building per discussion with Commissioner of Assessment & Taxation)

Estimated Improved Assessment: \$5,400,000 (per discussion with Commissioner of Assessment & Taxation)

Requested PILOT: PILOT deviation, which equates to 100% abatement on the increased assessment value for the first 3 years. At which time the abatement on the increased assessment

value will decrease to 75% in Year 4, 50% in Years 5-6, 40% in Year 7, 30% in Year 8, and 20% in Year 9. Full assessment will be paid in Year 10 and every year thereafter.

Estimated Value of Total PILOT Payments:

- Total PILOT Payments: \$1,037,788 (over 9 year PILOT period)

Estimated Value of Tax Exemptions:

- NYS Sales and Compensating Use Tax: \$150,000
- Mortgage Recording Taxes: N/A
- Real Property Taxes: \$1,405,616 (over 9 year PILOT period)
- Other: N/A

Employment Impact:

- Projected Permanent: (71) retained FTEs and (30) new FTEs within first 2 years
- Projected Construction: (200) jobs

Other Economic Impacts:

- Increases local sales tax revenues
- Increases Central Avenue BID revenues that will be used to further the betterment of the district

Strategic Initiatives:

- Albany 2030
 - Targets blighting influences.
 - Identifies a local business with potential for growth within the local market and beyond.
 - Increases access to healthy food options.
 - Provides architectural compatibility between new and existing development.

Planning Board Actions:

- Issued a Negative Declaration for this Unlisted Action as per the provisions of SEQR on 5/17/12.
- Approved the site plan on 5/17/12 with the following conditions:
 - The applicant shall satisfy all conditions of the April 16, 2012 Division of Engineering memorandum.
 - The applicant shall obtain final approval from the Department of Water and Water Supply and the City Forester.
 - The applicant shall include a full detail sheet with the final plan set, to be approved by Planning Staff.
 - A license agreement shall be obtained for landscaping or other improvements proposed within the City right-of-way.
 - The applicant shall provide pedestrian signalization at the intersection of Watervliet Avenue and Watervliet Avenue Extension, to be approved by the Division of Traffic Engineering.

Estimated IDA Fee

- Fee amount: \$89,297

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.

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY
LEASE/LEASEBACK TRANSACTION
HONEST WEIGHT FOOD COOPERATIVE, INC. PROJECT**

I. PROJECT IDENTIFICATION:

1. Project Applicant: Honest Weight Food Cooperative, Inc., a New York domestic cooperative corporation (the “Company”).
2. The Project:
 - (A) Acquisition of Land: the acquisition of an interest in a parcel of land containing approximately 2.67 acres and located at 100 Watervliet Avenue in the City of Albany, Albany County, New York (the “Land”) together with the existing facility containing approximately 41,000 square feet of space located on the Land (the “Existing Facility”).
 - (B) Construction: the demolition of the Existing Facility and the construction of a new building to contain approximately 30,000 square feet of space (the “Facility”).
 - (C) Equipment component: the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment being collectively referred to as the “Project Facility”).
 - (D) Lease: The Project Facility will be leased by the Agency to the Company pursuant to a lease agreement (the “Lease Agreement”) by and between the Agency and the Company, which Project Facility will be owned by the owned and operated by the Company as a food cooperative retail facility and other directly and indirectly related activities.

II. PRIOR ACTION ON PROJECT:

3. SEQR Compliance:
 - (A) SEQR classification of the Initial Project: Negative Declaration.
 - (B) SEQR Lead Agency: City of Albany Planning Board.
 - (C) Date of Lead Agency Action: May 17, 2012.
4. Inducement Proceedings:
 - (A) Public Hearing Resolution: adopted on May 31, 2012.
 - (B) Public Hearing:
 - (1) Mailed to Affected Taxing Jurisdictions: June 11, 2012.
 - (2) Date Posted: June, 2012.
 - (3) Published in Albany Times Union: June 11, 2012
 - (4) Date of Public Hearing: June 21, 2012.
 - (5) Location of Public Hearing: offices of the City of Albany Industrial Development Agency at 21 Lodge Street, Albany, New York.
5. Payment In Lieu of Taxes:
 - (A) Deviation Letter Mailed: July 9, 2012.

III. PROPOSED AGENCY ACTION ON JULY 19, 2012:

6. SEQR Resolution: Confirming Findings of Planning Board.
7. Deviation Approval Resolution: Approving the Deviation for the PILOT Agreement.
8. Approving Resolution: Approving the Company's project and the proposed financial assistance.

IV. DETAILS OF PROPOSED STRAIGHT LEASE TRANSACTION:

9. Relationship of Agency to Company: The Agency will acquire, construct and install the Project Facility and lease the Project Facility to the Company pursuant to the Lease Agreement.
10. Business Terms: The Agency fee is estimated to be \$89,297 (1% of the Project costs of \$8,929,746 (est)).
11. Basic Documents:
 - (A) Underlying Lease from the Company to the Agency.
 - (B) License Agreement from the Company to the Agency.
 - (C) Bill of Sale to Agency.
 - (D) Lease Agreement by and between the Company and the Agency.
 - (E) Payment in Lieu of Tax Agreement by and between the Agency and the Company.
12. Proposed Closing Date: July, 2012.
13. Special Agency Counsel: Hodgson Russ LLP, Albany, New York.

**RESOLUTION CONFIRMING SEQR DETERMINATION
HONEST WEIGHT FOOD COOPERATIVE, INC. PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on July 19, 2012 at 12:15 p.m., local time.

The meeting was called to order by the Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Anthony J. Ferrara	Chairman
Willard A. Bruce	Vice Chairman
Hon. Kathy Sheehan	Treasurer
Susan Pedo	Secretary
Martin Daley	Member
C. Anthony Owens	Member
John R. Vero	Member

ABSENT:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Bradley Chevalier	Economic Development Specialist, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Bond Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. ____

**RESOLUTION CONCURRING IN THE DETERMINATION BY THE CITY OF
ALBANY PLANNING BOARD, AS LEAD AGENCY FOR A CERTAIN PROPOSED
PROJECT FOR HONEST WEIGHT FOOD COOPERATIVE, INC.**

WHEREAS, the Agency is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others,

for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Honest Weight Food Cooperative, Inc., a New York domestic cooperative corporation (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 2.67 acres and located at 100 Watervliet Avenue in the City of Albany, Albany County, New York (the “Land”) together with the existing facility containing approximately 41,000 square feet of space located on the Land (the “Existing Facility”), (2) the demolition of the Existing Facility, (3) the construction of a new building to contain approximately 30,000 square feet of space (the “Facility”) and (4) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to be owned and operated by the Company as a food cooperative retail facility and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43 B of the Consolidated Laws of New York, as amended (the “SEQR Act”), and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), the Agency has been informed that (1) the Planning Board of the City of Albany, New York (the “Planning Board”) was designated to act as “lead agency” with respect to the Project, and (2) the Planning Board issued a Determination of Non Significance on May 17, 2012 (the “Negative Declaration”), determining that the acquisition, construction and installation of the Project Facility will not have a “significant effect on the environment”; and

WHEREAS, the Agency is an “involved agency” with respect to the Project and the Agency now desires to concur in the determination by the Planning Board, as “lead agency” with respect to the Project, to acknowledge receipt of a copy of the Negative Declaration and to indicate whether the Agency has any information to suggest that the Planning Board was incorrect in determining that the Project will not have a “significant effect on the environment” pursuant to SEQRA and, therefore, that no environmental impact statement need be prepared with respect to the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency has received copies of, and has reviewed, the Application and the Negative Declaration (collectively the “Reviewed Documents”) and, based upon said Reviewed

Documents, the Agency hereby ratifies and concurs in the designation of the Planning Board as “lead agency” with respect to the Project under SEQRA (as such quoted term is defined in SEQRA).

Section 2. The Agency hereby determines that the Agency has no information to suggest that the Planning Board was incorrect in determining that the Project will not have a “significant effect on the environment” pursuant to the SEQRA and, therefore, that no environmental impact statement need be prepared with respect to the Project (as such quoted phrase is used in SEQRA).

Section 3. The members of the Agency are hereby directed to notify the Planning Board of the concurrence by the Agency that the Planning Board shall be the “lead agency” with respect to the Project, and to further indicate to the Planning Board that the Agency has no information to suggest that the Planning Board was incorrect in its determinations contained in the Negative Declaration.

Section 4. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Anthony J. Ferrara	VOTING	_____
Willard A. Bruce	VOTING	_____
Susan Pedo	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
C. Anthony Owens	VOTING	_____
John R. Vero	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK

) SS.:

COUNTY OF ALBANY

)

I, the undersigned Secretary of City of Albany Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the resolution contained therein, held on July 19, 2012, with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of the Agency and of such resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respect duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present through said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 19th day of July, 2012.

Secretary

(SEAL)

**PILOT DEVIATION APPROVAL RESOLUTION
HONEST WEIGHT FOOD COOPERATIVE, INC. PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on July 19, 2012 at 12:15 p.m., local time.

The meeting was called to order by the Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Anthony J. Ferrara	Chairman
Willard A. Bruce	Vice Chairman
Hon. Kathy Sheehan	Treasurer
Susan Pedo	Secretary
Martin Daley	Member
C. Anthony Owens	Member
John R. Vero	Member

ABSENT:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Bradley Chevalier	Economic Development Specialist, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Bond Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. ____

RESOLUTION AUTHORIZING A DEVIATION FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY IN CONNECTION WITH THE PROPOSED PAYMENT IN LIEU OF TAX AGREEMENT TO BE ENTERED INTO BY THE AGENCY IN CONNECTION WITH THE PROPOSED HONEST WEIGHT FOOD COOPERATIVE, INC. PROJECT.

WHEREAS, the Agency is authorized and empowered by the provisions of Chapter 1030 of 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial,

manufacturing, warehousing, commercial, research, and recreation facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, reconstruct, renovate and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, reconstructed, renovated and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Honest Weight Food Cooperative, Inc., a New York domestic cooperative corporation (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 2.67 acres and located at 100 Watervliet Avenue in the City of Albany, Albany County, New York (the “Land”) together with the existing facility containing approximately 41,000 square feet of space located on the Land (the “Existing Facility”), (2) the demolition of the Existing Facility, (3) the construction of a new building to contain approximately 30,000 square feet of space (the “Facility”) and (4) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to be owned and operated by the Company as a food cooperative retail facility and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to the authorization contained in a resolution adopted by the members of the Agency on May 31, 2012 (the “Public Hearing Resolution”), the Agency’s staff (A) caused notice of a public hearing of the Agency pursuant to Section 859-a(2) of the Act (the “Public Hearing”) to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project to be mailed on June 11, 2012 to the chief executive officer of the county and of the city and school district in which the Project is to be located, (B) caused notice of the Public Hearing to be published in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, (C) conducted the Public Hearing on June 21st at 12:00 o’clock p.m., local time at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York, and (D) prepared a report of the Public Hearing (the “Report”) which fairly summarized the views presented at said public hearing and distributed same to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6NYCRR Part 617, as amended (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on July 19, 2012 (the “SEQR Resolution”), the Agency (A) ratified the determination by the Planning Board of the City of Albany, New York (the “Planning Board”) to act as “lead agency” with respect to the Project, (B) acknowledged receipt of a copy of a negative declaration issued by the Planning Board on May 17, 2012 (the “Negative Declaration”), and (C) indicated that the Agency had no information to suggest that the Planning Board was incorrect in authorizing the issuance of the Negative Declaration; and

WHEREAS, in connection with the Project, the Company has requested that the Agency deviate from its uniform tax exemption policy with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility, which proposed deviation is outlined in the letter dated July 9, 2012 (the "Pilot Deviation Letter"), a copy of which Pilot Deviation Letter is attached hereto as **Schedule A**; and

WHEREAS, pursuant to Section 874(4) of the Act, prior to taking final action on such request for a deviation from the Agency's uniform tax exemption policy, the Agency must give the chief executive officers of the county and each city, town, village and school district in which the Project Facility is located (collectively, the "Affected Tax Jurisdictions") written notice of the proposed deviation from the Agency's uniform tax exemption policy and the reasons therefor prior to the meeting of the Agency at which the members of the Agency shall consider whether to approve such proposed deviation; and

WHEREAS, on July 9, 2012, the Chief Executive Officer of the Agency sent a copy of the Pilot Deviation Letter to the Affected Tax Jurisdictions to notify the Affected Tax Jurisdictions of the proposed deviation from the Agency's uniform tax exemption policy in connection with the Project; and

WHEREAS, through the Pilot Deviation Letter, the Chief Executive Officer of the Agency notified the chief executive officers of the Affected Tax Jurisdictions of the proposed deviation from the Agency's uniform tax exemption policy and further notified said chief executive officers that the members of the Agency would consider whether to approve such proposed deviation at this meeting;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby finds and determines as follows:

(A) The Agency has considered any and all responses from the Affected Tax Jurisdictions to the Pilot Deviation Letter.

(B) The Agency has reviewed and responded to all written comments received from the Affected Tax Jurisdictions with respect to the proposed deviation.

(C) The Agency has given all representatives from the Affected Tax Jurisdictions in attendance at this meeting the opportunity to address the members of the Agency regarding the proposed deviation.

Section 2. Based upon (A) the findings and determinations in Section 1 above, (B) any comments received at the Public Hearing, (C) input received at this meeting from the Affected Tax Jurisdictions with respect to the proposed deviation, (D) the Agency's knowledge of the Project, (E) the recommendations of Agency staff, and (F) such further investigation of the Project and the effect of the proposed deviation as the Agency has deemed appropriate, the Agency hereby determines to deviate from the Agency's uniform tax exemption policy with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility for the reasons set forth in the Pilot Deviation Letter. Based upon the aforementioned, the Agency hereby approves a deviation from the Agency's uniform tax exemption policy, the terms of the approved deviation to be as described in the Pilot Deviation Letter attached hereto as **Schedule A**.

Section 3. Upon preparation by Special Counsel to the Agency of a payment in lieu of tax agreement with respect to the Project Facility reflecting the terms of this resolution (the "Payment in Lieu of Tax Agreement") and approval of same by the Chairperson (or Vice Chairperson) of the Agency, the Chairperson

(or Vice Chairperson) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Payment in Lieu of Tax Agreement, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in such form as is approved by the Chairperson (or Vice Chairperson), the execution thereof by the Chairperson (or Vice Chairperson) to constitute conclusive evidence of such approval.

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Payment in Lieu of Tax Agreement, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Payment in Lieu of Tax Agreement binding upon the Agency.

Section 5. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Anthony J. Ferrara	VOTING	_____
Willard A. Bruce	VOTING	_____
Susan Pedo	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
C. Anthony Owens	VOTING	_____
John R. Vero	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ALBANY)

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the resolution contained therein, held on July 19, 2012, with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of the Agency and of such resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 19th day of July, 2012.

(Assistant) Secretary

(SEAL)

SCHEDULE "A"

PILOT DEVIATION LETTER

CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY

21 Lodge Street
Albany, New York 12207
Tel: 518-434-2532 ext. 16
Fax: 518-434-9846

July 9, 2012

Hon. Gerald D. Jennings, Mayor
City of Albany
City Hall
Eagle Street
Albany, New York 12207

Hon. Daniel P. McCoy, County Executive
Office of the County Executive
County Office Building
112 State Street, Room 200
Albany, New York 12207

Dr. Raymond Colucciello
Superintendent of Schools
Albany City School District
Academy Park
Albany, New York 12207

RE: Proposed Deviation from Uniform Tax Exemption Policy by
City of Albany Industrial Development Agency in connection
with its Proposed Honest Weight Food Co-Operative, Inc. Project

Gentlemen:

In May, 2012, Honest Weight Food Co-Operative, Inc. (the "Company") presented an application (the "Application") to the City of Albany Industrial Development Agency (the "Agency"), requesting that the Agency consider undertaking a project (the "Project") consisting of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 2.67 acres and located at 100 Watervliet Avenue in the City of Albany, Albany County, New York (the "Land") together with the existing facility containing approximately 41,000 square feet of space located on the Land (the "Existing Facility"), (2) the demolition of the Existing Facility, (3) the construction of a new building to contain approximately 30,000 square feet of space (the "Facility") and (4) the acquisition and installation therein and thereon of certain machinery and equipment (the "Equipment") (the Land, the Facility and the Equipment hereinafter collectively referred to as the "Project Facility"), all of the foregoing to be owned and operated by the Company as a food cooperative retail facility and other directly and indirectly related activities; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency.

In connection with the Project, the Company has requested that the Agency provide the Company with certain real property tax abatements according to the terms of a payment in lieu of tax agreement. Under the Agency's Uniform Tax Exemption Policy (the "Tax Exemption Policy") the Project qualifies for real property tax abatement consistent with the Agency's Urban Reinvestment Incentive Program ("URTIP"), which would provide the Company with a payment in lieu of tax agreement that provides a 100% abatement in real property taxes for years 1 through 7 of the payment in lieu of tax agreement with a 25% per year decrease in the percentage of real property tax abatement over the remainder of the ten year payment in lieu of tax agreement.

Instead of utilizing the full abatement available under URTIP, the Company is requesting that the amount of real property taxes being abated under a payment in lieu of tax agreement be reduced to the minimum amount of real property tax abatement necessary to ensure that the economics of the Project (i.e., debt coverage ratios and profit margins) are sufficient to obtain the financing necessary to complete the Project.

The Company has calculated the minimum levels of real property tax abatement necessary to ensure proper access to financing and has asked the Agency to consider entering into a payment in lieu of tax agreement (the "Pilot Request") that, in lieu of URTIP, provides a 100% abatement in real property taxes for years 1 through 3 of the payment in lieu of tax agreement, a 75% abatement in real property taxes in year 4 of the payment in lieu of tax agreement, a 50% abatement in real property taxes in years 5 and 6 of the payment in lieu of tax agreement, a 40% abatement in real property taxes in year 7 of the payment in lieu of tax agreement, a 30% abatement in real property taxes in year 8 of the payment in lieu of tax agreement, a 20% abatement in real property taxes in year 9 of the payment in lieu of tax agreement, and normal taxes in years 10 and beyond.

Although the Pilot Request, if approved, would result in the Company paying significantly more in payments in lieu of taxes than is required under the Tax Exemption Policy and URTIP, the Pilot Request is considered a deviation from the Tax Exemption Policy. The Agency is in the process of determining whether to provide the Company with a payment in lieu of tax agreement that is consistent with the terms of the Pilot Request.

The purpose of this letter is to inform you of the Pilot Request and that the Agency is considering whether to grant the Pilot Request and deviate from the Tax Exemption Policy. The Agency expects to consider whether to approve the Pilot Request at its meeting scheduled for July 19, 2012 at 12:15 p.m., local time at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York (the "Meeting").

This letter is forwarded to you for purposes of complying with Section 874 of the General Municipal Law of the State of New York, which requires the Agency, prior to taking any action, to notify the chief executive officers of the affected tax jurisdictions in which a project is located if the proposed payment in lieu of tax agreement may deviate from the provisions of the Agency's Tax Exemption Policy.

The Agency will consider the Pilot Request at the Meeting. Based on the discussion at the Meeting, and the review of any comments received by the Agency with respect to the Pilot Request, the Agency may determine to modify the terms of the Pilot Request.

The Agency would welcome any written comments that you might have on this proposed deviation from the Agency's Policy. In accordance with Section 874(4)(c) of the General Municipal Law, prior to taking final action at the Meeting, the Agency will review and respond to any written comments received from any affected tax jurisdiction with respect to the proposed deviation. The Agency will also allow any representative of any affected tax jurisdiction present at the Meeting to address the Agency regarding the proposed deviation.

If you have any questions or comments regarding the foregoing, please do not hesitate to contact me at the above telephone number.

Sincerely yours,

/s/ Michael J. Yevoli
Michael J. Yevoli
Chief Executive Officer

**APPROVING RESOLUTION
HONEST WEIGHT FOOD COOPERATIVE, INC. PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on July 19, 2012 at 12:15 p.m., local time.

The meeting was called to order by the Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Anthony J. Ferrara	Chairman
Willard A. Bruce	Vice Chairman
Hon. Kathy Sheehan	Treasurer
Susan Pedo	Secretary
Martin Daley	Member
C. Anthony Owens	Member
John R. Vero	Member

ABSENT:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Bradley Chevalier	Economic Development Specialist, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Bond Counsel

The following resolution was offered by _____, seconded by _____, to wit:

**RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION
WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR HONEST
WEIGHT FOOD COOPERATIVE, INC.**

WHEREAS, the Agency is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Honest Weight Food Cooperative, Inc., a New York domestic cooperative corporation (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 2.67 acres and located at 100 Watervliet Avenue in the City of Albany, Albany County, New York (the “Land”) together with the existing facility containing approximately 41,000 square feet of space located on the Land (the “Existing Facility”), (2) the demolition of the Existing Facility, (3) the construction of a new building to contain approximately 30,000 square feet of space (the “Facility”) and (4) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to be owned and operated by the Company as a food cooperative retail facility and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to the authorization contained in a resolution adopted by the members of the Agency on May 31, 2012 (the “Public Hearing Resolution”), the Agency’s staff (A) caused notice of a public hearing of the Agency pursuant to Section 859-a(2) of the Act (the “Public Hearing”) to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project to be mailed on June 11, 2012 to the chief executive officer of the county and of the city and school district in which the Project is to be located, (B) caused notice of the Public Hearing to be published in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, (C) conducted the Public Hearing on June 21st at 12:00 o’clock p.m., local time at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York, and (D) prepared a report of the Public Hearing (the “Report”) which fairly summarized the views presented at said public hearing and distributed same to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6NYCRR Part 617, as amended (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on July 19, 2012 (the “SEQR Resolution”), the Agency (A) ratified the determination by the Planning Board of the City of Albany, New York (the “Planning Board”) to act as “lead agency” with respect to the Project, (B) acknowledged receipt of a copy of a negative declaration issued by the Planning Board on May 17, 2012 (the “Negative Declaration”), and (C) indicated that the Agency had no information to suggest that the Planning Board was incorrect in authorizing the issuance of the Negative Declaration; and

WHEREAS, the Agency has given due consideration to the Application, and to representations by the Company that (A) the granting by the Agency of the Financial Assistance with respect to the Project will be an inducement to the Company to undertake the Project in City of Albany, New York and

(B) the completion of the Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and will not result in the abandonment of one or more plants or facilities of any occupant of the Project Facility located in the State of New York; and

WHEREAS, the Agency desires to encourage the Company to preserve and advance the job opportunities, health, general prosperity and economic welfare of the people of City of Albany, New York by undertaking the Project in City of Albany, New York; and

WHEREAS, in order to consummate the Project and the granting of the Financial Assistance described in the notice of the Public Hearing, the Agency proposes to enter into the following documents (hereinafter collectively referred to as the "Agency Documents"): (A) a certain lease to agency (the "Lease to Agency" or the "Underlying Lease") by and between the Company, as landlord, and the Agency, as tenant, pursuant to which the Company will lease to the Agency a portion of the Land and all improvements now or hereafter located on said portion of the Land (collectively, the "Leased Premises"); (B) a certain license agreement (the "License to Agency" or the "License Agreement") by and between the Company, as licensor, and the Agency, as licensee, pursuant to which the Company will grant to the Agency (1) a license to enter upon the balance of the Land (the "Licensed Premises") for the purpose of undertaking and completing the Project and (2) in the event of an occurrence of an Event of Default by the Company, an additional license to enter upon the Licensed Premises for the purpose of pursuing its remedies under the Lease Agreement (as hereinafter defined); (C) a lease agreement (and a memorandum thereof) (the "Lease Agreement") by and between the Agency and the Company, pursuant to which, among other things, the Company agrees to undertake the Project as agent of the Agency and the Company further agrees to lease the Project Facility from the Agency and, as rental thereunder, to pay the Agency's administrative fee relating to the Project and to pay all expenses incurred by the Agency with respect to the Project; (D) a payment in lieu of tax agreement (the "Payment in Lieu of Tax Agreement") by and between the Agency and the Company, pursuant to which the Company will agree to pay certain payments in lieu of taxes with respect to the Project Facility; (E) if the Company intends to finance the Project with borrowed money, one or more mortgages and any other security documents and related documents (collectively, the "Mortgage") from the Agency and the Company to the Company's lenders with respect to the Project (the "Lender"), which Mortgage will grant liens on and security interests in the Project Facility to secure one or more loans from the Lender to the Company with respect to the Project (collectively, the "Loan"); (F) all building loan and other agreements requested by the Lender in connection with the Loan (collectively with the Mortgage, the "Loan Documents"); and (G) various certificates relating to the Project (the "Closing Documents");

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. All action taken by the Chief Executive Officer of the Agency with respect to the Public Hearing with respect to the Project is hereby ratified and confirmed.

Section 2. The law firm of Hodgson Russ LLP is hereby appointed Special Counsel to the Agency with respect to all matters in connection with the Project. Special Counsel for the Agency is hereby authorized, at the expense of the Company, to work with the Company, counsel to the Company, counsel to the Agency and others to prepare, for submission to the Agency, all documents necessary to effect the transactions contemplated by this Resolution. Special Counsel has prepared and submitted an initial draft of the Agency Documents to staff of the Agency.

Section 3. The Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act;

(B) The Project constitutes a “project,” as such term is defined in the Act;

(C) The Project site is located entirely within the boundaries of City of Albany, New York;

(D) It is estimated at the present time that the costs of the planning, development, acquisition, construction, reconstruction and installation of the Project Facility (collectively, the “Project Costs”) will be approximately \$8,929,746;

(E) The completion of the Project will not result in the removal of a plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State of New York to another area of the State of New York, but will result in the abandonment of one or more plants or facilities of the Company, but such abandonment is necessary to preserve the Company’s competitive position within the grocery industry;

(F) The granting of the Financial Assistance by the Agency with respect to the Project will promote and maintain the job opportunities, general prosperity and economic welfare of the citizens of City of Albany, New York and the State of New York and improve their standard of living, and thereby serve the public purposes of the Act;

(G) The Agency has reviewed the Hearing Report and has fully considered all comments contained therein; and

(H) It is desirable and in the public interest for the Agency to enter into the Agency Documents.

Section 4. In consequence of the foregoing, the Agency hereby determines to: (A) proceed with the Project; (B) acquire, reconstruct and install the Project Facility; (C) lease the Project Facility to the Company pursuant to the Lease Agreement; (D) enter into the Payment in Lieu of Tax Agreement; (E) secure the Loan by entering into the Loan Documents; and (F) grant the Financial Assistance with respect to the Project (specifically excluding from the Financial Assistance any mortgage tax abatement).

Section 5. The Agency is hereby authorized (A) to acquire a license in the Licensed Premises pursuant to the License Agreement, (B) to acquire a leasehold interest in the Leased Premises pursuant to the Underlying Lease, (C) to acquire title to the Equipment pursuant to a bill of sale (the “Bill of Sale to Agency”) from the Company to the Agency, and (D) to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisitions are hereby approved, ratified and confirmed.

Section 6. The Agency is hereby authorized to acquire, construct and install the Project Facility as described in the Lease Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition, construction and installation are hereby ratified, confirmed and approved.

Section 7. The Chairman (or Vice Chairman) of the Agency, with the assistance of Agency Counsel and/or Special Counsel, is authorized to negotiate and approve the form and substance of the Agency Documents.

Section 8. (A) The Chairman (or Vice Chairman) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Agency Documents, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in the forms thereof as the Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

(B) The Chairman (or Vice Chairman) of the Agency is hereby further authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 9. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing Resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 10. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Anthony J. Ferrara	VOTING	_____
Willard A. Bruce	VOTING	_____
Susan Peto	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
C. Anthony Owens	VOTING	_____
John R. Vero	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ALBANY)

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on July 19, 2012 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 19th day of July, 2012.

(Assistant) Secretary

(SEAL)

TO: City of Albany Industrial Development Agency Board

FROM: City of Albany Industrial Development Agency Staff

RE: FC 178WAE, LLC - IDA Application Summary

DATE: July 13, 2012

Applicant: FC 178WAE, LLC

Managing Members (% of Ownership): Kevin Bette (50% or more), Mark Bette (5% or more), Christopher Bette (5% or more)

Project Location: 178 Washington Avenue Extension

Project Description: This property will be the second one developed by First Columbia, LLC on the front portion of the Daughters of Sarah lands. The first building, 176 Washington Avenue Extension, which received financial assistance from the City of Albany IDA (sales tax exemption, mortgage recording tax exemption, and 10 year PILOT – same as currently being requested) in 2010, is built and fully leased with two medical related practices. The second building, located right next door, is planned to be a one-story 24,000 SF medical/ general office building. Currently, a lease for 60% of the building is being negotiated with a large medical practice that is looking for more space to grow. The larger space will allow them to stay competitive with other practices in the area.

Estimated Project Cost: \$4,472,432 (estimated amount spent to date \$37,300)

Type of Financing: Straight Lease

Amount of Bonds Requested: None

Estimated Total Purchases Exempt from Sales Tax: \$1,361,338

Estimated Total Mortgage Amount: \$3,500,000

Current Assessment: \$522,500 (Note: Property is currently tax-exempt)

Estimated Improved Assessment: \$960,000 (per discussion with Commissioner of Assessment & Taxation)

Requested PILOT: PILOT which equates to 50% abatement on the increased assessment value in Year 1. At which time the abatement on the increased assessment value decreases at 5% per year for the following 9 years. Taxes on full assessment will be paid in Year 11 and every year thereafter.

Estimated Value of Total PILOT Payments:

- Total PILOT Payments: \$444,405 (over 10 year PILOT period)

Estimated Value of Tax Exemptions:

- NYS Sales and Compensating Use Tax: \$108,907
- Mortgage Recording Taxes: \$43,750
- Real Property Taxes: \$60,473 (over 10 year PILOT period)
- Other: N/A

Employment Impact:

- Projected Permanent: (18) new FTE jobs created and (26) FTE jobs retained by Year 3
- Projected Construction: (30) jobs

Strategic Initiatives:

- Albany 2030
 - Increase employment opportunities
 - Increase job opportunities for all residents.
 - Support the retention, expansion and recruitment of new businesses that pledge to hire local residents.
 - Encourage investment in urban land and buildings for employment and housing.

Planning Board Actions:

- Issued a Negative Declaration for this Unlisted Action as per the provisions of SEQR, finding that there will be no significant adverse environmental impacts as per 617.7 of SEQR regulations on 9/16/10.
- Approved the original site plan on 9/16/10 and the amended site plan on 6/21/12.

Estimated IDA Fee

- Fee amount: 44,725

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.

FC 178WAE, LLC: PILOT Analysis

Calendar Year	Project Year	Tax Rate ⁽²⁾	Status Quo						
			Current Tax				Requested PILOT		
			Current Assessment ⁽³⁾	Current Tax ⁽⁴⁾	Estimated Improved Assessment ⁽⁵⁾	Estimated Tax w/o PILOT ⁽⁶⁾	Calculated Estimated PILOT Payment ⁽⁷⁾	Abatement Savings ⁽⁸⁾	% of Abatement on Improved Assessment ⁽⁹⁾
2013	0	\$44.539569	\$522,500	\$0	\$522,500	\$0	\$0	\$0	0%
2014	1	\$45.875756	\$522,500	\$0	\$960,000	\$44,041	\$34,005	\$10,035	50%
2015	2	\$47.252029	\$522,500	\$0	\$960,000	\$45,362	\$36,059	\$9,303	45%
2016	3	\$48.669590	\$522,500	\$0	\$960,000	\$46,723	\$38,206	\$8,517	40%
2017	4	\$50.129677	\$522,500	\$0	\$960,000	\$48,124	\$40,448	\$7,676	35%
2018	5	\$51.633568	\$522,500	\$0	\$960,000	\$49,568	\$42,791	\$6,777	30%
2019	6	\$53.182575	\$522,500	\$0	\$960,000	\$51,055	\$45,238	\$5,817	25%
2020	7	\$54.778052	\$522,500	\$0	\$960,000	\$52,587	\$47,794	\$4,793	20%
2021	8	\$56.421393	\$522,500	\$0	\$960,000	\$54,165	\$50,462	\$3,703	15%
2022	9	\$58.114035	\$522,500	\$0	\$960,000	\$55,789	\$53,247	\$2,542	10%
2023	10	\$59.857456	\$522,500	\$0	\$960,000	\$57,463	\$56,154	\$1,309	5%
2024	11 ⁽¹⁾	\$61.653180	\$522,500	\$0	\$960,000	\$59,187	\$0	\$0	0%
Total				\$0		\$504,878	\$444,405	\$60,473	

Notes:

(1) Full assessment value will be paid (End of Proposed PILOT)

(2) Assumed a tax rate of \$43.2423 (does not include any ad valorem tax that is still payable under PILOT) in 2012 w/ estimated escalation of 3% thereafter

(3) Current assessment as per City of Albany tax roll and Applicant's discussion with Commissioner of Assessment & Taxation

(4) Current assessment divided by 1,000 multiplied by appropriate tax rate. Note: Property is currently tax exempt.

(5) Improved assessment as per Applicant's discussion with Commissioner of Assessment & Taxation. Note: Improved Assessment not fixed.

(6) Improved assessment divided by 1,000 multiplied by appropriate tax rate

(7) PILOT Deviation - 10 years of abatement on improved assessment that starts at 50% and then decreases 5% thereafter until full assessment in Year 11

(8) Difference of PILOT Payment from Tax w/o PILOT

(9) Percent abatement on increased assessment via PILOT requested by Applicant

Tuesday, July 3, 2012 9:43:06 AM
M:\Data\Various & Property Presentation Maps\178 Washington Ave.mxd



2011 Orthoimagery provided by NYS CSCIC

The City of Albany Department of Development & Planning provides this figure for illustrative purposes only. Unauthorized attempts to modify or utilize this figure for other than its intended purposes are prohibited. All locations are approximate. The City makes no claims or guarantees about the accuracy or currency of the contents of the data provided and expressly disclaims liability for errors and omissions in its contents.



City of Albany

178 WASHINGTON AVE EXT



FIRST COLUMBIA

July 5, 2012

Mr. Michael Yevoli, Chief Executive Officer
c/o Mr. Brad Chevalier
City of Albany Industrial Development Agency
21 Lodge Street
Albany, New York 12207

RE: Request for IDA Assistance for 178 Washington Ave. Ext.

Dear Mr. Yevoli

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 First Columbia LLC project.

178 Washington Avenue Extension is the second building to be developed by First Columbia LLC on the front portion of the Daughters of Sarah lands. The first building, 176 Washington Avenue Extension, which received financial assistance from the City of Albany IDA, is built and fully leased with two medical related practices. The second building is planned to be a one-story 24,000 sf medical/ general office building. Currently, a lease for 60% of the building is being negotiated with a large medical practice looking for larger space to grow the practice as it competes with other local practices in the area.

First Columbia is requesting financial assistance in the form of a sales tax exemption, mortgage recording tax exemption and a ten year Real Property Tax exemption following the Real Property Tax Law, Section 485-b.

The project, expected to be \$4.47 million, will be constructed on lands that are currently tax-exempt. Approximately thirty construction jobs and after the third year over forty permanent jobs in health services will be provided. The location of the new facility will provide a benefit to the community and the area residents by providing a growing medical practice a modern facility close to a large aging population residential communities and neighboring residential areas.

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,

Christopher J. Bette
Vice President

Enclosure

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: FC 178WAE LLC

APPLICANT'S ADDRESS: 22 Century Hill Drive, Suite 301

CITY: Latham STATE: NY ZIP CODE: 12110

PHONE NO.: 518-213-1000 FAX NO.: 518-213-1020 E-MAIL: cbette@firstcolumbia.com

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

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

NAME OF ATTORNEY: Eugene M. Sneeringer, Jr. Esq.

ATTORNEY'S ADDRESS: 50 Chapel Street

CITY: Albany STATE: NY ZIP CODE: 12207

PHONE NO.: 518-434-0217 FAX NO.: 518-434-9997 E-MAIL: esneeringer@smprtitle.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: FC 178WAE LLC
Contact Person: Chris Bette
Phone Number: 518-213-1000
Occupant: FC 178WAE LLC ("Owner")
Project Location: 178 Washington Avenue Ext.
Albany, NY 12203

Approximate Size of Project Site: 2.09 acres

Description of Project: First phase completed in 2011 (176 Washington Avenue). This is the second phase consisting of construction of a new single story medical office building to be approximately 24,000 square feet. We are asking for a PILOT -terms the same as approved for first phase.

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

Employment Impact: Existing Jobs: 0 (Currently at Site)

New Jobs: 35 Retained and 9 New at End of Year 3. (Total 44 FTE Yr 3)
Includes 3 FTE which are Part Time employees

Project Cost: \$4,472,432

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

Amount of Bonds Requested: \$ N/A

Estimated Value of Tax-Exemptions: Phase II only

N.Y.S. Sales and Compensating Use Tax:	\$108,907
Mortgage Recording Taxes:	\$ 43,750 (1.25%)
Real Property Tax Exemptions:	\$ 60,473 (Total Abatement Savings)
Other (please specify):	\$ _____

*Maximum annual estimated savings of \$10,035 declining each year thereafter. PILOT exemption request of 50% exempt year 1 decreasing by 5% increments for a 10 year term. (same terms as obtained under Phase I of the project in 2010-2011).

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

A. Identity of Company:

1. Company Name: FC 178WAE LLC ("Owner")
Present Address: 22 Century Hill Drive, Suite 301, Latham, NY
Zip Code: 12110
Employer's ID No.: Pending
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. X Limited liability company,
Date created? 10/2011
 - 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 not a subsidiary.

B. Management of Company:

1. List all owners, officers, members, directors and partners (complete all columns for each person): Majority members shown.

NAME (First, Middle, Last) HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
Kevin Bette	General Managing Member	Real Estate Development
Mark Bette	General Managing Member	Real Estate Development
Christopher J Bette	General Managing Member	Real Estate Development

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
Kevin Bette	c/o 22 Century Hill Drive Suite 301 Latham, NY 12110	50% or more
Mark Bette	c/o 22 Century Hill Drive Suite 301 Latham, NY 12110	5% or more
Christopher Bette	c/o 22 Century Hill Drive Suite 301 Latham, NY 12110	5% or more

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

II. DATA REGARDING PROPOSED PROJECT

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

178 Washington Avenue Extension is the second building to be developed by First Columbia LLC on the front portion of the Daughters of Sarah lands. The first building (Phase 1), 176 Washington Avenue Extension, which received financial assistance from the City of Albany IDA, is built and fully leased with two medical related practices. The second building (Phase 2) is planned to be a one-story 24,000 sf medical/ general office building.

B. Location of Proposed Project:

1. Street Address: 178 Washington Avenue Ext.
2. City of Albany
3. Town of
4. Village of
5. County of Albany

C. Project Site: Phase I and Phase II shown on Preliminary Site Plan

1. Approximate size (in acres or square feet) of Project site: 2.09 acres.
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:
 - b. Are existing buildings in operation? Yes ____; No X.
If yes, describe present use of present buildings:
 - c. Are existing buildings abandoned? Yes ____; No X. About to be abandoned? Yes ____; No _____. If yes, describe:
 - d. Attach photograph of present buildings. N/A
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: Daughters of Sarah Jewish Foundation, 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 X. 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 X; No _____. If yes, describe: Applicant is entering into a Ground Lease Agreement with Daughters of Sarah Jewish Foundation, Inc.

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

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 X; No _____. If yes, indicate number and size of new buildings:

1 – 24,000 sf building (Phase II)-CURRENT APPLICATION

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: Commercial use including outpatient medical treatment services and general office uses.

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: Roof-top HVAC equipment and hot water heaters.

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 provide detail:

3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed: Building heating and cooling and hot water systems.

F. Project Use:

1. What are the principal products to be produced at the Project? Outpatient medical treatment services and general office use.
2. What are the principal activities to be conducted at the Project? Outpatient medical treatment services and general office 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 ____ No X. 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?
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: N/A
 - a. Will the Project be operated by a not-for-profit corporation? Yes ____; No _____. If yes, please explain: N/A
 - 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: N/A
 - 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: N/A

- 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: N/A

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: N/A

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 X; No _____. If yes, please explain: The Tenant requires additional expansion space that cannot be accommodated at their current location.

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: (other than a Tenant expansion noted above)

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 X; No _____. If yes, please provide detail: The expansion is necessary for the growth of the business in the competitive marketplace.
- 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.

Amended Site plan approval from the City of Albany Planning Board
Building Permit issuance from the City of Albany Building Dept.

2. Describe the nature of the involvement of the federal, state or local agencies described above: Amended Site plan approval for the reduction of building size and required building permit review and approval for construction.

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: \$37,300 design, marketing, and approval costs for Phase II project incurred.

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 _____. This is a private construction project.

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:

Lease negotiations are in progress with a medical group provider who requires expansion space.

Information provided as follows:

1. Sublessee name:
Present Address:
City: _____ State: _____
Employer's ID No.: _____
Sublessee is: ___ Corporation: ___ Partnership: ___ Sole Proprietorship
Relationship to Company: Subtenant
Percentage of Project to be leased or subleased: 60%
Use of Project intended by Sublessee: Medical Office
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 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.
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? Lease negotiations in progress-not executed as of this date.

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 – PHASE II SHOWN (FTEs)					
	PROFESSIONAL MANAGERIAL	SKILLED	SEMI- SKILLED	UNSKILLED	TOTALS
Present Full Time	8	8	6	4	26
Present Part Time	0	0	0	0	0
Present Seasonal	0	0	0	0	0
First Year Full Time	8	8	6	4	26
First Year Part Time	0	0	0	0	0
First Year Seasonal	0	0	0	0	0
Second Year Full Time	10	14	10	4	38
Second Year Part Time	0	0	0	0	0
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. Project will employ professional outpatient medical practice employees. In addition, the current residency training program has 86 rotating residents seeing patients.

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 (Phase II)</u>	<u>Amount</u>
Land	\$2,300.00
Buildings	\$2,943,349.00
Machinery and equipment costs	\$
Utilities, roads and appurtenant costs	\$360,000.00
Architects and engineering fees	\$93,500.00
Costs of Bond issue (legal, financial and printing)	\$ _____
Construction loan fees and interest (if applicable)	\$160,983.00
Other (specify)	\$ _____
Marketing/Predevelopment	\$517,300.00
Contingencies	\$100,000.00
General development	\$295,000.00
 TOTAL PROJECT COST	 \$4,472,432.00

B. Have any of the above expenditures already been made by applicant?
Yes X; No _____. (If yes, indicate particular.) Preliminary design, marketing, engineering costs incurred – approximately \$37,300.

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 ____

- 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

Phase II figures are as follows:

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 X; No ____.
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? \$3,500,000.
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? \$1,361,338.
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: \$108,907
- b. Mortgage Recording Taxes: \$43,750 (1.25%)
- c. Real Property Tax Exemptions: (Total) \$ 60,473
- d. Other (please specify):

* Maximum annual estimated savings of \$10,035 declining each year thereafter. PILOT exemption request with total project of 50% exempt year 1 decreasing by 5% increments for a 10 year term. (same terms as obtained under Phase I of the project in 2010-2011).

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. Seeking a 10-year 485b

abatement, which is the same deviation approved for Phase 1.

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.

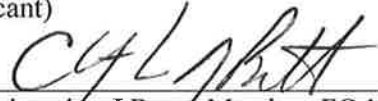
D. Annual Sales Tax Filings. In accordance with Section 874(8) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal 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:



Christopher J Bette, Member, FC 178WAE LLC

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)

VERIFICATION

(If applicant is sole proprietor)

STATE OF _____)
COUNTY OF _____) SS.:

_____, deposes and says

(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__.

(Notary Public)

(If applicant is partnership)

_____, deposes and says
(Name of Individual)

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.

(Notary Public)

VERIFICATION

(If applicant is limited liability company)

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

Christopher Bette, deposes and says
(Name of Individual)

that he is one of the members of the firm of FC 178WAE, 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.

Cy L Bette

Sworn to before me this
5th day of July, 2012

Sanita Victoria Baggetta
(Notary Public)

SANITA VICTORIA BAGGETTA
Notary Public, State of New York
No. 01BA6256184
Qualified in Schenectady County
Commission Expires February 21, 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: CYL JH

Sworn to before me this
5th day of JULY, 2012

Sanita Victoria Baggetta
(Notary Public)

SANITA VICTORIA BAGGETTA
Notary Public, State of New York
No. 01BA6256184
Qualified in Schenectady County
Commission Expires February 21, 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"):	FC 178WAE LLC
2. Brief Identification of the Project:	First phase consisted of construction of a new single story medical office building of approximately 12,900 square feet (previously induced/completed in 2011). Second phase is currently in the planning process; tenants to be determined. Second phase is expected to be 24,000 square feet.
3. Estimated Amount of Project Benefits Sought:	Phase II shown below
A. Amount of Bonds Sought:	\$0
B. Value of Sales Tax Exemption Sought	\$108,907
C. Value of Real Property Tax Exemption Sought	\$60,473
D. Value of Mortgage Recording Tax Exemption Sought	\$43,750 (1.25%)

* Maximum annual estimated savings of \$10,035 declining each year thereafter. PILOT exemption request based total project of 50% exempt year 1 decreasing by 5% increments for a 10 year term. (Same terms as obtained under Phase I of the project in 2010-2011).

PROJECTED PROJECT INVESTMENT

A. Land-Related Costs	
1. Land acquisition	\$
2. Site preparation	\$
3. Landscaping	\$
4. Utilities and infrastructure development	\$
5. Access roads and parking development	\$
6. Other land-related costs (describe) Ground lease	\$2,300.00

B.	Building-Related Costs	
1.	Acquisition of existing structures	\$
2.	Renovation of existing structures	\$
3.	New construction costs	\$2,943,349.00
4.	Electrical systems	\$
5.	Heating, ventilation and air conditioning	\$
6.	Plumbing	\$
7.	Other building-related costs (describe) sitework & utilities	\$360,000.00
C.	Machinery and Equipment Costs	
1.	Production and process equipment	\$
2.	Packaging equipment	\$
3.	Wharehousing equipment	\$
4.	Installation costs for various equipment	\$
5.	Other equipment-related costs (describe)	\$
D.	Furniture and Fixture Costs	
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	\$93,500.00
2.	Accounting/legal	\$
3.	Other service-related costs (describe)	\$
G.	Other Costs	
1.	Construction loans and fees	\$160,983.00
2.	Marketing/Predevelopment	\$517,300.00
3.	Contingencies/Lease Up Reserves	\$100,000.00
4.	General development	\$295,000.00
H.	Summary of Expenditures	
1.	Total Land-Related Costs	\$2,300.00
2.	Total Building-Related Costs	\$3,303,349.00
3.	Total Machinery and Equipment Costs	\$
4.	Total Furniture and Fixture Costs	\$
5.	Total Working Capital Costs	\$
6.	Total Professional Service Costs	\$93,500.00
7.	Total Other Costs	\$1,073,283.00

PROJECTED PROFIT

- I. Please provide projected profit as defined by earnings after income tax but before depreciation and amortization: **N/A - Profits not changed because any tax savings are projected to be passed to tenants.**

YEAR	Without IDA benefits	With IDA benefits
1	\$ No change	\$ No change
2	\$ No change	\$ No change
3	\$ No change	\$ No change
4	\$ No change	\$ No change
5	\$ No change	\$ No change

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: Phase II only shown below.

Year	Number of Construction Jobs	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax
Current Year	0	\$0	\$0
Year 1	30	\$1,350,000	\$108,000
Year 2	0	\$0	\$0
Year 3	0	\$0	\$0
Year 4	0	\$0	\$0
Year 5	0	\$0	\$0

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 (23 Full time and 3 FTEs from Part Time jobs retained in move):

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year	8	8	6	4
Year 1	8	8	6	4
Year 2	8	8	6	4
Year 3	8	8	6	4
Year 4	8	8	6	4
Year 5	8	8	6	4

- II. Please provide estimates of total new permanent jobs to be created at the Project (Year Two total 38, Year 3 Total 44 of both retained and new FTEs):

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year				
Year 1				
Year 2	2	6	4	0
Year 3	2	2	2	0
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: up to 50%.

A. Provide a brief description of how the project expects to meet this percentage: Applicant will advertise/post employment opportunities in Albany publications.

PROJECTED OPERATING IMPACT

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

Additional Purchases (1 st year following project completion)	\$75,000
Additional Sales Tax Paid on Additional Purchases	\$ 6,000
Estimated Additional Sales (1 st full year following project completion)	\$250,000
Estimated Additional Sales Tax to be collected on additional sales (1 st full year following project completion)	\$ 0

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

Land is currently owned by a not-for-profit and yields no property taxes to the taxing jurisdictions; we propose to build a new structure which will generate real property tax dollars and also create a Community service benefit.

Year	Existing Real Property Taxes (Without IDA involvement)	New Pilot Payments (With IDA)	Total (Difference)
Current Year	0	\$0	\$0
Year 1	0	\$34,005	\$34,005
Year 2	0	\$36,059	\$36,059
Year 3	0	\$38,206	\$38,206
Year 4	0	\$40,448	\$40,448
Year 5	0	\$42,791	\$42,791
Year 6	0	\$45,238	\$45,238
Year 7	0	\$47,794	\$47,794
Year 8	0	\$50,462	\$50,462
Year 9	0	\$53,247	\$53,247
Year 10	0	\$56,154	\$56,154

TOTAL (Tax Exempt Currently) \$444,405 (Phase II only)


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

Health services benefit the local community and local residents benefit by a center's proximity and convenience. The expansion will also aid in job retention and growth.

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>July 5, 2008</u> ¹²	Name of Person Completing Project Questionnaire on behalf of the Company. Name: <u>CHRISTOPHER J. BEITE</u> Title: <u>VICE PRESIDENT</u> Phone Number: <u>518-213-1000</u> Address: <u>22 CENNY HILL DR., LATHAM NY</u> 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. **Phase II only shown below by Year 3-18 New Jobs.**

[illegible]

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

178 Washington Ave. Ext., First Columbia, LLC: Standard PILOT Analysis

Calendar Year	Project Year	Tax Rate ⁽²⁾	Status Quo		Proposed Project				
			Current Tax		Normal Tax		Requested Standard PILOT		
			Current Assessment ⁽³⁾	Current Tax ⁽⁴⁾ Tax Exempt	Estimated Improved Assessment ⁽⁵⁾	Tax w/o PILOT ⁽⁶⁾	Requested PILOT Payment ⁽⁷⁾	Abatement Savings ⁽⁸⁾	% of Abatement on Improved Assessment ⁽⁹⁾
2013	0	\$44.539569	\$522,500	\$0	\$522,500	\$0	\$0	\$0	0%
2014	1	\$45.875756	\$522,500	\$0	\$960,000	\$44,041	\$34,005	\$10,035	50%
2015	2	\$47.252029	\$522,500	\$0	\$960,000	\$45,362	\$36,059	\$9,303	45%
2016	3	\$48.669590	\$522,500	\$0	\$960,000	\$46,723	\$38,206	\$8,517	40%
2017	4	\$50.129677	\$522,500	\$0	\$960,000	\$48,124	\$40,448	\$7,676	35%
2018	5	\$51.633568	\$522,500	\$0	\$960,000	\$49,568	\$42,791	\$6,777	30%
2019	6	\$53.182575	\$522,500	\$0	\$960,000	\$51,055	\$45,238	\$5,817	25%
2020	7	\$54.778052	\$522,500	\$0	\$960,000	\$52,587	\$47,794	\$4,793	20%
2021	8	\$56.421393	\$522,500	\$0	\$960,000	\$54,165	\$50,462	\$3,703	15%
2022	9	\$58.114035	\$522,500	\$0	\$960,000	\$55,789	\$53,247	\$2,542	10%
2023	10	\$59.857456	\$522,500	\$0	\$960,000	\$57,463	\$56,154	\$1,309	5%
2024(Note 1)	11	\$61.653180	\$522,500	\$0	\$960,000	\$0	\$0	\$0	0%
Total				\$0		\$504,878	\$444,405	\$60,473	

Notes:

(1) Full assessment value will be paid (End of Proposed PILOT)

Note Assumed first full year assesment occurs effective 1/1/2014 for illustration and construction completion

(2) Assumed the existing tax rate of \$43.2423 in 2012(does not include any special district taxes that are still payable under PILOT) w/ estimated escalation of 3% thereafter

(3) Current Assessment as per City of Albany tax roll-Although the land is currently owned by a not for profit and is exempt today

(4) Current Assessment divided by 1,000 multiplied by appropriate tax rate for year performing calculation

(5) Estimated Improved Assessment

(6) Estimated Improved Assessment divided by 1,000 multiplied by appropriate tax rate for year performing calculation-Land is currently exempt

(7) Current Assessment divided by 1,000 multiplied by appropriate tax rate for year performing calculation plus: the difference between the Estimated Improved Assessment and Current Assessment divided by 1,000 then multiplied by PILOT payment percentage (1 minus the % of Abatement on Improved Assessment) then multiplied by appropriate tax rate for year performing calculation

(8) Difference of Requested PILOT Payment from Tax w/o PILOT, should the current assesment be taxable

(9) Percent Abatement on Estimated Improved Assessment as per standard PILOT

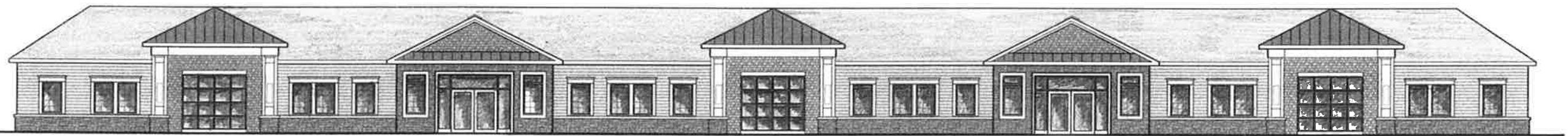
Numbers and dates in example are fictitious. Please perform proper due diligence and alter accordingly.



AERIAL OF SITE

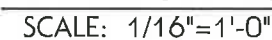


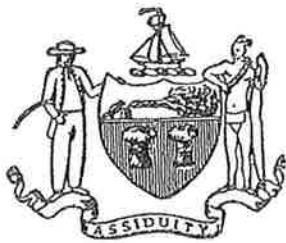
FIRST COLUMBIA



CONCEPTUAL ELEVATION

SCALE: 1/16"=1'-0"





CITY OF ALBANY
DEPARTMENT OF DEVELOPMENT & PLANNING

GERALD D. JENNINGS
Mayor

MICHAEL J. YEVOLI
Commissioner

ECONOMIC DEVELOPMENT
21 Lodge Street
Albany, NY 12207
518.434.2532
(f) 518.434.9846
Development@cl.albany.ny.us

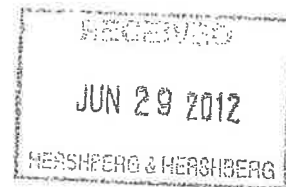
**NEIGHBORHOOD &
LONG-RANGE PLANNING**
21 Lodge Street
Albany, NY 12207
518.434.2532
(f) 518.434.9846
Albany2030@cl.albany.ny.us

LAND USE PLANNING
Board of Zoning Appeals, Planning Board,
Historic Resources Commission
200 Henry Johnson Boulevard
Albany, NY 12210
518.434.5240
(f) 518.434.5294
Planning@cl.albany.ny.us

**ALBANY COMMUNITY
DEVELOPMENT AGENCY**
200 Henry Johnson Boulevard
Albany, NY 12210
518.434.5265
(f) 518.434.5242

June 22, 2012

Hershberg & Hershberg
Attn: Dan Hershberg
18 Locust Street
Albany, NY 12203



Re: 184 Washington Ave Ext. (PB Case #6-10, 781)

Dear Dan:

Enclosed please find one (1) set of final site plans for the above-referenced project, stamped as approved by the Chair of the Planning Board. The amended plans were approved on June 21, 2012.

The four (4) sets of final plans you submitted to this office have been stamped as approved and distributed as follows:

- one (1) copy sent to you as the applicant's representative.
- one (1) copy retained on file by the City Planning Department.
- one (1) copy referred to both Director of Building and Codes and City Engineer, alerting them to the fact that final Site Plan Approval has been granted for this project.

Feel free to contact me at (518) 445-0754 if you have any questions regarding this matter.

Sincerely,

Bradley Glass
Senior Planner

Enc.

Cc: Jeff Jamison, Esq., Director, Division of Building and Codes
Patrick McCutcheon, Junior Engineer, Division of Engineering

**NOTIFICATION OF LOCAL ACTION
DECISION OF THE CITY OF ALBANY PLANNING BOARD**

ADDRESS OF SUBJECT PROPERTY: 184 Washington Ave. Ext.

IN THE MATTER OF: Amendment to a Site Plan Approval allowing for the construction of two medical office buildings. The amendment seeks to decrease the size of the Phase II construction to that of a single-story, 24,000 sf. building where the original proposal called for a two-story, 28,800 sf. building.

APPLICANT: First Columbia, LLC c/o Hershberg & Hershberg
ADDRESS: 18 Locust St., Albany, NY 12203

CASE NUMBER: 6-10, 781

Date Received: 6/8/12
Presentation Date: 6/21/12
SEQR Classification: Unlisted Action
SEQR Determination: 9/16/10
Date of Amendment: 6/21/12

Vote:	For Approval:	4	Abbott:	Y	Pryor:	Y
	Against:	0	Fox:	Y	Trant:	NIA
	Abstain:	0	Hancox:	Y		

Relevant Considerations:

Owner/Applicant: Daughters of Sarah Senior Community / First Columbia, LLC c/o Hershberg & Hershberg

Proposed Amendment: The applicant is seeking to modify a Site Plan Approval awarded on October 28, 2010 allowing the construction of two medical office buildings totaling 40,200 square feet and an accessory parking lot with 209 parking spaces. The project is being constructed in two phases. Phase I completed construction of a single-story, 13,125 square foot building at what is now known as 176 Washington Avenue Extension. Phase II originally proposed construction of a two-story 28,800 square foot office building at what is now known as 178 Washington Avenue Extension. The applicant seeks to decrease the size of the proposed Phase II construction to that of a 24,000 square feet building while expanding the overall building footprint to accommodate a single-story structure in place of the original proposal of a two-story building.

Actions Taken:

The Board **Approved** the **Amendment** to the **Site Plan**.

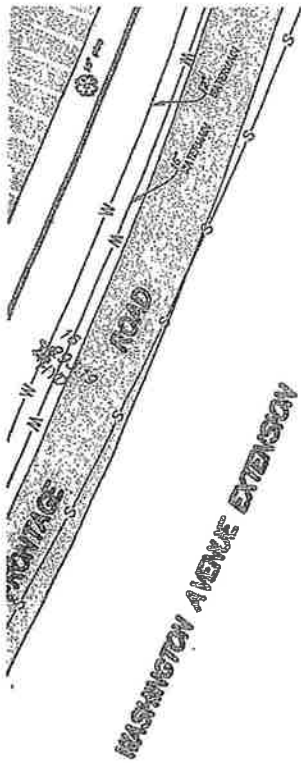
I, Edward Trant representing the Planning Board of the City of Albany, hereby certify that the foregoing is a true copy of a decision of the Planning Board made at a meeting thereof duly called and held on the day of June 21, 2012.

Date: 6/21/12

Signature: Edward R. Trant

This is not a building permit. All building permits must be approved and issued by the Building Department prior to the start of any construction.

Prior to making an application for a Certificate of Occupancy, the applicant will be required to submit to the Building Department an "as built" site plan which depicts all elements shown on the approved site plan including but not limited to contours, landscaping, building locations, utilities paved and parking areas, signage, accessory structures and other related physical improvements.



APPROVED BY RESOLUTION OF THE PLANNING
BOARD OF THE CITY OF ALBANY NEW YORK

ON THE 21st DAY OF June, 2012
SUBJECT TO ALL REQUIREMENTS AND CONDITIONS
OF SAID RESOLUTION, ANY CHANGE, ERASURE
MODIFICATION OR REVISION OF THIS PLAN OR
PLAN, AS APPROVED, SHALL VOID THIS APPROVAL
SIGNED

FILED 21st DAY OF June, 2012

Edward R. Kant

120166

GENERAL SITE PLAN
PROPOSED OFFICE BUILDINGS
#176 & #178 WASHINGTON AVENUE EXTENSION
ALBANY, NY

REVISIONS

FILE: 120166

SCALE: 1"=30'

BY: AS

CHK: DRH

DATE: 6/18/12

120166-1.DWG



CITY OF ALBANY
DEPARTMENT OF DEVELOPMENT & PLANNING

September 23, 2010

GERALD D. JENNINGS
Mayor

MICHAEL J. YEVOLI
Commissioner

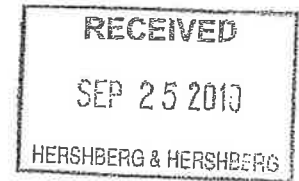
ECONOMIC DEVELOPMENT
21 Lodge Street
Albany, NY 12207
518.434.2532
(f) 518.434.9846
Development@cl.albany.ny.us

**NEIGHBORHOOD &
LONG-RANGE PLANNING**
21 Lodge Street
Albany, NY 12207
518.434.2532
(f) 518.434.9846
Albany2030@cl.albany.ny.us

LAND USE PLANNING
Board of Zoning Appeals, Planning Board,
Historic Resources Commission
200 Henry Johnson Boulevard
Albany, NY 12210
518.434.5240
(f) 518.434.5294
Planning@cl.albany.ny.us

**ALBANY COMMUNITY
DEVELOPMENT AGENCY**
200 Henry Johnson Boulevard
Albany, NY 12210
518.434.5265
(f) 518.434.5242

Hershberg and Hershberg
Attn: Daniel R. Hershberg, P.E., L.S.
18 Locust St.
Albany, NY 12203



Re: 184 Washington Ave. Ext. (P.B. Case# 6-10, 781)

Dear Dan:

Enclosed please find a copy of the Planning Board's Notification of Local Action regarding the application of Daughters of Sarah Senior Community seeking Site Plan Approval for the construction of two medical office buildings at 184 Washington Ave. Extension. On 9/16/10 the Planning Board issued a Negative Declaration of Environmental Significance for this project pursuant to SEQR. A copy of the decision is attached for your records.

Feel free to contact me at (518) 434-5250 if you have any questions regarding this matter.

Sincerely,

John Szczesny
Senior Planner

Enc.

NOTIFICATION OF LOCAL ACTION
DECISION OF THE CITY OF ALBANY PLANNING BOARD

Applicant: Daughters of Sarah Senior Community c/o Hershberg and Hershberg

Case File #: 6-10, 781

Location: 184 Washington Ave. Ext.

Request: Site Plan Approval

Date Received: 6/4/10

2010 SEP 21 AM 11:05
OFFICE OF THE CITY CLERK
ALBANY N.Y.

RECEIVED

Relevant Considerations:

Owner/Applicant: Daughters of Sarah Senior Community is the owner. First Columbia, LLC is the proposed developer. Engineering consultant is Hershberg and Hershberg.

Parcel size: 3.27 acres (142,460 square feet). The property is currently known as 184 Washington Ave. Ext. and is proposed to be subdivided to adjust lot lines.

Location: On the south side of Washington Ave. Ext., just east of Rapp Rd. The Daughters of Sarah Nursing Home is located immediately to the south.

Zoning: C-PB (Commercial Pine Bush).

Proposed project: The applicant is proposing to develop the site in order to construct two medical office buildings. Phase I is proposed to be developed as a one-story 13,125 s.f. medical office with 61 parking spaces. Phase II is proposed as a two-story 28,800 s.f. medical office building with 148 parking spaces. Two driveways are proposed to connect to the South Frontage Road.

Action Taken:

The Board issued a **Negative Declaration** for this **Unlisted Action** as per the provisions of SEQR, finding that there will be no significant adverse environmental impacts as per §617.7 of the SEQR regulations.

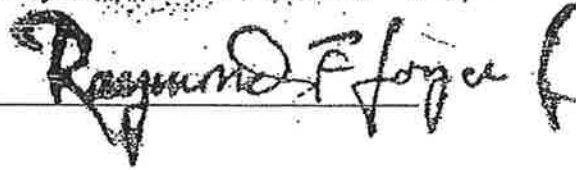
The vote was unanimous as follows:

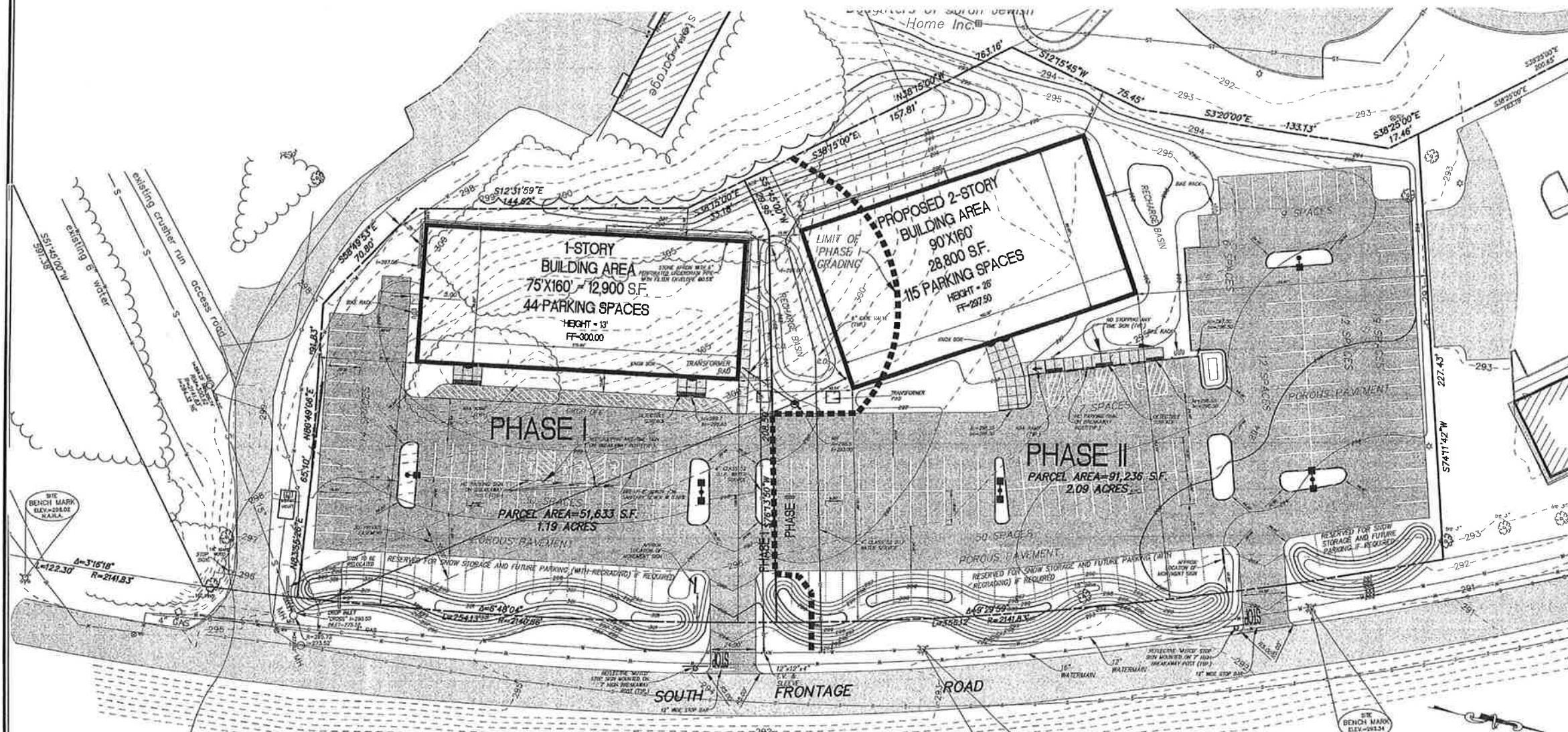
Vote:	For Approval:	5	Hancox:	Y	Trant: Y
	Against:		Pryor:	Y	Fox: Y
	Abstain:		Joyce:	Y	

I, Raymond F. Joyce, Jr. representing the Planning Board of the City of Albany, hereby certify that the foregoing is a true copy of a decision of the Planning Board made at a meeting thereof duly called and held on the day of: _____

Date: 9/16/10

Signature: _____

Handwritten signature of Raymond F. Joyce, Jr. in cursive script, written over a horizontal line.



NOTE: THE EXISTING SOUTH FRONTAGE ROAD PAVEMENT SHALL BE PROTECTED FROM CONSTRUCTION TRAFFIC. IN THE EVENT THAT THE PAVEMENT IS DAMAGED DURING CONSTRUCTION, THE CONTRACTOR SHALL BE RESPONSIBLE FOR ITS REPAIR TO THE FULL SATISFACTION OF THE CITY OF ALBANY.

ZONE: C-PB Commercial Pine Bush District
WASHINGTON AVENUE EXTENSION

PARKING ANALYSIS TABLE			
description	area	available	required
medical office phase I	13,125 s.f.	44	66
medical office phase II	28,800 s.f.	115	144
total spaces provided		159	
additional spaces banked for future use		51	
total spaces required			210
total spaces available		210	

SITE COVERAGE STATISTICS			
description	s.f.	acres	%
gross site area	142,869	3.280	100.00
impervious area	29,458	0.676	20.62
building coverage	27,300	0.627	19.11
sidewalk coverage	2,158	0.050	1.51
perVIOUS area porous pave t	113,411	2.604	79.38

NOTE: POROUS PAVEMENT IS PERVIOUS. THEREFORE IT IS LISTED WITH PERVIOUS AREA

ZONING REQUIREMENTS TABLE	
ZONE	C-PB
MAXIMUM COVERAGE	BY SITE PLAN REVIEW
SETBACKS	FRONT BY SITE PLAN REVIEW SIDE BY SITE PLAN REVIEW REAR BY SITE PLAN REVIEW
HEIGHT	30' MAX.

SHEET LEGEND	
C-1	GENERAL SITE PLAN
C-2	SITE PLAN
C-3	LANDSCAPING PLAN
C-4	DETAILS
C-5	EXISTING CONDITIONS
C-6	LIGHTING PLAN
C-7	EROSION + SEDIMENT CONTROL PLAN

LEGEND

- U/I - EXISTING TELEPHONE
- - EXISTING CONTOURS
- W - EXISTING WATER MAIN
- - EXISTING HYDRANT
- - EXISTING SEWER MAIN
- - EXISTING MANHOLE
- W - EXISTING WATER MAIN
- - PROPOSED CONTOURS
- W - PROPOSED WATER MAIN
- - PROPOSED HYDRANT & VALVE
- S - PROPOSED SEWER MAIN
- ST - PROPOSED STORM SEWER
- - PROPOSED STORM MANHOLE
- - PROPOSED CURB
- - PROPOSED SEGMENTED BLOCK WALL
- - PROPOSED SIDEWALK AND HANDICAPPED RAMP
- - DETECTABLE SURFACE
- - HANDICAPPED PARKING
- - STOP BAR
- - PROPOSED PAVEMENT
- - TRAFFIC FLOW MARKING
- - SETBACK DIMENSIONS
- - PROPERTY LINE
- - STOP SIGN
- - EXISTING TREE
- - LIMIT OF CLEARING
- - EXIST. TREE LINE
- - FINISH GRADE SPOT ELEVATION
- - PROPOSED BUILDING
- - BUILDING MOUNTED LIGHTS
- - LIGHT POLE

150.02' DIST.
S37°59'58"W BEARING

STOP SIGN

EXISTING TREE

LIMIT OF CLEARING

EXIST. TREE LINE

FINISH GRADE SPOT ELEVATION

PROPOSED BUILDING

BUILDING MOUNTED LIGHTS

LIGHT POLE

ATTACHED - RESOLUTION OF THE PLANNING BOARD OF THE CITY OF ALBANY, NEW YORK

AT THE 28th DAY OF October, 2010

SUBJECT TO ALL REQUIREMENTS AND CONDITIONS OF SAID RESOLUTION, ANY CHANGE, ERASURE, ADDITION OR REVISION OF THIS PLAN OR PLAN AS APPROVED, SHALL VOID THIS APPROVAL.

THIS 12th DAY OF December, 2010

Edward R. Trout

FOR MUNICIPAL APPROVAL ONLY-NOT INTENDED FOR CONSTRUCTION

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

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

STATE OF NEW YORK
COUNTY OF ALBANY
JAN 12 2011

DATE	REVISIONS
8/12/10	BEAM RAISED
8/25/10	BEAM RAISED
10/20/10	AREA REVISED
11/10/10	TRAFFIC ENG. NOTES
12/16/10	WATER DEPT. NOTES

SITE PLAN
#176 & #178 WASHINGTON AVENUE EXTENSION
ALBANY, NY

SCALE: 1"=30'

FILE: 100116

CHK: DRH

DATE: 5/13/10

100116-2

C-2

**PUBLIC HEARING RESOLUTION
FC 178WAE LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on July 19, 2012 at 12:15 p.m., local time.

The meeting was called to order by the Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Anthony J. Ferrara	Chairman
Willard A. Bruce	Vice Chairman
Hon. Kathy Sheehan	Treasurer
Susan Pedo	Secretary
Martin Daley	Member
C. Anthony Owens	Member
John R. Vero	Member

ABSENT:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Bradley Chevalier	Economic Development Specialist, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Bond Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. ____

RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF FC 178WAE LLC.

WHEREAS, the Agency is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others,

for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, FC 178WAE LLC, a New York State limited liability company (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 2.09 acres and located at 178 Washington Avenue Extension in the City of Albany, Albany County, New York (the “Land, (2) the construction on the Land of a new building to contain approximately 24,000 square feet of space (the “Facility”) and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company and leased to tenants for medical/commercial uses and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to Section 859-a of the Act, prior to the Agency providing any “financial assistance” (as defined in the Act) of more than \$100,000 to any project, the Agency, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project; and

WHEREAS, the Agency desires to provide for compliance with the provisions of Section 859-a of the Act with respect to the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby authorizes the Chief Executive Officer of the Agency, after consultation with the members of the Agency and Agency Counsel, (A) to establish the time, date and place for a public hearing of the Agency to hear all persons interested in the Project (the “Public Hearing”); (B) to cause the Public Hearing to be held in the City of Albany, New York, and to cause notice of such Public Hearing to be given to the public by publishing a notice or notices of such Public Hearing in a newspaper of general circulation available to the residents of the governmental units where the Project Facility is or is to be located, such notice or notices to comply with the requirements of Section 859-a of the Act; (C) to cause notice of the Public Hearing to be given to the chief executive officer of the county and of each city, town, village and school district in which the Project Facility is or is to be located to comply with the requirements of Section 859-a of the Act; (D) to conduct such Public Hearing; (E) to cause a report of the Public Hearing fairly summarizing the views presented at such Public Hearing (the “Report”) to be prepared; and (F) to cause a copy of the Report to be made available to the members of the Agency.

Section 2. The Chairman, Vice Chairman and/or Chief Executive Officer of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 3. All action taken by the Chief Executive Officer of the Agency in connection with the Public Hearing with respect to the Project prior to the date of this Resolution is hereby ratified and confirmed.

Section 4. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Anthony J. Ferrara	VOTING	_____
Willard A. Bruce	VOTING	_____
Susan Pedo	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
C. Anthony Owens	VOTING	_____
John R. Vero	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ALBANY)

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on July 19, 2012 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this ____ day of July, 2012.

(Assistant) Secretary

(SEAL)

TO: City of Albany Industrial Development Agency Board

FROM: City of Albany Industrial Development Agency Staff

RE: 581 Livingston Avenue, LLC – IDA Application Summary

DATE: July 13, 2012

Applicant: 581 Livingston Avenue, LLC

Managing Members (% of Ownership): Briana Barber (100%)

Project Location: 581 Livingston Avenue

Project Description: This building, formerly The Cousins Fish Market, has been vacant for over two years. The applicant proposes demolishing the existing structure and constructing a new three story, 50 unit multi-family housing facility and related parking. The general unit layout will consist of a single bedroom and approximately 580 sq.ft. of living space that the applicant expects to charge approximately \$650 a month in rent. The proposed multi-family housing facility will be restricted to senior residency.

Estimated Project Cost: \$3,640,000 (estimated amount spent to date \$150,000)

Type of Financing: Straight Lease

Amount of Bonds Requested: None

Estimated Total Purchases Exempt from Sales Tax: \$1,959,000

Estimated Total Mortgage Amount: \$2,700,000

Current Assessment: \$301,100 (will be reduced to approximately \$264,300 upon demolition of existing building per discussion with Commissioner of Assessment & Taxation)

Estimated Improved Assessment: \$3,000,000 (per discussion with Commissioner of Assessment & Taxation)

Requested PILOT: A 10 year PILOT with 50% abatement on the increased assessment value in Years 1-2; 45% in Years 3-4; 40% in Years 5-6; 35% in Year 7; 30% in Years 8; 20% in Year 9; 10% in Years 10. Full assessment will be paid in Year 11 and every year thereafter.

Estimated Value of Total PILOT Payments:

- Total PILOT Payments: \$1,036,023 (over 10 year PILOT period)

Estimated Value of Tax Exemptions:

- NYS Sales and Compensating Use Tax: \$156,720
- Mortgage Recording Taxes: \$33,750
- Real Property Taxes: \$495,765 (over 10 year PILOT period)
- Other: N/A

Employment Impact:

- Projected Permanent: (1) new FTE job
- Projected Construction: (25) jobs

Other Economic Impacts:

- Adds to the supply of residential rental to help meet the demand for such living options in the City.

Strategic Initiatives:

- Albany 2030
 - Target blighting influences.
 - 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.
 - Encourage non-profit and for-profit developers to design senior housing that is integrated into the neighborhood.

Planning Board Actions:

- Issued a Negative Declaration for this Unlisted Action as per the provisions of SEQR on 3/15/12
- Approved the demolition on 3/15/12
- Approved the site plan on 3/15/12 with the following conditions:
 - The applicant shall satisfy conditions of the March 5, 2012 memorandum of the Division of Engineering.
 - The applicant shall satisfy conditions of the March 9, 2012 memorandum of the Department of Water & Water Supply.
 - The applicant shall seek amendments to the January 11, 2012 Board of Zoning Appeals approval to reflect proposed changes to site design.
 - Crosswalks shall be installed in all directions at the intersection of Livingston Avenue and Ontario Street.
 - Fence height shall be increased to a minimum of four feet along the Livingston Avenue frontage.
 - The Building shall be fitted with a "knox box" key system per the specifications of the Division of Fire & Emergency Services.
 - The applicant shall provide full detail sheets with the final plan set.
 - Planning Department Staff shall approve final design renderings for the structure.

Estimated IDA Fee

- Fee amount: \$36,400

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.

581 Livingston Avenue, LLC: PILOT Analysis

Calendar Year	Project Year	Tax Rate ⁽²⁾	Status Quo		Proposed Project					
			Current Tax		Normal Tax			Requested PILOT		
			Current Assessment ⁽³⁾	Current Tax ⁽⁴⁾	Base Assessment ⁽⁵⁾	Total Improved Assessment ⁽⁶⁾	Tax w/o PILOT ⁽⁷⁾	PILOT Deviation Payment ⁽⁸⁾	Abatement Savings ⁽⁹⁾	% of Abatement on Improved Assessment ⁽¹⁰⁾
2012	0	\$43.242300	\$301,100	\$13,020	\$301,100	\$301,100	\$13,020	\$0	\$0	0%
2013	1	\$44.539569	\$301,100	\$13,411	\$264,300	\$3,000,000	\$133,619	\$72,695	\$60,923	50%
2014	2	\$45.875756	\$301,100	\$13,813	\$264,300	\$3,000,000	\$137,627	\$74,876	\$62,751	50%
2015	3	\$47.252029	\$301,100	\$14,228	\$264,300	\$3,000,000	\$141,756	\$83,586	\$58,170	45%
2016	4	\$48.669590	\$301,100	\$14,654	\$264,300	\$3,000,000	\$146,009	\$86,093	\$59,915	45%
2017	5	\$50.129677	\$301,100	\$15,094	\$264,300	\$3,000,000	\$150,389	\$95,533	\$54,856	40%
2018	6	\$51.633568	\$301,100	\$15,547	\$264,300	\$3,000,000	\$154,901	\$98,399	\$56,502	40%
2019	7	\$53.182575	\$301,100	\$16,013	\$264,300	\$3,000,000	\$159,548	\$108,626	\$50,922	35%
2020	8	\$54.778052	\$301,100	\$16,494	\$264,300	\$3,000,000	\$164,334	\$119,377	\$44,957	30%
2021	9	\$56.421393	\$301,100	\$16,988	\$264,300	\$3,000,000	\$169,264	\$138,394	\$30,870	20%
2022	10	\$58.114035	\$301,100	\$17,498	\$264,300	\$3,000,000	\$174,342	\$158,444	\$15,898	10%
2023	11 ⁽¹⁾	\$59.857456	\$301,100	\$18,023	\$264,300	\$3,000,000	\$179,572	\$0	\$0	0%
Total				\$153,741			\$1,531,789	\$1,036,023	\$495,765	

Notes:

(1) Full assessment value will be paid (End of Proposed PILOT)

(2) Assumed a tax rate of \$43.2423 in 2012 w/ estimated escalation of 3% thereafter

(3) Current assessment as per City of Albany tax roll and discussions with Commissioner of Assessment & Taxation

(4) Current assessment divided by 1,000 multiplied by appropriate tax rate

(5) Base assessment (i.e. land assessment value) as per City of Albany tax roll and discussions with Commissioner of Assessment & Taxation

(6) Improved assessment as per Applicant's discussion with Commissioner of Assessment & Taxation. Note: Improved Assessment not fixed.

(7) Improved assessment (includes base assessment) divided by 1,000 multiplied by appropriate tax rate

(8) PILOT deviation - 10 years of abatement that starts at 50% and then decreases as shown until full assessment in Year 11

(9) Difference of PILOT Deviation Payment from Tax w/o PILOT

(10) Percent abatement on increased assessment via PILOT requested by Applicant



SEGEL, GOLDMAN, MAZZOTTA & SIEGEL, P.C.

Attorneys and Counselors at Law

9 WASHINGTON SQUARE
ALBANY, NEW YORK 12205

TELEPHONE: (518) 452-0941
FAX: (518) 452-0417

Debra J. Lambek
dlambek@sgmalbany.com

July 13, 2012

Revised Cover Letter

Via Email to bchevalier@capitalizealbany.com

Via Hand Delivery

Mr. Michael Yevoli, CEO
City of Albany Industrial Development Agency
21 Lodge Street
Albany, New York 12207

Re: City of Albany Industrial Development Agency ("Agency")
with 581 Livingston Avenue LLC ("Company")

Dear Mr. Yevoli:

Enclosed is the revised application for Agency benefits in support of the acquisition and construction of a 50 unit multifamily building with parking located at 581 Livingston Avenue, City of Albany, New York. The site for the project is the vacant Two Cousin's Fish Market. The existing structure shall be demolished to construct the 50 unit apartment building.

We request the Agency provide financial assistance by way of a sales tax exemption, mortgage tax exemption and real estate tax exemption by entering into a payment in lieu of tax agreement. The applicant spoke to Keith McDonald, the City Assessor, who determined the assessment for the property when completed would be \$60,000 per unit or \$3,000,000. The annual real property tax liability would be approximately \$133,600 at the normal tax rate and \$72,700 at the proposed PILOT rate, but the current tax liability is only \$13,020. As of March 21, 2012, the school taxes for the property remain unpaid (please see attached tax search as of March 21, 2012).

The Company would like to remove this existing eyesore in the City of Albany and create a viable residential building with parking. The unpaid real estate taxes would also be paid to date and brought current by the owner upon his transfer of title to the property to the Company. However, in order to develop the property, the Company will need some relief from the real estate taxes. The Company is planning to construct housing for individuals 55 years old and over. These are not luxury apartments and therefore the Company cannot charge high rents for

SEGEL, GOLDMAN, MAZZOTTA & SIEGEL, P.C.

Attorney and Counselors at Law

the residents. The Company will be charging \$650/month rent for a one bedroom apartment. This is very reasonable considering the new construction and amenities which will be available to the potential tenants. We are requesting a 10 year PILOT Agreement from the City of Albany pursuant to which taxes would be as follows:

Years	Taxes To Be Paid based on Assessed Value
1-2	50%
3-4	55%
5-6	60%
7	65%
8	70%
9	80%
10	90%


The Company is also requesting an exemption from mortgage recording taxes relating to the financing of the project, which exemption will allow the Company to apply these savings to constructing and equipping of the project as a senior housing complex with related amenities.

We welcome any questions regarding the application and look forward to working with the Agency to successfully add 50 new apartments to this challenged neighborhood.

If you have any questions, please call. Thank you.

Sincerely,

SEGEL GOLDMAN MAZZOTTA & SIEGEL, P.C.


Debra J. Lambek, Esq.

DJL/bb
Enc.

cc: A. Joseph Scott, Esq. (Via US Mail, w/enclosures)
Mr. William Barber (Via US Mail, w/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: 581 Livingston Avenue LLC

APPLICANT'S ADDRESS: 225 Old Loudon Road

CITY: Latham STATE: New York ZIP CODE: 12110

PHONE NO.: 518-389-2600 FAX NO.: 518-389-2603 E-MAIL: barbill72@yahoo.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: Debra J. Lambek

ATTORNEY'S ADDRESS: 9 Washington Square

CITY: Albany STATE: New York ZIP CODE: 12205

PHONE NO.: 518-452-0941 FAX NO.: 518-452-0417 E-MAIL: dlambek@sgmalbany.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: 581 Livingston Avenue LLC

Contact Person: William Barber

Phone Number: 518-928-8692

Occupant: N/A

Project Location: 581 Livingston Avenue

Approximate Size of Project Site: +/- 2.73 Acres

Description of Project: Aquisition of the certain +/- 2.73 acre parcel of real property with an address at 581 Livingston Avenue, Albany, ("Land"), construction on the Land of that certain 50 unit multi-family housing facility with parking ("Facility"), and installation of furniture fixtures and equipment in the Facility ("Equipment").

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

Employment Impact: Existing Jobs 0
New Jobs +/- 1 full time equivalent

Project Cost: \$ 3,640,000 +/-

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:	\$ 156,720
Mortgage Recording Taxes:	\$ 33,750
Real Property Tax Exemptions:	\$ 495,765
Other (please specify):	\$

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

A. Identity of Company:

1. Company Name: 581 Livingston Avenue LLC

Present Address: 225 Old Loudon Road, Latham, NY

Zip Code: 12110

Employer's ID No.:

2. If the Company differs from the Applicant, give details of relationship: N/A

3. Indicate type of business organization of Company: Apartment Leasing

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, (formed in New York)
Date created? March 25, 2011.

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): Briana Barber, Sole Member

NAME (First, Middle, Last) HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
Briana Vaughn Barber	Member	Lawyer/Property Manager

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
Briana Barber	225 Old Loudon Road Latham, New York 12110	100%

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

II. DATA REGARDING PROPOSED PROJECT

- A. Summary: (Please provide a brief narrative description of the Project.)
Acquisition of the certain +/- 2.73 acre parcel of real property with an address at 581 Livingston Avenue, Albany, ("Land"), construction on the Land of that certain 50 unit multi-family housing facility with parking ("Facility"), and installation of furniture fixtures and equipment in the Facility ("Equipment").

B. Location of Proposed Project:

1. Street Address 581 Livingston Avenue
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: 2.73 acres (est)
Is a map, survey or sketch of the project site attached? Yes X; No ____.
2. Are there existing buildings on project site? Yes X; No ____.
 - a. If yes, indicate number and approximate size (in square feet) of each existing building: one (1) - 10,000 sq. ft. (est) vacant building

- b. Are existing buildings in operation? Yes ____; No X.
If yes, describe present use of present buildings: Existing building is vacant

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

- d. Attach photograph of present buildings.

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: Joyce DeSantis as executrix of estate of Ralph DeSantis
 - 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: Jan. 31, 2011; and the date the option expires: *_____, 20____. The Company has an option to purchase the Land.
 - 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 X. If yes, describe:

* Purchase and Sale Agreement dated January 31, 2011 with current owner, subject to extension.
5.
 - a. Zoning District in which the project site is located: M-1
 - 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: Use variance, area variance and Parking Lot Permit

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: 1 New building approximately 36,000 sq. ft.
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: Apartment building

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: stoves and refrigerators for 50 units;
HVAC equipment for complex
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: equipping of 50 senior housing units

F. Project Use:

1. What are the principal products to be produced at the Project? N/A
2. What are the principal activities to be conducted at the Project? Residential
(senior 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:
senior housing facilities
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 X; No _____. If yes, please provide detail: The project will offer new, clean, safe housing for seniors with on-site parking

 - 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 X. If yes, please explain: _____
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 X. If yes, please explain:
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: N/A

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: N/A

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
Zoning Board of Appeals
Building Department

2. Describe the nature of the involvement of the federal, state or local agencies described above: Site Plan approval
Area and use variances
demolition permit and building permits for structure and parking lot

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: \$150,000 (est)
design and engineering as well as the option agreement to purchase the Land

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: There will be residential lease agreements for the occupants of the project.
As of the date of this application there are no lease agreements
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? 0%

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	0	0	0	0	0
Present Part Time	0	0	0	0	0
Present Seasonal	0	0	0	0	0
First Year Full Time	0	1	0	0	1
First Year Part Time	0	0	0	0	0
First Year Seasonal	0	0	0	0	0
Second Year Full Time	0	1	0	0	1
Second Year Part Time	0	0	0	0	0
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. There will be individuals hired for property management, maintenance and grounds keeping

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	\$ 300,000
Buildings	\$ 3,265,000
Machinery and equipment costs	\$
Utilities, roads and appurtenant costs	\$
Architects and engineering fees	\$ 15,000
Costs of Bond issue (legal, financial	

and printing)	\$ 60,000
Construction loan fees and interest	
(if applicable)	\$
Other (specify)	\$
	\$
	\$
	\$
TOTAL PROJECT COST	\$ 3,640,000

B. Have any of the above expenditures already been made by applicant?
 Yes X; No _____. (If yes, indicate particular.) \$150,000 for land option, engineering and architecture

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 X.
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 ____
 - 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. N/A

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 X; No ____.
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? \$ 2,700,000.
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? \$ 1,959,000.
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>156,720</u>
b.	Mortgage Recording Taxes:	\$ <u>33,750</u>
c.	Real Property Tax Exemptions:	\$ <u>495,765</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.

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:

581 Livingston Avenue LLC

(Applicant)

BY:

Name: William Barber

Title: Authorized Representative

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)

VERIFICATION

(If applicant is sole proprietor)

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

_____, deposes and says
(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__.

(Notary Public)

VERIFICATION

(If applicant is ~~partnership~~ a limited liability company)

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

William Barber deposes and says
(Name of Individual)

that he is one of the members of the firm of 581 Livingston Avenue 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.

Name: William Barber

Sworn to before me this
2 day of June, 2012

Mandy Navarro
(Notary Public)

MANDY NAVARRO
Notary Public, State of New York
No. 01NA8050670
Qualified in Saratoga County
Commission Expires March 28, 2015

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) 581 Livingston Avenue LLC

BY: _____

Name: Bill Barber

Title: Authorized Representative

Sworn to before me this
5 day of June, 2012


(Notary Public)

MANDY NAVARRO
Notary Public, State of New York
No. 01NA806070
Qualified in Saratoga County
Commission Expires March 28, 2015

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"):

2. Brief Identification of the Project:

3. Estimated Amount of Project Benefits Sought:

A. Amount of Bonds Sought:	\$ N/A
B. Value of Sales Tax Exemption Sought	\$ 156,720
C. Value of Real Property Tax Exemption Sought	\$ 495,765
D. Value of Mortgage Recording Tax Exemption Sought	\$ 33,750

PROJECTED PROJECT INVESTMENT

A. Land-Related Costs

1. Land acquisition	\$ 300,000
2. Site preparation	\$ 650,000
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	\$ 2,615,000
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 (describe)	\$ _____
D.	Furniture and Fixture Costs	
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	\$ 15,000
2.	Accounting/legal/IDA fees/lender fees	\$ 60,000
3.	Other service-related costs (describe)	\$ _____
G.	Other Costs	
1.	_____	\$ _____
2.	_____	\$ _____
H.	Summary of Expenditures	
1.	Total Land-Related Costs	\$ 950,000
2.	Total Building-Related Costs	\$ 2,615,000
3.	Total Machinery and Equipment Costs	\$ _____
4.	Total Furniture and Fixture Costs	\$ _____
5.	Total Working Capital Costs	\$ _____
6.	Total Professional Service Costs	\$ 75,000
7.	Total Other Costs	\$ _____

PROJECTED PROFIT

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

	YEAR	Without IDA benefits	With IDA benefits
2013	1	\$ 6,331.00	\$ 67,255.00
2014	2	\$ 6,447.50	\$ 69,198.00
2015	3	\$ 11,716.74	\$ 77,059.92
2016	4	\$ 17,143.92	\$ 77,590.50
2017	5	\$ 22,734.50	\$ 69,194.21

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	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax
Current Year	25	\$ 1,296,000	\$ 124,381.15
Year 1		\$	\$
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: there are currently no jobs at the project site

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

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	1	0	0
Year 2	0	1	0	0
Year 3	0	1	0	0
Year 4	0	1	0	0
Year 5	0	1	0	0

III. Please provide estimates for the following:

- A. Creation of New Job Skills relating to permanent jobs. Please complete Schedule A.
General property management, maintenance and repairs

IV. Provide the projected percentage of employment that would be filled by City of Albany residents:
100% We would try to hire an employee from the City of Albany

- 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>0</u>
Additional Sales Tax Paid on Additional Purchases	\$ <u>0</u>
Estimated Additional Sales (1 st full year following project completion)	\$ <u>0</u>
Estimated Additional Sales Tax to be collected on additional sales (1 st full year following project completion)	\$ <u>0</u>

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

see attached Schedule Year 11 - Year 20 (*assumes 3% tax rate increase per year)

Year	Existing Real Property Taxes* (Without IDA involvement)	New Pilot Payments (With IDA)	Total (Difference)
Current Year	66,035	n/a	0
Year 1	133,619	72,695	60,923
Year 2	137,627	74,876	62,751
Year 3	141,756	83,586	58,170
Year 4	146,009	86,093	59,915
Year 5	150,389	95,533	54,856
Year 6	154,901	98,399	56,502
Year 7	159,548	108,626	50,922
Year 8	164,334	119,377	44,957
Year 9	169,264	138,394	30,870
Year 10	174,342	158,444	15,898

- III. Please provide a brief description for the impact of other economic benefits expected to be produced as a result of the Project: The property is the location of the former two cousins fish market. The building is currently vacant and run down. The owner of the property is in bankruptcy and school taxes for 2011-2012 remain unpaid.
- Absent our acquisition and plans for redevelopment there was little prospect for investment on the site. Our plan for the development of this vacant and blighted property will add 50 new residents in downtown Albany, provide +/- \$3,640,000 in private new investment in the city, and support stabilization of a failing neighborhood.

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.

<p>Date Signed: June <u>5</u>, 200<u>12</u></p> <p>MANDY NAVARRO Notary Public, State of New York No. 01NA8050670 Qualified in Saratoga County Commission Expires March 28, 20<u>15</u></p> <p><i>Mandy Navarro</i></p>	<p>Name of Person Completing Project Questionnaire on behalf of the Company.</p> <p>Name: <u>William Barber</u> Title: <u>Authorized Representative</u> Phone Number: <u>518-928-8692</u> Address: <u>225 Old Loudon Road, Latham, NY 12110</u></p> <p>Signature: <i>[Signature]</i></p>
--	---

CREATION OF NEW JOB SKILLS

[illegible]

-29-

581 Livingston Avenue, LLC: PILOT Analysis

Calendar Year	Project Year	Status Quo		Proposed Project					
		Current Tax		Normal Tax			Requested PILOT		
		Current Assessment ⁽³⁾	Current Tax ⁽⁴⁾	Base Assessment ⁽⁵⁾	Total Improved Assessment ⁽⁶⁾	Tax w/o PILOT ⁽⁷⁾	PILOT Deviation Payment ⁽⁸⁾	Abatement Savings ⁽⁹⁾	% of Abatement on Improved Assessment ⁽¹⁰⁾
2012	0	\$43.242300	\$13,020	\$301,100	\$301,100	\$13,020	\$0	\$0	0%
2013	1	\$44.539569	\$13,411	\$264,300	\$3,000,000	\$133,619	\$72,695	\$60,923	50%
2014	2	\$45.875756	\$13,813	\$264,300	\$3,000,000	\$137,627	\$74,876	\$62,751	50%
2015	3	\$47.252029	\$14,228	\$264,300	\$3,000,000	\$141,756	\$83,586	\$58,170	45%
2016	4	\$48.669590	\$14,654	\$264,300	\$3,000,000	\$146,009	\$86,093	\$59,915	45%
2017	5	\$50.129677	\$15,094	\$264,300	\$3,000,000	\$150,389	\$95,533	\$54,856	40%
2018	6	\$51.633568	\$15,547	\$264,300	\$3,000,000	\$154,901	\$98,399	\$56,502	40%
2019	7	\$53.182575	\$16,013	\$264,300	\$3,000,000	\$159,548	\$108,626	\$50,922	35%
2020	8	\$54.778052	\$16,494	\$264,300	\$3,000,000	\$164,334	\$119,377	\$44,957	30%
2021	9	\$56.421393	\$16,988	\$264,300	\$3,000,000	\$169,264	\$138,394	\$30,870	20%
2022	10	\$58.114035	\$17,498	\$264,300	\$3,000,000	\$174,342	\$158,444	\$15,898	10%
2023	11 ⁽¹⁾	\$59.857456	\$18,023	\$264,300	\$3,000,000	\$179,572	\$0	\$0	0%
Total			\$153,741			\$1,531,789	\$1,036,023	\$495,765	

Notes:

- (1) Full assessment value will be paid (End of Proposed PILOT)
- (2) Assumed a tax rate of \$43.2423 in 2012 w/ estimated escalation of 3% thereafter
- (3) Current assessment as per City of Albany tax roll and discussions with Commissioner of Assessment & Taxation
- (4) Current assessment divided by 1,000 multiplied by appropriate tax rate
- (5) Base assessment (i.e. land assessment value) as per City of Albany tax roll and discussions with Commissioner of Assessment & Taxation
- (6) Improved assessment as per Applicant's discussion with Commissioner of Assessment & Taxation
- (7) Improved assessment (includes base assessment) divided by 1,000 multiplied by appropriate tax rate
- (8) PILOT deviation - 10 years of abatement that starts at 50% and then decreases as shown until full assessment in Year 11
- (9) Difference of PILOT Deviation Payment from Tax w/o PILOT
- (10) Percent abatement on increased assessment via PILOT requested by Applicant

**NOTIFICATION OF LOCAL ACTION
DECISION OF THE CITY OF ALBANY PLANNING BOARD**

ADDRESS OF SUBJECT PROPERTY: 581 Livingston Ave.

IN THE MATTER OF: Site Plan Approval for the construction of a 50-unit, 36,500 +/- square foot apartment building with 32 accessory parking spaces. Demolition Approval is also sought for the demolition of a 12,276 square foot commercial structure.

APPLICANT: Briana Barber c/o Hershberg & Hershberg
ADDRESS: 18 Locust St., Albany, NY 12203

CASE NUMBER: 9-11, 919

Date Received: 8/26/11
Preliminary Presentation: 9/15/11
Subsequent Presentations: 2/16/12; 3/15/12
SEQR Classification: Unlisted Action
SEQR Determination: 3/15/12
Date of Decision: 3/15/12

Vote:	For Approval:	4	Abbott:	Y	Pryor:	Y
	Against:	0	Fox:	Y	Trant:	Y
	Abstain:	0	Hancox:	NIA		

Relevant Considerations:

Owner/Applicant: Ralph M. De Santis / Briana Barber c/o Hershberg & Hershberg

Parcel size: 0.88 acres.

Location: The property is located on the north side of Livingston Avenue near the terminus of Ontario Street.

Zoning: M-1 (General Industrial). The Board of Zoning Appeals approved a Use Variance, Area Variances and Parking Lot Permit to allow for the construction of a 50-unit apartment building with deficient lot depth, side and rear setbacks, and a 26-space accessory parking lot on January 11, 2012.

Surrounding Uses: *North:* Vacant land owned by the City of Albany; land owned by Crown Atlantic Co. housing a cellular tower and related facilities. *West:* Residential dwellings. *East:* Property of Albany Water Board; 9,600 square foot rehabilitation facility operated by Hope House, Inc. *South:* 10,101 square foot warehouse and

associated outdoor yards of Ontario Scrap Metal, Inc.; mixed-use commercial / residential building.

Proposed Project: The applicant proposes to construct a 50-unit apartment building with 32 accessory parking spaces at the site in question. The site is currently occupied by a vacant commercial building, formerly home to The Cousins Seafood Market, a wholesale/retail seafood market and associated office. The proposed apartment complex will be restricted to senior residency. The general unit layout will consist of a single bedroom and approximately 580 square feet of living space.

Parking & Traffic: A 32-space accessory parking area will be located to the northwest corner of the site, adjacent to the west side of the building. A residential dwelling at 589 Livingston Avenue restricts expansion of this parking lot further in order to accommodate additional parking spaces. The applicant has obtained an Area Variance from the Board of Zoning Appeals exempting it from the required parking provision. Traffic will not increase significantly over the prior site use. Any expected increase will be in the form of personal and service vehicles, with delivery traffic being limited or nonexistent.

Transit: The site is served directly by the #138 (Allen/Livingston) bus at the corner of Livingston Avenue and Ontario Street. The #100 (Mid-City Belt) bus is available one block to the east at Livingston Avenue and Quail Street. Additional service connections exist at Clinton Avenue (four blocks) and Central Avenue (seven blocks) to the south.

Pedestrian Connectivity: The area is walkable and the applicant has made a number of site design modifications to make the building more receptive to pedestrians. Although a parking area exists, it is not expected to accommodate vehicles for every resident of the complex. Crosswalks will be installed at the intersection of Livingston Avenue and Third Street. These installations are particularly important due to missing side walk portions along the north side of Livingston Avenue between Quail and Ontario Streets.

Water/Sewer: The proposed project will increase water and sewer service demand by 6,875 gallons per day. New connections will be made to existing water and sewer lines located along Livingston Avenue. The building will be fully sprinklered.

Stormwater: A proposed storm water management consists of catch basins and a large detention basin at the northeast corner of the property. Storm water facilities are projected to retain all storm water up to and including a 100-year frequency storm. Connections will be made to an existing 24-inch storm sewer line along Livingston Avenue and will be sized to complement pipe capacity. The system is being reviewed by the Department of Water & Water Supply for compliance with the City's Interim Storm Water Regulations.

Archeology: No archeological review is required.

Landscaping & Screening: Abutting street frontage not accommodating the building or curb cut area will be screen with decorative fencing, three-feet in height and a row of dense spreading yew. Twenty dense spreading yews will also be placed along the property line abutting a water department easement at the southeast corner of the site. One new street tree is provided along the Livingston Avenue right-of-way to complement

two that currently exist. Approximately one third of the site will remain as pervious surface area.

Lighting: Parking lot and building lighting are proposed as indicated on the luminaire schedule. Photometric calculations do not depict any anticipated impact upon adjacent properties.

Solid Waste: No disposal facilities are shown on the plans.

Relevant Considerations: Demolition of 581 Livingston Avenue

Description of Structure(s): The property to be demolished is a single-story, 9,562 square foot commercial / warehouse structure. The property was most recently utilized as a wholesale and retail seafood market, The Cousins, which closed in January 2011. The estimated date of construction, per the City Assessor, is 1950. The POLK Directories first listing at the property occurs in 1966 as Prime Seafood Company. A body and fender repair shop is also listed at this address.

Significance of Structure(s): There is no known historical or archeological significance to the building or site. The built design of the structure is conducive in relation to adjacency to the neighboring residential area, with a retail presence at street front and the more industrial-oriented activities conducted towards the rear.

Condition of Structure(s): Portions of the building appear in surprisingly poor condition given its recent use and operation, but there are no known structural deficiencies. Deterioration is confined largely to the sides and rear of the structure; from Livingston Avenue the building remains in fine condition. There is a fair amount of debris and overgrowth on the grounds.

Alternatives Considered: The applicant feels that the proposed use is viable redevelopment proposal and has not exhaustively explored alternatives to demolition.

Actions Taken:

The Board issued a **Negative Declaration** for this **Unlisted Action** as per the provisions of SEQR, as the environmental impacts are negligible or non-existent.

The Board **Approved** the demolition of 581 Livingston Avenue.

The Board **Approved** the site plan with the following conditions:

1. The applicant shall satisfy conditions of the March 5, 2012 memorandum of the Division of Engineering.
2. The applicant shall satisfy conditions of the March 9, 2012 memorandum of the Department of Water & Water Supply.

3. The applicant shall seek amendments to the January 11, 2012 Board of Zoning Appeals approval to reflect the proposed changes in site design.
4. Crosswalks shall be installed in all directions at the intersection of Livingston Avenue and Ontario Street.
5. Fence height shall be increased to a minimum of four feet along the Livingston Avenue frontage.
6. The building shall be fitted with a "knox box" key system per the specifications of the Division of Fire & Emergency Services.
7. The applicant shall provide full detail sheets with the final plan set.
8. Planning Department Staff shall approve final design renderings for the structure.

I, Edward Trant representing the Planning Board of the City of Albany, hereby certify that the foregoing is a true copy of a decision of the Planning Board made at a meeting thereof duly called and held on the day of March 15, 2012.

Date: 3/15/12

Signature: Edward R. Trant

This is not a building permit. All building permits must be approved and issued by the Building Department prior to the start of any construction.

Prior to making an application for a Certificate of Occupancy, the applicant will be required to submit to the Building Department an "as built" site plan which depicts all elements shown on the approved site plan including but not limited to contours, landscaping, building locations, utilities paved and parking areas, signage, accessory structures and other related physical improvements.

**NOTIFICATION OF LOCAL ACTION
DECISION OF THE CITY OF ALBANY BOARD OF ZONING APPEALS**

► Important Note: This is not a building permit. All building permits must be approved and issued by the Division of Building & Codes prior to the start of any construction.

ADDRESS OF SUBJECT PROPERTY: 581 Livingston Ave.

IN THE MATTER OF: Use Variance, Area Variances and Parking Lot Permit to allow for the construction of a 55-unit apartment building with deficient lot depth, side and rear yard setbacks, and a 26-space accessory parking lot.

APPLICANT: Briana Barber c/o Hershberg & Hershberg

ADDRESS: 18 Locust St., Albany, NY 12203

CASE NUMBER: 9-11, 2069

DATE APPLICATION RECEIVED: 8/25/11

DATE OF HEARING: 9/27/11

DATE OF DECISION: 1/11/12

WARD: 12

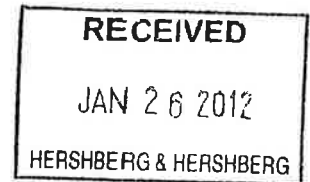
DECISION: Approved w/Conditions

N.A.: West Hill

HISTORIC/ SPECIAL DISTRICT(S): N/A

The request is Approved, by the following vote:

For: 5	Apostol: Y	Ray: Y
Against: 0	Cronin: Y	Tucker-Ross: N/A
Abstain: 0	Moran: Y	Viele: Y



Site Description

The property in question is located on the north side of Livingston Avenue at the terminus of Ontario Street in an M-1 General Industrial zoning district. The 0.88-acre lot is improved with a single-story, 9,562 square foot commercial / warehouse structure.

Relevant Considerations

The applicant is proposing the construction of a 55-unit apartment building with a 26-space accessory parking lot. The property is located in an M-1 zoning district, which does not permit residential uses. The applicant is therefore seeking a Use Variance to allow for the construction of the apartment structure at the site.

The applicant indicates that despite the applicable zoning of the property, the size of the parcel allows for a reasonably-sized project where units can be constructed at a cost that allows affordable rents to be charged.

A total project cost of approximately \$3,000,000 is anticipated. The applicant has indicated its intention to target the proposed apartments towards senior citizens, particularly those already residing within the surrounding neighborhood. Existing buildings at the site will be demolished to accommodate the redevelopment.

The property is owned by Joyce DeSantis, a former proprietor of The Cousins Fish Market, the business that formerly occupied the site. The retail and wholesale fish market vacated the property earlier this year and the site has been aggressively marketed for sale, with little success. The applicant contends that the aforementioned circumstances were unpredictable and argues against a self-created aspect to the hardship.

The applicant does not feel that the proposed project will alter the character of the neighborhood, which is

comprised of a mix of uses including the nearby Skyline Gardens Apartment complex and a recently completed substance abuse treatment residence.

Area Variances are required in addition to the requested Use Variance. The proposed structure will be deficient of the required lot depth, side and rear yard setback regulations for the district in question, as further detailed below:

<u>Area Requirement</u>	<u>Required (ft.)</u>	<u>Provided (ft.)</u>
Lot Depth	200	100
Side Yard	15	3
Rear Yard	40	12

Area Variances are also sought from the following provisions:

§ 375-176 Distance of off-street parking to lot line for more than four vehicles.

No off-street parking area for more than four vehicles shall be closer than 10 feet to the lot line of any residential property, school, hospital or other health care or community facility existing on an adjacent lot.

§ 375-185 Off-street parking requirements.

These parking requirements shall apply to all new, altered or expanded uses according to § 375-173 of this chapter unless specifically exempted.

Residential; Apartment houses: 1 per unit

The proposed parking area will be within two feet of an adjacent residential dwelling at 589 Livingston Avenue.

The applicant contends that some deviations are necessary to allow the small, irregular-shaped parcel to provide the maximum parking provision possible to complement the apartments. Even so, the proposed parking accommodations will be more than 50% below the code requirement for this particular use. Per the provisions of the ordinance, 55 parking spaces are required where 26 are being provided. The applicant contends that given the targeted demographic of senior citizens, the proposed accommodations will be sufficient. It is anticipated that many residents will utilize public transportation.

The 26-space parking lot also requires a Parking Lot Permit, per the Zoning Ordinance:

§ 375-174 Development and maintenance of parking and loading areas.

Authorization of the Board shall be required for parking, storage or garaging for more than four vehicles. Every parcel of land used in whole and in part as a public or private parking area or loading area, including a commercial parking lot and automobile or trailer sales lot, shall be developed and maintained in accordance with this article.

The site plan proposed provides for 34.29% of the site to remain as green space.

Findings

The Board finds that, in accordance with §375-26(B)(2)(a), the variance granted is the minimum necessary, and that:

- a. The applicant has demonstrated an unnecessary hardship, in that they cannot realize a reasonable return with a permitted use of the building.
- b. This hardship is unique to this property.
- c. Granting the variance will not alter the essential character of the neighborhood.
- d. The hardship was not self-created.

The Board finds that, in accordance with §375-26(B)(1)(a), the variance granted is the minimum necessary, and that:

- a. No undesirable change will be produced in the character of the neighborhood nor will a detriment to nearby properties be created.
- b. The benefit sought cannot be achieved by some method feasible to the applicant other than the granting of the variance.
- c. The requested variance is not substantial.
- d. Granting the variance will not have an adverse impact on the physical or environmental conditions in the neighborhood.
- e. The hardship may have been self-created, but this does not preclude the granting of the area variance in this circumstance.

The Board hereby authorizes the Parking Lot Permit, as per §375-174.

CONDITIONS

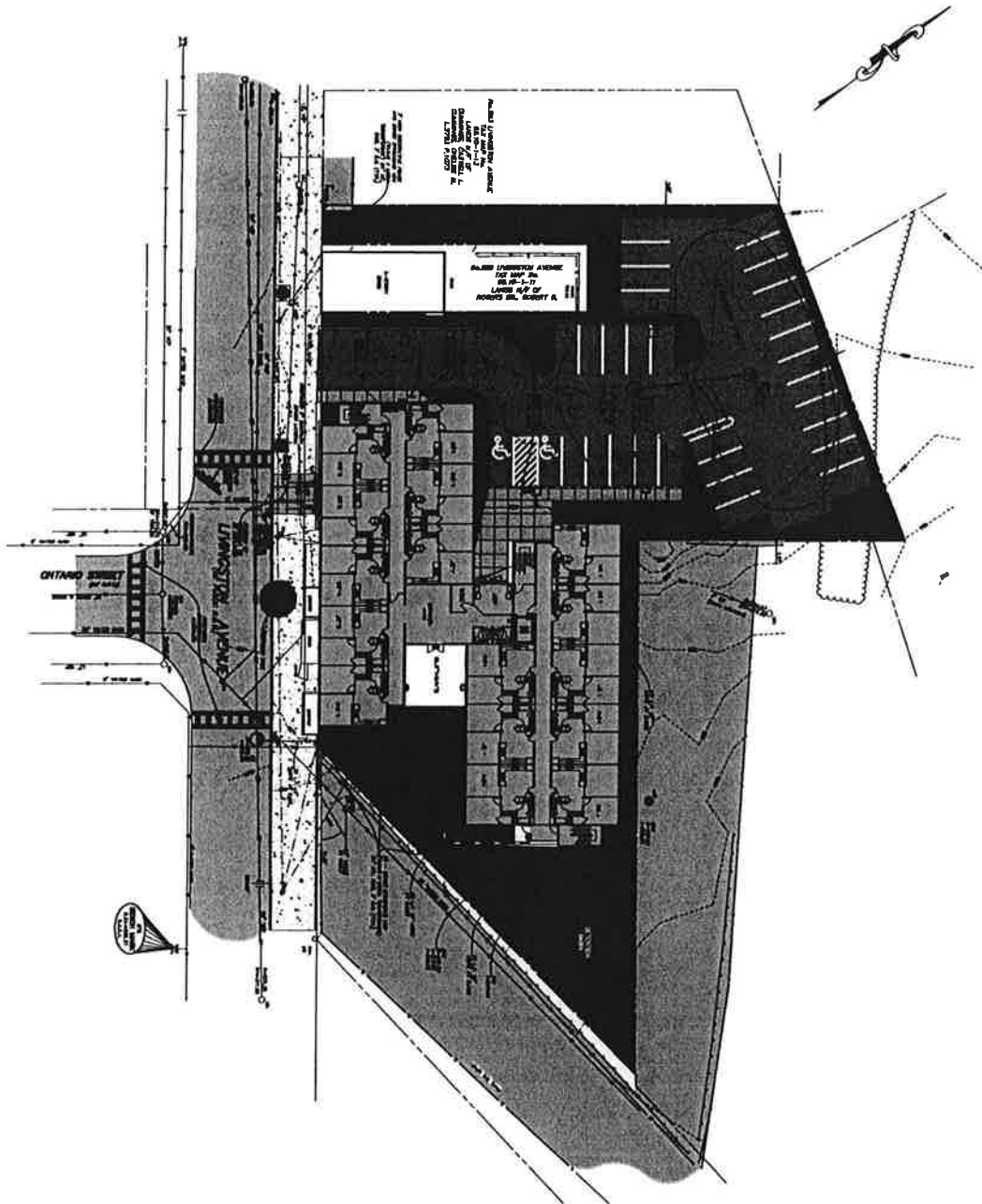
- **The applicant shall obtain Site Plan Approval from the City Planning Board.**
- **The approval is conditioned upon the exclusive use of the property as a senior citizen apartment complex**

The Board hereby issues a negative declaration under SEQR for this unlisted action, as the proposed construction will not result in any significant adverse environmental impacts.

I, G. Michael Apostol, representing the Board of Zoning Appeals of the City of Albany, hereby certify that the foregoing is a true copy of a decision of the Board made at a meeting thereof duly called and held on **January 11, 2012.**

Signed: G. Michael Apostol Date: 1/11/12

► Important Note: Unless otherwise specified by the Board, this decision shall expire and become null and void if the applicant fails to obtain any necessary zoning, building, or other permits or comply with the conditions of such decision within six (6) months of the date of signature.



DESCRIPTION	S.F.	AMOUNT	%
EXISTING LOT AREA	36,248	0.00	0.00%
PROPOSED LOT AREA	36,248	0.00	0.00%
EXISTING BUILDING AREA	12,000	0.00	0.00%
PROPOSED BUILDING AREA	12,000	0.00	0.00%
PROPOSED PARKING/DRIVEWAY	12,000	0.00	0.00%
PROPOSED DRIVEWAY	12,000	0.00	0.00%

PRELIMINARY BUILDING STATISTICS
 - 36,000 TOTAL BUILDING SF (12,000 1st FLOOR)
 - 55 TOTAL APARTMENTS (900 SF PER UNIT)
 - 22 PARKING SPACES

LEGEND	DESCRIPTION
1	PROPOSED LOT AREA
2	PROPOSED BUILDING AREA
3	PROPOSED PARKING/DRIVEWAY
4	PROPOSED DRIVEWAY
5	PROPOSED LANDSCAPING
6	PROPOSED TREES
7	PROPOSED FENCE
8	PROPOSED SIGN
9	PROPOSED LIGHTING
10	PROPOSED UTILITY
11	PROPOSED WATER
12	PROPOSED SEWER
13	PROPOSED GAS
14	PROPOSED RAILROAD
15	PROPOSED HIGHWAY
16	PROPOSED AIRPORT
17	PROPOSED PORT
18	PROPOSED CANAL
19	PROPOSED LAKE
20	PROPOSED OCEAN
21	PROPOSED MOUNTAIN
22	PROPOSED HILL
23	PROPOSED VALLEY
24	PROPOSED PLAIN
25	PROPOSED DESERT
26	PROPOSED TUNDRA
27	PROPOSED SAVANNAH
28	PROPOSED STEPPE
29	PROPOSED PRAIRIE
30	PROPOSED MOUNTAIN
31	PROPOSED HILL
32	PROPOSED VALLEY
33	PROPOSED PLAIN
34	PROPOSED DESERT
35	PROPOSED TUNDRA
36	PROPOSED SAVANNAH
37	PROPOSED STEPPE
38	PROPOSED PRAIRIE
39	PROPOSED MOUNTAIN
40	PROPOSED HILL
41	PROPOSED VALLEY
42	PROPOSED PLAIN
43	PROPOSED DESERT
44	PROPOSED TUNDRA
45	PROPOSED SAVANNAH
46	PROPOSED STEPPE
47	PROPOSED PRAIRIE
48	PROPOSED MOUNTAIN
49	PROPOSED HILL
50	PROPOSED VALLEY

LEGEND	DESCRIPTION
1	PROPOSED LOT AREA
2	PROPOSED BUILDING AREA
3	PROPOSED PARKING/DRIVEWAY
4	PROPOSED DRIVEWAY
5	PROPOSED LANDSCAPING
6	PROPOSED TREES
7	PROPOSED FENCE
8	PROPOSED SIGN
9	PROPOSED LIGHTING
10	PROPOSED UTILITY
11	PROPOSED WATER
12	PROPOSED SEWER
13	PROPOSED GAS
14	PROPOSED RAILROAD
15	PROPOSED HIGHWAY
16	PROPOSED AIRPORT
17	PROPOSED PORT
18	PROPOSED CANAL
19	PROPOSED LAKE
20	PROPOSED OCEAN
21	PROPOSED MOUNTAIN
22	PROPOSED HILL
23	PROPOSED VALLEY
24	PROPOSED PLAIN
25	PROPOSED DESERT
26	PROPOSED TUNDRA
27	PROPOSED SAVANNAH
28	PROPOSED STEPPE
29	PROPOSED PRAIRIE
30	PROPOSED MOUNTAIN
31	PROPOSED HILL
32	PROPOSED VALLEY
33	PROPOSED PLAIN
34	PROPOSED DESERT
35	PROPOSED TUNDRA
36	PROPOSED SAVANNAH
37	PROPOSED STEPPE
38	PROPOSED PRAIRIE
39	PROPOSED MOUNTAIN
40	PROPOSED HILL
41	PROPOSED VALLEY
42	PROPOSED PLAIN
43	PROPOSED DESERT
44	PROPOSED TUNDRA
45	PROPOSED SAVANNAH
46	PROPOSED STEPPE
47	PROPOSED PRAIRIE
48	PROPOSED MOUNTAIN
49	PROPOSED HILL
50	PROPOSED VALLEY

FOR MUNICIPAL APPROVAL ONLY-NOT INTENDED FOR CONSTRUCTION

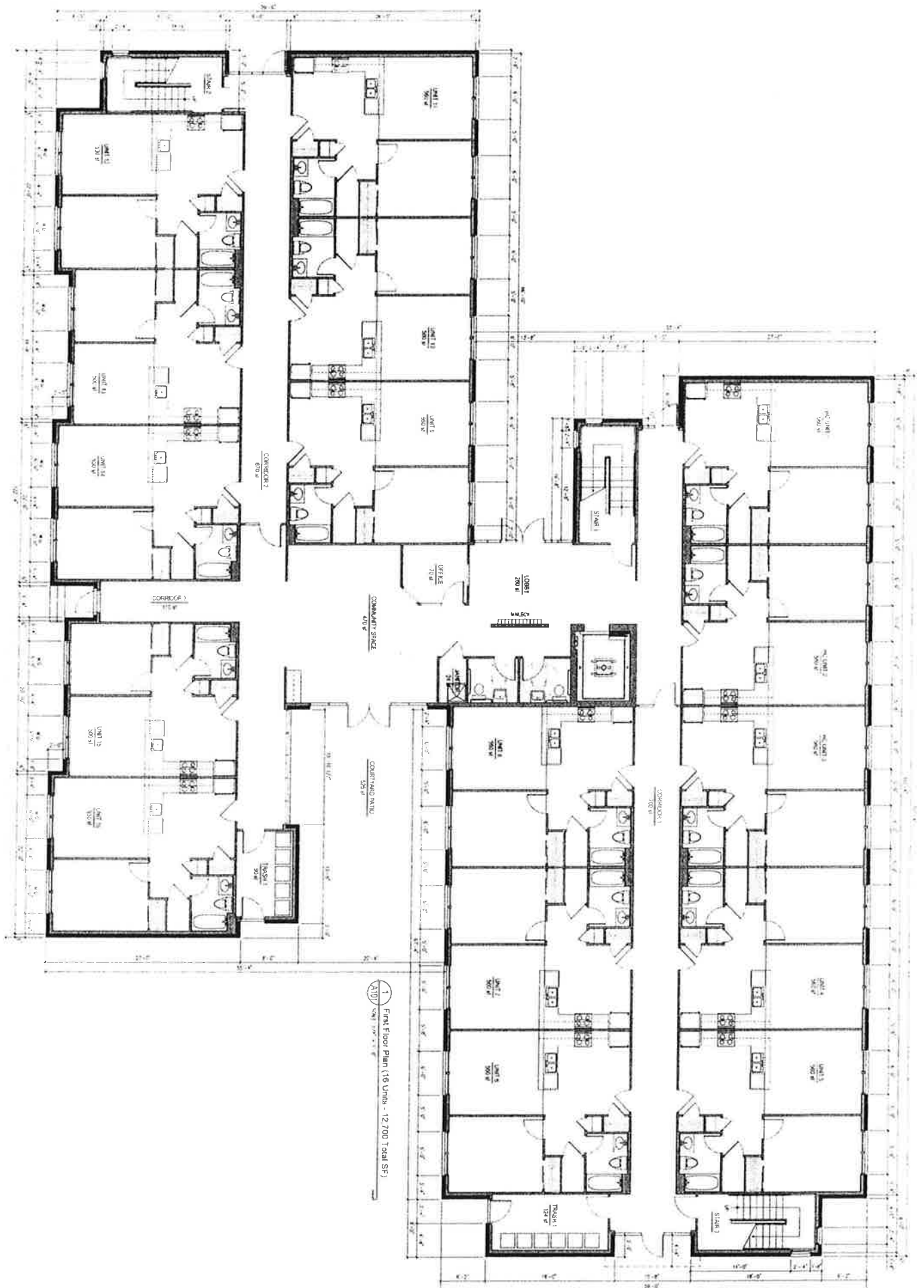
**SITE PLAN
 PROPOSED APARTMENTS
 581 LIVINGSTON AVENUE
 ALBANY, NEW YORK**

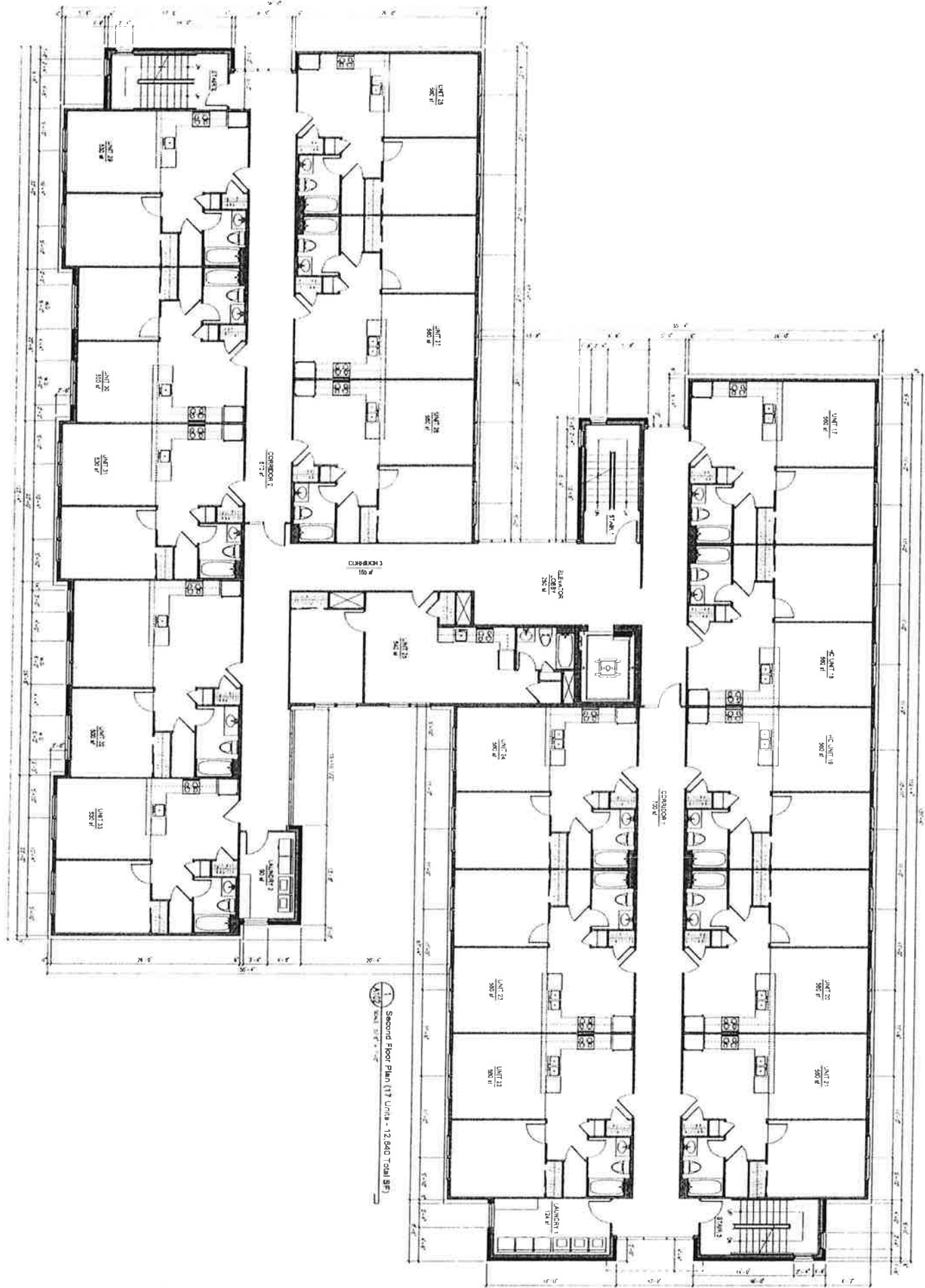


ALBANY, NEW YORK
 LIVINGSTON AVENUE
 581 LIVINGSTON AVENUE
 ALBANY, NEW YORK 12202

HERSCHEBERG & HERSCHEBERG
 Consulting Engineers
 18 South Main Street
 Albany, New York 12202







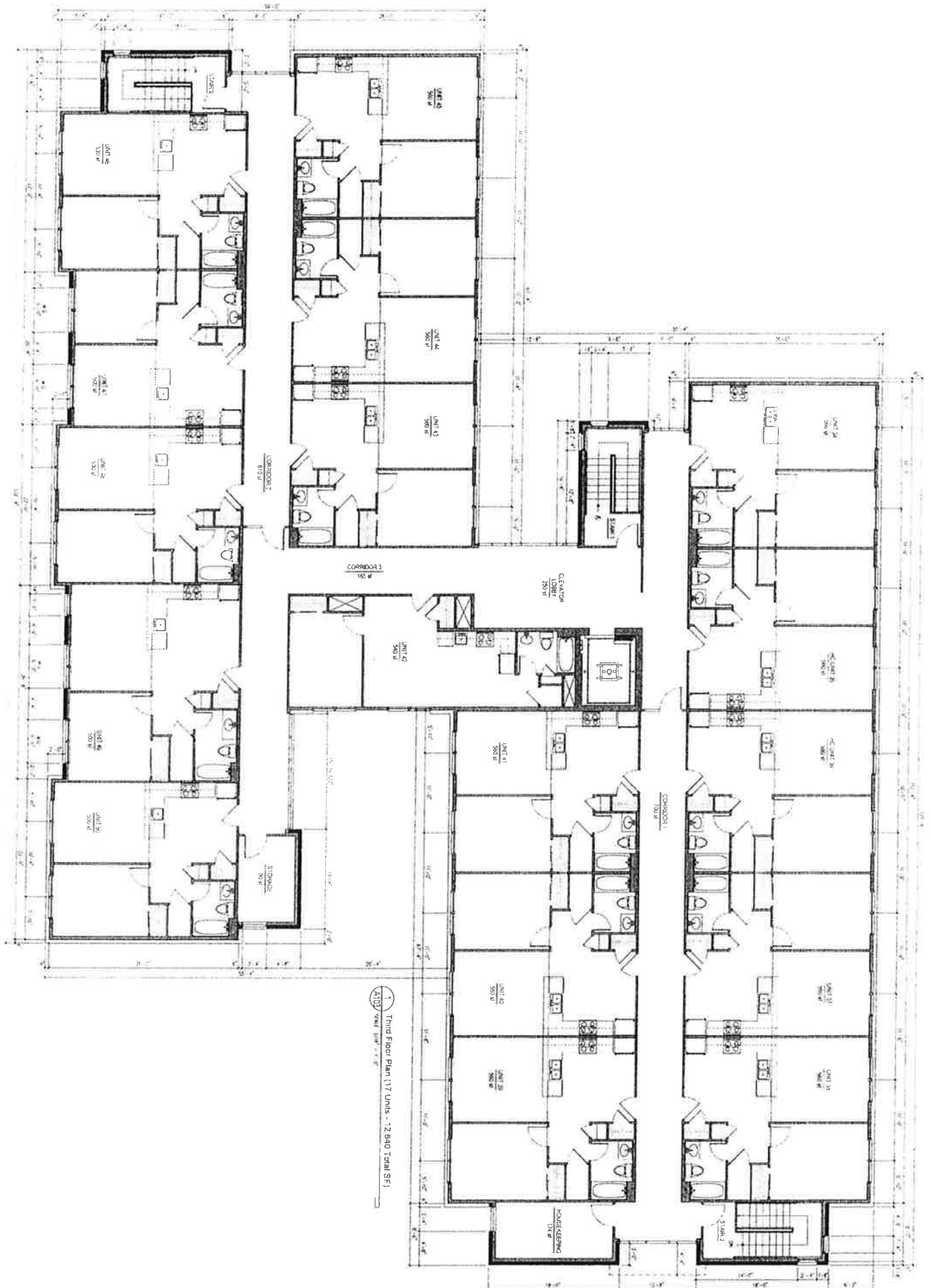
Second Floor Plan (17 Units - 12,640 Total SF)

A102

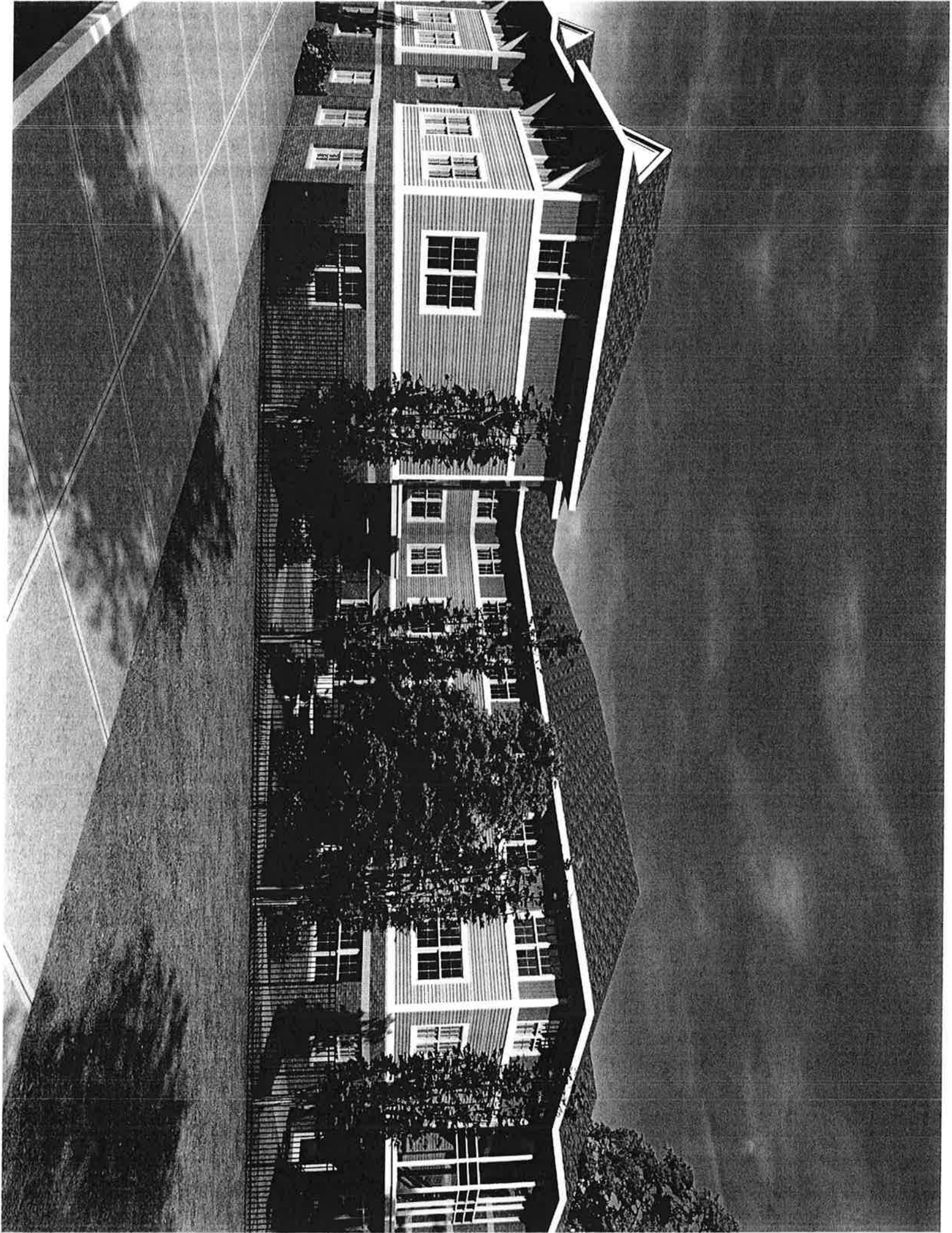
Second Floor Plan
LIVINGSTON APARTMENTS
 Livingston Avenue Albany, New York

PERMIT SET (05-21-12)

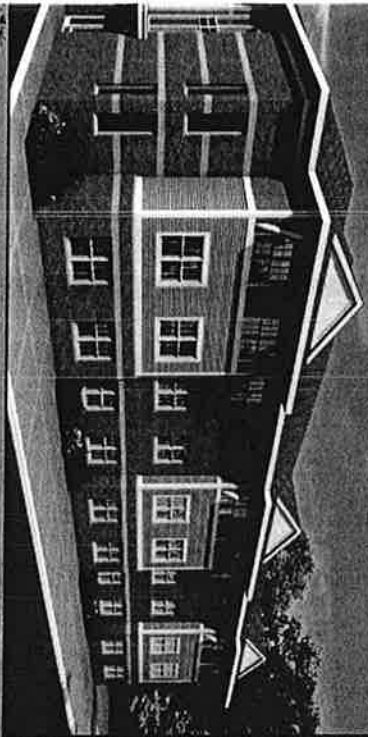
cohesion
 STUDIOS, INC



Third Floor Plan (17 Units - 12,840 Total SF)

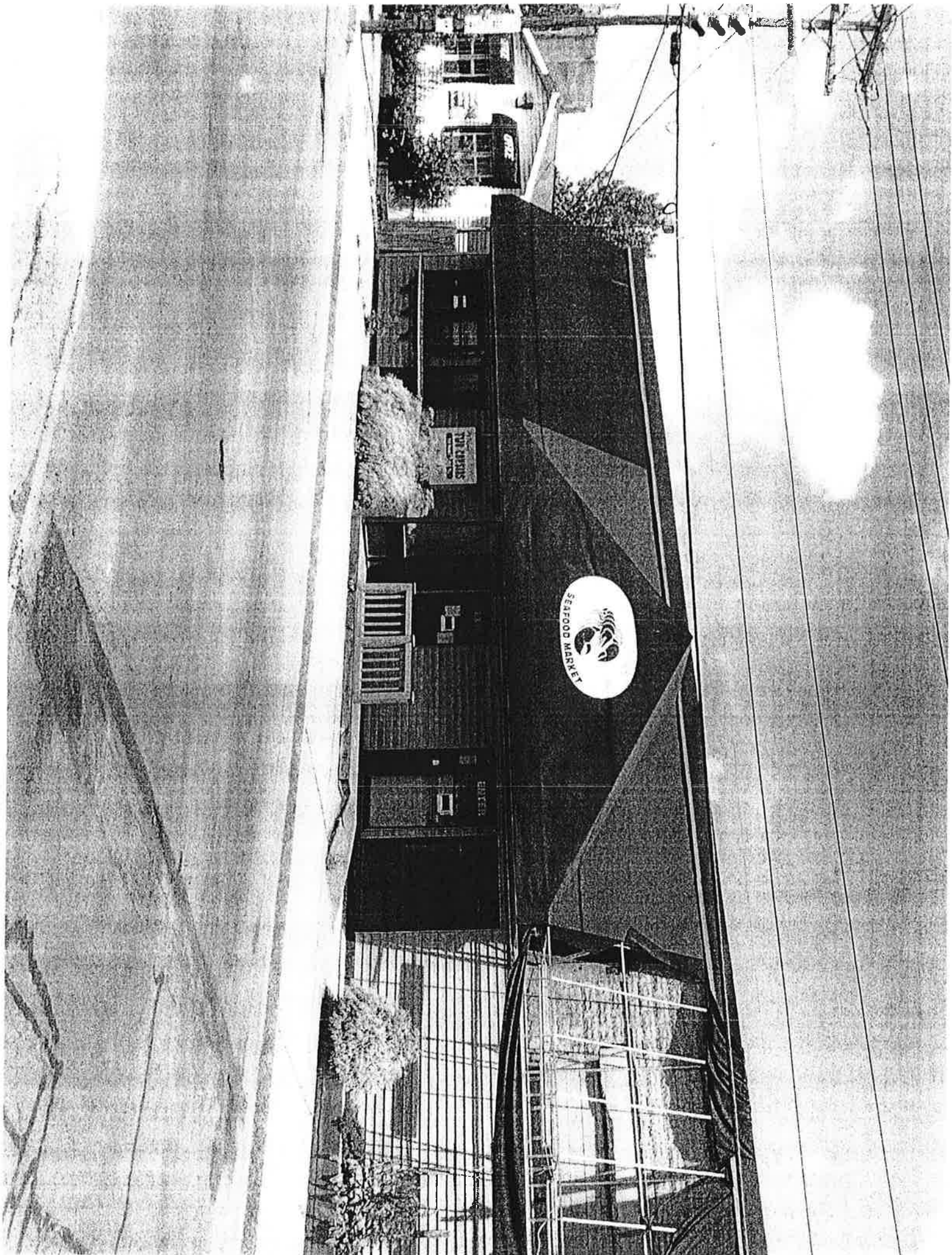


Livingston Avenue View

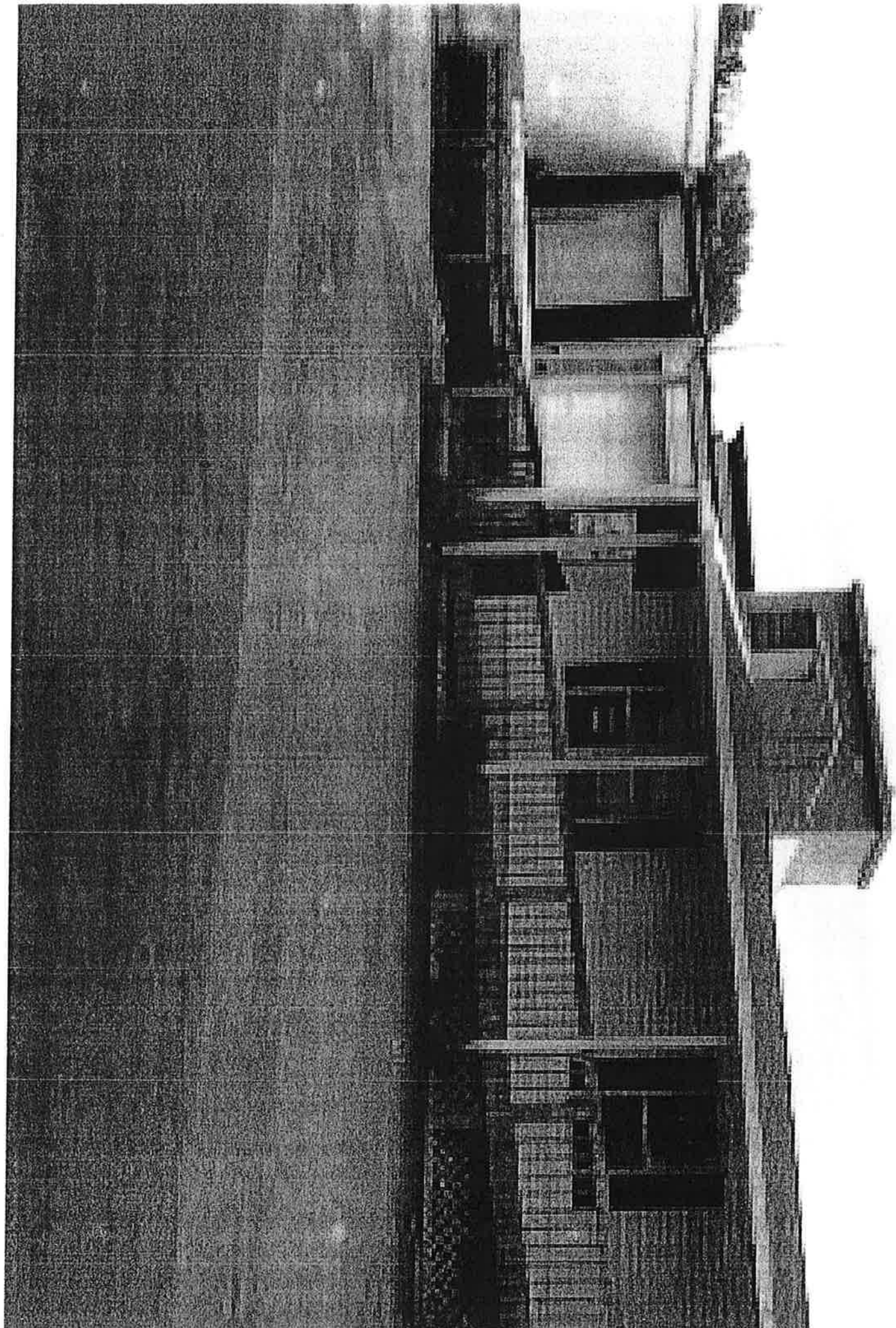


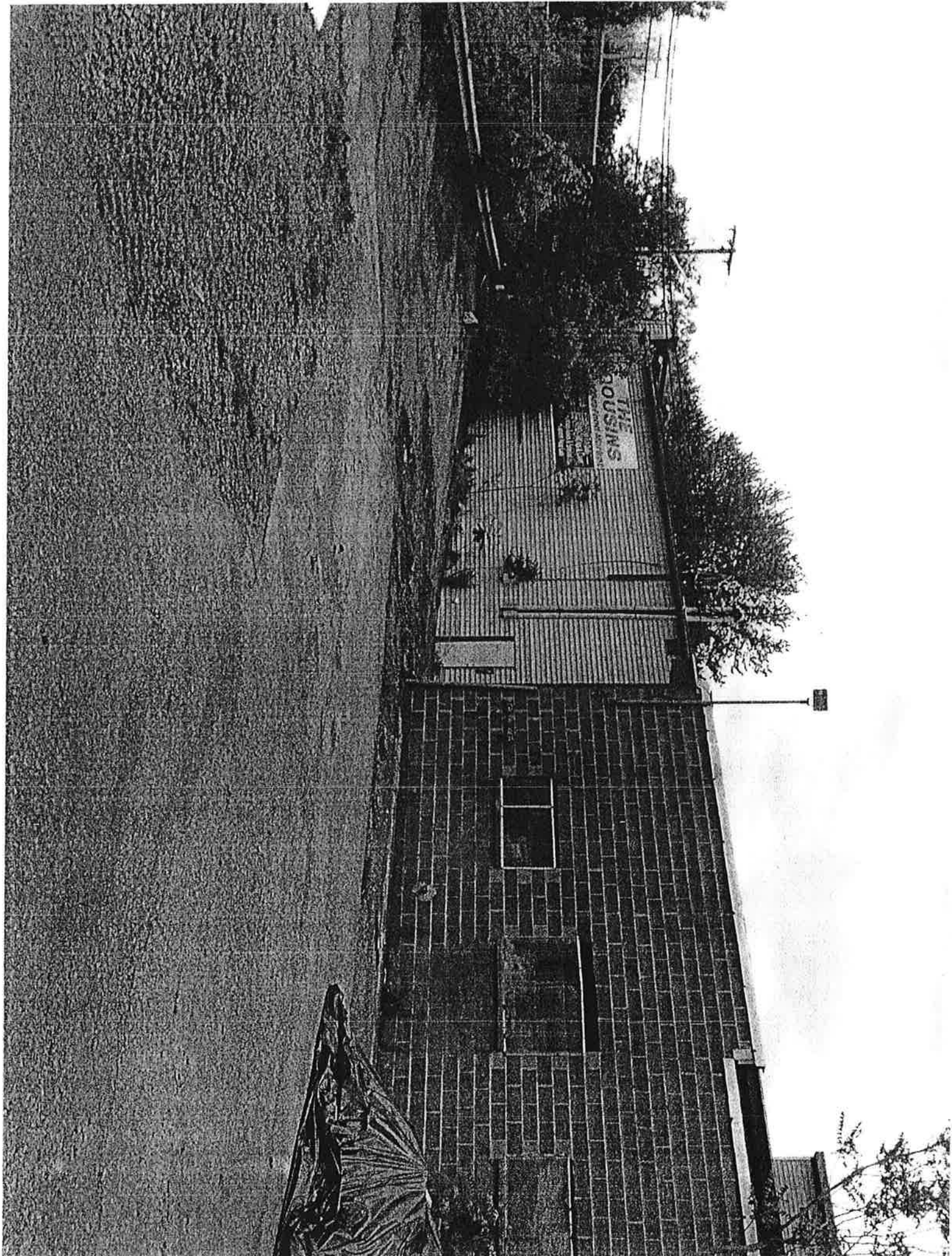
Livingston Apartment











SUPERIOR DATA SERVICES, INC.

WWW.SUPERIOR-DATA.COM

188 Montague Street 10th Floor
Brooklyn, NY 11201
718-625-9949 Fax: 718-625-9609

3 West Main Street Suite 202
Elmsford, NY 10523
914-347-1636 Fax: 914-347-3163

950 New Loudon Road Suite 250
Latham, NY 12110
518-785-4892 Fax: 518-785-5086

COUNTY: ALBANY

TITLE: PARAGON PT120402

PAGE 1 OF 2

The unpaid taxes, water rates, assessments and other matters relating to taxes which are properly filed and indexed liens at the date of this search are set forth below. Our policy does not insure against such items which have not become a lien up to the date of the policy or installments due after the date of the policy. Neither our tax search nor our policy covers any part of streets on which the premises to be insured abut. If the tax lots reported cover more or less than the premises under examination, this fact will be noted herein. In such cases, the interested parties should take the necessary steps to make the tax map conform to the description to be insured.

Search Date: 3/21/2012

Ass'd To: DE SANTIS, RALPH M.

Premises: 581 LIVINGSTON AVE

Tax Class: 449

Town/City: CITY OF ALBANY

District:

Section: 65.10

Block: 1

Lot(s): 6

Exemp:

Acct. No.: 13831

Acreage: 2.73

Land: \$264,300.00

Total: \$301,100.00

School Dis: ALBANY

Village:

District:

Section:

Block:

Lot(s):

Exemp:

Land:

Total:

WARNING: ARREARS/DELINQUENT TAXES EXIST ON THIS PROPERTY

2012 City TAX

\$5,215.50 Paid

Year: 1/1-12/31

Lien: 1/1

Due: 1/1

2011/2012 School TAX

\$8,510.47 Open+Penalty

Year: 7/1-6/30

Lien: 7/1

Due: 9/1

TAXES SEARCHED BACK TO 2000 ONLY.

CITY TREASURER

AS OF 10/26/10 WE ARE NO LONGER ABLE TO PROVIDE ANY OUTSTANDING DEPT OF GENERAL SERVICES FINE IN ORDER TO OBTAIN THAT INFO A FOIL REQUEST MUST BE SUBMITTED TO THE CITY CLERKS OFFICE. FOR MORE INFO CONTACT DEPT OF GENERAL SERVICES 5184321144

PARCEL MAY BE ACCRUING PRIOR WATER AND SEWER ARREARS: THE CITY HAS FAILED TO RELEVY WATER AND SEWER FROM 2005 THRU 2009. THERE IS NO WAY TO

TAXES SUBJECT TO CONTINUATION PRIOR TO CLOSING

Recent payments of any open items returned on this tax search may not be reflected on the public records. Therefore please request the seller or borrower to have the receipted bills available at closing.

0000000.00 0017.00 0000017.00

SUPERIOR DATA SERVICES, INC.

WWW.SUPERIOR-DATA.COM

188 Montague Street 10th Floor
Brooklyn, NY 11201
718-625-9949 Fax: 718-625-9609

3 West Main Street Suite 202
Elmsford, NY 10523
914-347-1636 Fax: 914-347-3163

950 New Loudon Road Suite 250
Latham, NY 12110
518-785-4892 Fax: 518-785-5086

COUNTY: ALBANY

TITLE: PARAGON PT120402

PAGE 2 OF 2

DETERMINE IF THIS PARCEL IS INCLUDED. PLEASE CONTACT ALBANY WATER
AUTHORITY AT 518-434-5300 - *5/10 / NO DELINQUENT*

WATER ACCOUNT INFORMATION NOT AVAILABLE WITHOUT HOMEOWNERS CONSENT. OWNER
SHOULD PRESENT BILL/RECEIPT AT CLOSING.

TAX CLASSIFICATION: 449 - OTHER STORAGE, WAREHOUSE AND DISTRIBUTION
FACILITIES

*****TAX PAYMENTS*****

TREASURERS OFFICE- CITY HALL ROOM 109 - 24 EAGLE STREET ALBANY NY, 12207-
PHONE (518) 434-5035

ALBANY CITY SCHOOL DISTRICT- PO BOX 15133 ALBANY NY, 12212- PHONE
(518) 475-6035

ALBANY COUNTY TREASURER- 112 STATE ST- ROOM 800- ALBANY NY 12207- PHONE-
518-447-7082

\$9787.04 2011 SCHOOL BILL
MAY 31
DIRECTOR OF FINANCE

TAXES SUBJECT TO CONTINUATION PRIOR TO CLOSING

Recent payments of any open items returned on this tax search may not be reflected on the public records. Therefore please request the seller or
borrower to have the receipted bills available at closing.

0000000.00 0017.00 0000017.00

**2012 PROPERTY TAX BILL
CITY OF ALBANY, NEW YORK**

Bill No.
Sequence No. **026708**
Page No. **01 OF 01**

*For Fiscal Year 01/01/2012 to 12/31/2012 * Warrant Date 12/31/2011

MAKE CHECKS PAYABLE TO
City of Albany

PAY IN PERSON AT
Treasurer's Office
Room 110
City Hall, 24 Eagle Street
Albany, NY 12207
518-434-5035

SWIS S/B/L ADDRESS & LEGAL DESCRIPTION
010100 65.10-1-6

Address: **581 LIVINGSTON AVE**
School: **ALBANY**
NYS Tax & Finance School District Code: 1010

Roll Sect. **1**

**DE SANTIS RALPH M
3855 TOPSIDE DR
SOUTHPORT, NC 28461**

OTHER STORAG

Account No.: **13831**
Bank Code:

Estimated State Aid: CNTY **71,281,692**

Property Tax Payers Bill of Rights

The assessor estimates the Full Market Value of this property as of March 1, 2011: **295,196**
The Total Assessed Value of this property is: **301,100**
The Uniform Percentage of Value used to establish assessments in your municipality was: **102.00**

If you feel your assessment is too high, you have the right to seek a reduction in the future. For further information, please ask your assessor for the booklet "How to File a Complaint on Your Assessment." Please note that the period for filing a complaint on the above assessment has passed.

Exemption(s):

Property Taxes					
<u>Taxing Purpose</u>	<u>Total Tax Levy</u>	<u>% Change from Prior Year</u>	<u>Taxable Assess Value or Units</u>	<u>Rates per \$1,000 or per Unit</u>	<u>Tax Amount</u>
NON-HOMESTEAD PARCEL					
COUNTY TAX	16,987,459	5.5	301,100.00	3.485100	1,049.36
CITY TAX	55,148,000	1.8	301,100.00	13.836400	4,166.14

PAYMENTS MADE
DATE PAID: 01/31/2012 TAX PAID: 5,215.50 INTEREST PAID:

Payment Schedule: Penalty /Interest Amount Total Due BASE TAX 5,215.50
Pay By: TAXES PAID BY _____ CH CA

RECEIVER'S STUB MUST BE RETURNED. FOR A RECEIPT OF PAYMENT, PLACE A CHECKMARK IN THIS BOX ☐ AND RETURN THE ENTIRE BILL WITH PAYMENT.

**CITY OF ALBANY, NEW YORK
RECEIVER'S STUB**

13831

Bill No.: 132073

010100 65.10-1-6

Bank Code:

Town of: Albany
School: Albany
Property Address:

581 LIVINGSTON AVE

**DE SANTIS RALPH M
SOUTHPORT, NC 28461**

0.00 0.00 0.00
0.00 0.00 0.00
0.00 0.00 0.00

**AMOUNT DUE
0.00**

00000013831000000005215500000005424120000000547628

03/21/2012 10:56
ahood

COUNTY OF ALBANY
REAL ESTATE TAX STATEMENT

PG 1
txtaxstm

PARCEL: 06501000010060000000

LOCATION: 581 LIVINGSTON AVE

CURRENT OWNER:

DE SANTIS RALPH M
3855 TOPSIDE DR
SOUTHPORT NC 28461

CURRENT STATUS:

ACRES: 2.730
LAND VALUATION: 301,100
BUILDING VALUATION:
EXEMPTIONS: 0
TAXABLE VALUATION :

LEGAL DESCRIPTION:

DEED DATE:

BOOK/PAGE:

INTEREST DATE: 04/30/2012

YEAR	TYPE	BILL INST CHARGE	BILLED	PRIN DUE	INT DUE	TOTAL DUE
2011	RE-E	4638				
	1	ALBANY SCH	8,510.47	8,510.47	765.94	9,276.41
		5% PERCENT	425.52	425.52	.00	425.52
			8,935.99	8,935.99	765.94	9,701.93
GRAND TOTALS			8,935.99	8,935.99	765.94	9,701.93

PARTIAL PAYMENTS ARE NOT ACCEPTED WITHOUT AN INSTALLMENT AGREEMENT

IF ANY PARCEL REMAINS SUBJECT TO ONE OR MORE DELINQUENT TAX LIENS,
THE PAYMENT YOU HAVE MADE WILL NOT POSTPONE THE ENFORCEMENT OF THE
OUTSTANDING LIEN OR LIENS. CONTINUED FAILURE TO PAY THE ENTIRE
AMOUNT OWED WILL RESULT IN THE LOSS OF THE PROPERTY(IES).

PAYMENT MADE TO:

ALBANY COUNTY DIVISION OF FINANCE
112 STATE ST. ROOM 800
ALBANY, NY 12207
TEL: 447-7082

\$35.00 WILL BE CHARGED FOR ANY RETURNED CHECK
INTEREST WILL INCREASE ON THE 1ST OF THE MONTH

WATER/SEWER LISTED ON THE 2005 THRU 2008 ALBANY PROPERTY TAX BILLS
WERE RETURNED TO THE WATER BOARD FOR COLLECTION
A "PAID" TEXT APPEARS TO NOTE TRANSACTION


SHORT ENVIRONMENTAL ASSESSMENT FORM

INSTRUCTIONS:

In order to answer the questions in this short EAF it is assumed that the preparer will use currently available information concerning the project and the likely impacts of the action. It is not expected that additional studies research or other investigations will be undertaken.

ENVIRONMENTAL ASSESSMENT

- | | | | |
|-----|---|---------|----------------|
| 1. | Will the project result in a large physical change to the project site or physically alter more than 10 acres of land?..... | ___ Yes | <u>X</u> No |
| 2. | Will there be a major change to any unique or unusual landform found on this site?..... | ___ Yes | <u>X</u> No |
| 3. | Will project alter or have a large effect on an existing body of water?..... | ___ Yes | <u>X</u> No |
| 4. | Will project have a potentially large impact on groundwater quality? | ___ Yes | <u>X</u> No |
| 5. | Will project significantly affect drainage flow or air quality?..... | ___ Yes | <u>X</u> No |
| 6. | Will project affect any threatened or endangered plant or animal species... | ___ Yes | <u>X</u> No |
| 7. | Will project result in a major adverse impact on air quality?..... | ___ Yes | <u>X</u> No |
| 8. | Will project have a major effect on visual character of the community or scenic views or vistas known to be or important to the community?... | ___ Yes | <u>X</u> No |
| 9. | Will project adversely impact any site or structure of historic, prehistoric or paleontological importance or any site designated as a critical environmental area by a local agency?..... | ___ Yes | <u>X</u> No |
| 10. | Will project have a major effect on existing or future recreational opportunities? | ___ Yes | <u>X</u> No |
| 11. | Will project result in major traffic problems or cause a major impact on existing transportation systems?..... | ___ Yes | <u>X</u> No |
| 12. | Will project regularly cause objectionable odors, noise, glare, vibration, or electrical disturbances as a result of the project's operation?..... | ___ Yes | <u>X</u> No |
| 13. | Will project have any impact on public health or safety?..... | ___ Yes | <u>X</u> No |
| 14. | Will project affect the existing community by directly causing a growth in permanent population of more than 5% over a one-year period <u>or</u> have a major negative effect on the character of the community or neighborhood?..... | ___ Yes | <u>X</u> No |
| 15. | Is there any public controversy concerning the project?..... | Unknown | ___ Yes ___ No |

PREPARER'S SIGNATURE:  TITLE: Engineer for the applicant
 REPRESENTING: Daniel R. Hershberg, P.E. & L.S.
Briana Barber DATE: 7/25/2011

REPRESENTING: Briana Barber DATE: 7/25/2011

PROJECT HIGHLIGHTS

Hannoush Jewelers (2011 to 2012) | Project Cost: \$3M

- Served as construction manager including, permit acquisition, bidding process, value engineering, schedule coordination, subcontractor management and all areas of job through completion.

Livingston Avenue Apartments – 50 Unit Senior Housing (2011 to Present) | Project Cost: \$4M

Village at Sunnyside Apartments – 74 Unit Senior Housing (2011 to Present) | Project Cost: \$7M

- Market and financial feasibility study;
- Contract negotiation and land acquisition;
- Design and engineering; and
- Pre-construction budgeting and navigation process for obtaining municipal approval.

Ellsworth Commons Apartments (2010 to Present) | Project Cost: \$50M 370 Apartment Units plus Commercial Space

- Coordinating residential and commercial phases;
- Managing subcontractors, materials, personnel, timelines, budgets and payroll

Paesan's Pizzeria – 5 Locations (2008 to Present) | Project Cost: \$2M

- Managed construction including, bidding process, subcontractor selection and management, schedule development, budgeting and cost management.

Whitehall Apartments (2006 to 2008) | Project Cost: \$1M

- Property acquisition and financing;
- Design and engineering;
- Acquired all permits and approvals, supervised all phases of rehabilitation; and
- Managed construction including, bidding process, subcontractor selection and management, schedule development, budgeting and cost management.

Homewood Suites – 130 rooms (2004 to 2006) | Project Cost: \$12M

- Managed all phases of project from bidding through completion.

Benchmark Property Management Group is an owner operated, family owned business that was formed approximately two years ago to take on the management of both residential and commercial properties. Benchmark Property Management Group provides comprehensive management solutions and general contracting services. All property maintenance is handled in house. We provide services ranging from general repairs, lawn care, snow plowing, move-in/move-out management, leasing and financial statement preparation. In addition, we are able to handle all eviction and legal tenant issues in house.

Benchmark currently manages over 100 units located throughout the Capital Region, including, but not limited to, Albany, Cohoes, Troy and Schenectady. Benchmark works closely with DSS and Section 8 for those tenants in need of assistance, in addition to cash pay tenants.

Benchmark Property Management Group

WWW.BENCHMARKMGMT.COM

A NEW STANDARD IN COMPREHENSIVE PROPERTY MANAGEMENT

July 13, 2012

Re: 581 Livingston Ave Environmental Concerns

To whom it may concern:

A Phase 1 Environmental Site Assessment was performed on the above property and attached are the findings report.

To date, we have found and removed a hydraulic lift from bay garage area. There were also numerous buried drums throughout the building which have been removed. There was also contaminated soil found that needed to be removed.

As of today the cost to date is \$50,000 with further expenses projected. There will be an asbestos survey conducted which will cost approximately \$25,000 and potentially more drums to be removed.

Phase 2 of the Environmental Site Assessment is in progress and we can provide full reports to you, once completed, if necessary.

If you have any further questions or concerns please don't hesitate to contact us.

EXECUTIVE SUMMARY

PS Property Solutions, Inc. (Property Solutions) performed a Phase I Environmental Site Assessment (ESA) in conformance with the scope and limitations of American Society of Testing and Materials E 1527-05: *Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process* and the Environmental Protection Agency's *All Appropriate Inquiry* rule of the Property known as parcel number 65.10-1-6, 581 Livingston Ave., Albany, Albany County, New York. The purpose of this Phase I ESA was to provide an environmental assessment that identifies the presence of *recognized environmental conditions* in connection with the Property. Although this Executive Summary provides a concise review of this Phase I ESA, it is strongly recommended that the entire document be thoroughly read and reviewed.

The subject of this assessment consists of an 2.73+/- acre parcel, located in the City of Albany and owned by Ralph De Santis.

The subject Property is currently improved by one (1), approximately 9,562-square foot warehouse-type building. Although there were some debris items inside the building, it was largely vacant. A significant amount of garbage / debris items was observed on the Property, but especially north of the building. All items are scheduled for removal from the Property, and the building is planned for demolition.

A bay garage was observed attached to the east side of the subject Property building. The garage contained items and amenities apparently typical of automotive repair.

According to City of Albany municipal information, municipal water and sewer services, along with natural gas services, are connected to the Property. A drilled potable well was observed on the Property, just northeast of the building. It is unknown whether the well is active, but the well was active as late as 2000.

Four (4) aboveground storage were observed in a "basement" area, near the bay garage. These tanks were associated with the former automotive repair business at the Property.

Information identified at the City of Albany Assessor's office that a 2,000-gallon underground storage tank was installed at the Property in 1950. Information reviewed through the NYSDEC indicates that the Property had two (2) USTs closed in-place at the Property.

Numerous drums and similar containers were observed throughout the building on the Property. Drums of apparent motor oil, antifreeze, and the like were observed near the bay garage. Drums of suspected detergent material, along with unlabeled rums, were observed in the "basement" area. Apparent leaks or other past spills were observed underneath some of the drums.

A suspected in-ground hydraulic lift was observed in the bay garage area of the subject Property building. A suspected oil reservoir was also noted. It is unknown whether additional lifts were used at the Property in the past.

A large floor drain was observed in the bay garage area of the subject Property building. The drain was located near the aforementioned suspected hydraulic lift in the garage. A cursory inspection of the interior of the drain revealed at least four (4) suspected entry and/or discharge pipes extending from the drain. Two (2) of these drains exited toward the north (rear) of the building, while the others exited toward the southern (front) side of the building. If the drain discharges to a drywell, septic system or similar structure, it would be considered a Class V Injection Well and would be in violation of applicable EPA Underground Injection Control regulations.

7.0 SUMMARY OF FINDINGS

Property Solutions performed a Phase I ESA (in conformance with the scope and limitations of ASTM Practice E 1527-05 and EPA's AA/) of the Property known as parcel number 65.10-1-6, 581 Livingston Ave., Albany, Albany County, New York. Any exceptions or additions to, or deletions from, the ASTM E 1527-05 or AA/ practice are described in Appendix A of this report. The results of this assessment are outlined below.

- The subject of this assessment consists of an 2.73+/- acre parcel, located in the City of Albany and owned by Ralph De Santis.
- The subject Property is currently improved by one (1), approximately 9,562-square foot warehouse-type building. Although there were some debris items inside the building, it was largely vacant. A significant amount of garbage / debris items was observed on the Property, but especially north of the building. All items are scheduled for removal from the Property, and the building is planned for demolition.
- A bay garage was observed attached to the east side of the subject Property building. The garage contained items and amenities apparently typical of automotive repair.
- According to City of Albany municipal information, municipal water and sewer services, along with natural gas services, are connected to the Property. A drilled potable well was observed on the Property, just northeast of the building. It is unknown whether the well is active, but the well was active as late as 2000.
- Four (4) aboveground storage were observed in a "basement" area, near the bay garage. These tanks were associated with the former automotive repair business at the Property.
- Information identified at the City of Albany Assessor's office that a 2,000-gallon underground storage tank was installed at the Property in 1950. Information reviewed through the NYSDEC indicates that the Property had two (2) USTs closed in-place at the Property.
- Numerous drums and similar containers were observed throughout the building on the Property. Drums of apparent motor oil, antifreeze, and the like were observed near the bay garage. Drums of suspected detergent material, along with unlabeled drums, were observed in the "basement" area. Apparent leaks or other past spills were observed underneath some of the drums.
- A suspected in-ground hydraulic lift was observed in the bay garage area of the subject Property building. A suspected oil reservoir was also noted. It is unknown whether additional lifts were used at the Property in the past.
- Historical research indicates that the subject Property building was built sometime between 1892 and 1925. It was used for warehouse type uses from about that time until at least 1935. The subject Property building functioned as a dairy and/or ice cream plant from at least 1940 to 1959. From at least 1968 until 2010, the Property building was a seafood and/or frozen food warehouse business.

- The subject Property was identified on two (2) of the Environmental / Regulatory Databases reviewed [two {2} listed spills - both "Closed - Does Not Meet Standards"] and registered UST). It is Property Solutions' opinion that the subject Property should technically be considered a RCRA NLR site, due to the apparent past possible generation of engine repair wastes.
- The results of the FirstSearch report review also indicate that at least two (2) USTs (closed in-place) remain on the Property. Further, petroleum-impacted soil remains in the subsurface at the Property. The extent of the impacts is unclear, as not all information with regard to NYSDEC spill number 98-11153 was been reviewed.
- Property Solutions identified three (3) data gaps of significance during the performance of this Phase I ESA. It is the opinion of Property Solutions that two (2) of these data gaps could potentially be significant and as such, warrant further investigation.

8.0 RECOMMENDATIONS

The ASTM Standard E 1527-05 (Standard Practice for Phase I ESAs) defines recognized environmental conditions as "the presence or likely presence of any hazardous substances or petroleum products on a property under conditions that indicate an existing release, a past release, or a material threat of release of any hazardous substances or petroleum products into structures on the property or into the ground, groundwater, or surface water of the property".

Property Solutions has reviewed the historical and current data for the Property. Based on the information contained herein, it is Property Solutions' professional opinion that the following work is warranted at this time:

- All debris items should be removed from the Property;
- The hydraulic lift (and associated oil reservoir) should be removed and properly disposed of. Appropriate soil and/or groundwater sampling should be performed to ensure it has not leaked;
- All drums containing liquids at the Property should be removed and properly disposed of. The suspected transformer(s) observed in the building should also be removed and properly disposed of;
- The ASTs located near the bay garage should be removed and properly disposed of. If the petroleum staining underneath has penetrated the foundation, the impacted soil will require proper management;
- Any petroleum impacts soil in the areas of the closed USTs (or elsewhere on the Property) encountered during redevelopment of the Property should be managed according to all applicable rules and regulations. Further, if petroleum-impacted soil is encountered during redevelopment of the Property, the NYSDEC must be contacted as soon as possible;
- The discharge piping from the floor drain in the bay garage area should be traced and their discharge destination determined. If the piping leads to a subsurface disposal structure, it should be removed according to all applicable rules and regulations;
- If the potable well at the Property is still in-service, it should be re-tested for petroleum and/or solvent compounds. Consideration should be given to connect the Property to the municipal

water system (if it has not already been done). If the Property is connected to municipal water services, the potable well should be abandoned according to all applicable rules and regulations; and,

- A Freedom of Information Law review should be sent to the NYSDEC with regard to spill no. 98-11153. After this review, additional recommendations may be made.

**PUBLIC HEARING RESOLUTION
581 LIVINGSTON AVENUE LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on July 19, 2012 at 12:15 p.m., local time.

The meeting was called to order by the Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Anthony J. Ferrara	Chairman
Willard A. Bruce	Vice Chairman
Hon. Kathy Sheehan	Treasurer
Susan Pedo	Secretary
Martin Daley	Member
C. Anthony Owens	Member
John R. Vero	Member

ABSENT:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Bradley Chevalier	Economic Development Specialist, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Bond Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. ____

RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF 581 LIVINGSTON AVENUE LLC.

WHEREAS, the Agency is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others,

for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, 581 Livingston Avenue LLC, a New York State limited liability company (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 2.73 acres and located at 581 Livingston Avenue in the City of Albany, Albany County, New York (the “Land), together with the existing 10,000 square foot building located thereon (the “Existing Facility”), (2) demolition of the Existing Facility, (3) the construction on the Land of a new building to contain approximately 36,000 square feet of space (the “Facility”) and (4) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Existing Facility, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company and leased to tenants for residential uses and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to Section 859-a of the Act, prior to the Agency providing any “financial assistance” (as defined in the Act) of more than \$100,000 to any project, the Agency, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project; and

WHEREAS, the Agency desires to provide for compliance with the provisions of Section 859-a of the Act with respect to the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby authorizes the Chief Executive Officer of the Agency, after consultation with the members of the Agency and Agency Counsel, (A) to establish the time, date and place for a public hearing of the Agency to hear all persons interested in the Project (the “Public Hearing”); (B) to cause the Public Hearing to be held in the City of Albany, New York, and to cause notice of such Public Hearing to be given to the public by publishing a notice or notices of such Public Hearing in a newspaper of general circulation available to the residents of the governmental units where the Project Facility is or is to be located, such notice or notices to comply with the requirements of Section 859-a of the Act; (C) to cause notice of the Public Hearing to be given to the chief executive officer of the county and of each city, town, village and school district in which the Project Facility is or is to be located to comply with the requirements of Section 859-a of the Act; (D) to conduct such Public Hearing; (E) to cause a report of the Public Hearing fairly summarizing the views presented at such

Public Hearing (the “Report”) to be prepared; and (F) to cause a copy of the Report to be made available to the members of the Agency.

Section 2. The Chairman, Vice Chairman and/or Chief Executive Officer of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 3. All action taken by the Chief Executive Officer of the Agency in connection with the Public Hearing with respect to the Project prior to the date of this Resolution is hereby ratified and confirmed.

Section 4. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Anthony J. Ferrara	VOTING	_____
Willard A. Bruce	VOTING	_____
Susan Pedo	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
C. Anthony Owens	VOTING	_____
John R. Vero	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ALBANY)

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on July 19, 2012 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this ____ day of July, 2012.

(Assistant) Secretary

(SEAL)

**CONFIRMING RESOLUTION
SIXTY STATE PLACE, LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on July 19, 2012 at 12:15 p.m., local time.

The meeting was called to order by the Chairman of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Anthony J. Ferrara	Chairman
Willard A. Bruce	Vice Chairman
Hon. Kathy Sheehan	Treasurer
Susan Peto	Secretary
Martin Daley	Member
C. Anthony Owens	Member
John R. Vero	Member

ABSENT:

THE FOLLOWING PERSONS WERE ALSO PRESENT:

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Bradley Chevalier	Economic Development Specialist, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Bond Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. ____

RESOLUTION CONFIRMING AN APPROVING RESOLUTION ADOPTED BY THE CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY ON AUGUST 18, 2011 AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR SIXTY STATE PLACE, LLC (THE "COMPANY").

WHEREAS, City of Albany Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter

collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in May, 2011, Sixty State Place, LLC, a New York limited liability company (the “Company”) presented an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a parcel of land having an address of 60 State Street in the City of Albany, Albany County, New York (the “Land”), together with an existing approximately 25,000 square foot, four story building (the “Existing Facility”) located thereon, (2) the renovation and reconstruction of portions of the Existing Facility; and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment,” and together with the Land and the Existing Facility, being collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company and leased to various tenants for commercial and residential purposes; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on May 19, 2011 (the “Public Hearing Resolution”), the Agency agreed to accept the Application and authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on June 15, 2011 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is to be located, (B) caused notice of the Public Hearing to be posted on June 24, 2011 on a bulletin board located in the City Hall Rotunda located in the City of Albany, Albany County, New York, (C) caused notice of the Public Hearing to be published on June 20, 2011 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, Albany County, New York, (D) conducted the Public Hearing on June 30, 2011 at 12:00 o’clock p.m., local time at the offices of the City of Albany Industrial Development Agency located at 21 Lodge Street in City of Albany, Albany County, New York, and (E) prepared a report of the Public Hearing (the “Report”) which fairly summarizes the views presented at said Public Hearing and shall file the same in the files of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York

(collectively with the SEQR Act, "SEQRA"), by resolution adopted by the members of the Agency on August 18, 2011 (the "SEQR Resolution"), the Agency (A) concurred in the determination by the City of Albany Planning Board (the "Planning Board") to act as "lead agency" with respect to the Project and (B) indicated that the Agency had no information to suggest that the Planning Board was incorrect in issuing a negative declaration (the "Negative Declaration") determining that the Project will not have a "significant effect on the environment" pursuant to SEQRA; and

WHEREAS, the Agency's Uniform Tax Exemption Policy (the "Policy") provides a standardized method for the determination of payments in lieu of taxes for a facility similar to the Project Facility. In connection with the Application, the Company made a request to the Agency (the "Pilot Request") that the Agency deviate from the Policy with respect to Project Facility. In connection with the Pilot Request, the Chief Executive Officer of the Agency sent a notice to the chief executive officers of the "Affected Tax Jurisdictions" (as defined in the Act) pursuant to Section 874(4) of the Act, informing said individuals that the Agency had received the Pilot Request and that the members of the Agency would consider said request at a meeting of the members of the Agency scheduled to be held on August 18, 2011. The Chief Executive Officer of the Agency caused a letter dated August 8, 2011 (the "Pilot Deviation Notice Letter") to be mailed to the chief executive offices of the Affected Tax Jurisdictions, informing said individuals that the Agency would, at its meeting on August 18, 2011, consider a proposed deviation from the Policy with respect to the payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility (the "Payment in Lieu of Tax Agreement") and the reasons for the proposed deviation; and

WHEREAS, by resolution adopted on August 18, 2012 (the "Approving Resolution"), the Agency approved the execution and deliver of the following documents (hereinafter collectively referred to as the "Agency Documents"): (A) a certain lease to agency (the "Lease to Agency" or the "Underlying Lease") by and between the Company, as landlord, and the Agency, as tenant, pursuant to which the Company will lease to the Agency a portion of the Land and all improvements now or hereafter located on said portion of the Land (collectively, the "Leased Premises"); (B) a certain license agreement (the "License to Agency" or the "License Agreement") by and between the Company, as licensor, and the Agency, as licensee, pursuant to which the Company will grant to the Agency (1) a license to enter upon the balance of the Land (the "Licensed Premises") for the purpose of undertaking and completing the Project and (2) in the event of an occurrence of an Event of Default by the Company, an additional license to enter upon the Licensed Premises for the purpose of pursuing its remedies under the Lease Agreement (as hereinafter defined); (C) a lease agreement (and a memorandum thereof) (the "Lease Agreement") by and between the Agency and the Company, pursuant to which, among other things, the Company agrees to undertake the Project as agent of the Agency and the Company further agrees to lease the Project Facility from the Agency and, as rental thereunder, to pay the Agency's administrative fee relating to the Project and to pay all expenses incurred by the Agency with respect to the Project; (D) a payment in lieu of tax agreement (the "Payment in Lieu of Tax Agreement") by and between the Agency and the Company, pursuant to which the Company will agree to pay certain payments in lieu of taxes with respect to the Project Facility; (E) if the Company intends to finance the Project with borrowed money, one or more mortgages and any other security documents and related documents (collectively, the "Mortgage") from the Agency and the Company to the Company's lenders with respect to the Project (the "Lender"), which Mortgage will grant liens on and security interests in the Project Facility to secure one or more loans from the Lender to the Company with respect to the Project (collectively, the "Loan"); (F) all building loan and other agreements requested by the Lender in connection with the Loan (collectively with the Mortgage, the "Loan Documents"); and (G) various certificates relating to the Project (the "Closing Documents"); and

WHEREAS, the Company has advised the Agency that the proposed operations of the Project Facility and business plan for the Project has changed and, accordingly, several aspects of the Project,

including, but not limited to, the projected employment levels to be generated by the Project have changed; and

WHEREAS, the Agency, before moving forward with the Project, desires to review such changes with the Company and then determine whether such changes require any changes in the Agency Document, including the terms of the Payment in Lieu of Tax Agreement and any Financial Assistance to be granted to the Company;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act;

(B) The Project constitutes a “project,” as such term is defined in the Act;

(C) The Project site is located entirely within the boundaries of City of Albany, New York;

(D) It is estimated at the present time that the costs of the planning, development, acquisition, construction, reconstruction and installation of the Project Facility (collectively, the “Project Costs”) will be approximately \$6,500,000;

(E) The completion of the Project will not result in the removal of a plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State of New York to another area of the State of New York or in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project Facility located in the State of New York;

(F) The granting of the Financial Assistance by the Agency with respect to the Project will promote and maintain the job opportunities, general prosperity and economic welfare of the citizens of City of Albany, New York and the State of New York and improve their standard of living, and thereby serve the public purposes of the Act;

(G) The Agency has reviewed the Hearing Report and has fully considered all comments contained therein; and

(H) It is desirable and in the public interest for the Agency to enter into the Agency Documents.

Section 2. The Agency hereby confirms the Approving Resolution, and the execution and delivery of the Agency Documents, including the Payment in Lieu of Tax Agreement; provided, however, that such confirmation is contingent upon (A) the delivery by the Company of a revised Application, (B) the review by such Application by the Agency staff and the discussion by the Agency staff with the members regarding the changes in the Project, (C) the attendance by representatives of the Company at this meeting and the explanation by such representatives of the changes in the Project, and (D) the following additional conditions: _____.

Section 3. Except as otherwise provided by this Resolution, the terms of the Approval Resolution are confirmed and ratified.

Section 4. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Anthony J. Ferrara	VOTING
Willard A. Bruce	VOTING
Susan Pedo	VOTING
Hon. Kathy Sheehan	VOTING
Martin Daley	VOTING
C. Anthony Owens	VOTING
John R. Vero	VOTING

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF ALBANY)

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on July 19, 2012 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 19th day of July, 2012.

(Assistant) Secretary

(SEAL)