

Albany Industrial Development Agency

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

Anthony J. Ferrara, *Chairman*
Tracy Metzger, *Vice Chairperson*
Darius Shahinfar, *Treasurer*
Susan Pedo, *Secretary*
C. Anthony Owens
Lee Eck
Dominick Calsolaro

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

To: Anthony J. Ferrara
Tracy Metzger
Darius Shahinfar
Susan Pedo
C. Anthony Owens
Lee Eck
Dominick Calsolaro

Michael Yevoli
Erik Smith
John Reilly
Joseph Scott
Sarah Reginelli
Bradley Chevalier
Andy Corcione

Date: April 11, 2014

AGENDA

The regular meeting of the City of Albany IDA will be held on **April 17, 2014 at 12:15PM** at 21 Lodge St (Large Conference Room)

Reading of Minutes of the Regular Meeting of March 20, 2014

Approval of Minutes of the Regular Meeting of March 20, 2014

Reports of Committees

Report of Chief Executive Officer

Report of Chief Financial Officer

- Financial Reports

Communications

Unfinished Business

- 733 Broadway LLC - Project Synopsis
- 733 Broadway LLC - Resolution Confirming SEQR Determination
- 733 Broadway LLC - Commercial/Retail Findings Resolution
- 733 Broadway LLC - PILOT Deviation Approval Resolution
- 733 Broadway LLC - Approving Resolution

New Business

- None

Other Business

- None

* The next regularly scheduled meeting is Thursday, May 15th, 2014 at 21 Lodge Street, Albany, NY 12207

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IDA MINUTES OF REGULAR MEETING Thursday, March 20, 2014

Attending: Tracy Metzger, Darius Shahinfar, Susan Pedo, C. Anthony Owens, Lee Eck and Dominick Calsolaro

Absent: Anthony J. Ferrara

Also Present: Erik Smith, John Reilly, Joe Scott, Bradley Chevalier, Andy Corcione, Amanda Vitullo & Amy Gardner

Vice Chairperson Tracy Metzger called the regular meeting of the IDA to order at 12:17 PM.

Roll Call

Vice Chairperson Tracy Metzger reported that all Board members were present with the exception of Anthony Ferrara.

Reading of Minutes of the Regular Meeting of February 20, 2014

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

Approval of Minutes of the Regular Meeting of February 20, 2014

Vice Chairperson Metzger made a proposal to approve the minutes of the regular Board meeting of February 20, 2014 as presented. A motion to accept the minutes, as presented, was made by Anthony Owens and seconded by Darius Shahinfar. 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 March 31st is consistent with the IDA's budget. At this time the IDA's projected year-end cash balance is \$1,787,925.

Communications

The Board discussed the Agency's local labor policy. Staff advised the Board that two projects have closed since the implementation of the policy and that data on the labor and jobs created will be collected for these projects and all projects going forward. The analysis of the data will be crucial to determine the effectiveness of the policy and future policy development.

Unfinished Business

New Business

Dilek LLC Sales Tax Letter Extension Resolution

Staff reviewed the project with the Board. Staff advised the Board that the need for archeological site review and piles prior to foundation construction has delayed the completion of the project. The Applicant is seeking a sales tax letter extension, which reflects an extended completion date for the Project. Staff advised the Board that this is the Applicant's first request for an extension of this benefit.

Vice Chairperson Metzger presented the *Dilek LLC Sales Tax Letter Extension Resolution* to the Board. A motion to adopt the Resolution was made by Susan Pedo and seconded by Anthony Owens. A vote being taken, the Resolution passed unanimously.

60 State Place LLC Resolution Authorizing Additional Financing

Counsel reviewed the Resolution with the Board. The Applicant is requesting the Board take administrative action to allow the project to obtain additional financing through their lender. The Applicant is seeking no additional benefits from the agency.

Vice Chairperson Metzger presented the *60 State Place LLC Resolution Authorizing Additional Financing* to the Board. A motion to adopt the Resolution was made by Anthony Owens and seconded by Lee Eck. A vote being taken, the Resolution passed unanimously.

Review of Draft 2013 Audited Financial Statements

Susan Pedo Chairperson of the Audit Committee advised the Board that the Committee had reviewed the 2013 Audited Financial Statements prior to the Board meeting with Sarah Robinson of Teal, Becker and Chiaramonte. Ms. Pedo advised the Board that result of the audit was a clean opinion and that is the highest opinion available. A management letter was not written because the auditors did not have any comments. Ms. Pedo advised the Board that the audit did not reveal any deficiencies or materials weaknesses. The only change to the statements would be the addition of the date, address and amount of bonds.

A motion to accept the Audited Financial Statements was made by Anthony Owens and seconded by Lee Eck. A vote being taken, the motion passed unanimously.

Review of Draft 2013 Annual Report

Staff reviewed the report with the Board. Staff advised the Board that the report must be filed by March 31st to remain compliant with PAAA and they did not anticipate any problems with reaching this deadline. Staff advised the Board that a few minor changes would be made to the report prior to submission as staff performed their final review.

Review of Draft 2013 Procurement Report

Staff reviewed the report with the Board. Staff advised the Board that the report must be filed by March 31st to remain compliant with PAAA and they did not anticipate any problems with reaching this deadline. Staff advised the Board that no material changes would be made to the report before

submission.

Review of Draft 2013 Investment Report

Staff reviewed the report with the Board. Staff advised the Board that the report must be filed by March 31st to remain compliant with PAAA and they did not anticipate any problems with reaching this deadline. Staff advised the Board that no material changes would be made to the report before submission.

Other Business

None

Executive Session

None

There being no further business, Vice Chairperson Metzger adjourned the meeting at 12:45PM.

Respectfully submitted,

(Assistant) Secretary

City of Albany IDA
2014 Monthly Cash Position
March 2014

	ACTUAL			PROJECTED									
	January	February	March	April	May	June	July	August	September	October	November	December	YTD Total
Beginning Balance	\$ 754,526	\$ 970,441	\$ 1,079,993	\$ 1,611,835	\$ 1,844,706	\$ 1,934,223	\$ 1,894,227	\$ 1,868,895	\$ 2,016,995	\$ 1,929,165	\$ 1,903,835	\$ 1,861,704	\$ 754,526
Revenue													
Fee Revenue													
Application Fee	\$ 3,000	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,500
Agency Fee	293,100	30,320	669,603	257,408	137,510	49,536	-	190,233	-	-	-	-	1,627,710
Administrative Fee	500	-	-	500	-	-	-	-	-	-	-	-	1,000
Modification Fee	500	-	-	2,000	-	-	-	-	-	-	-	-	2,500
Subtotal - Fee Revenue	\$ 297,100	\$ 31,820	\$ 669,603	\$ 259,908	\$ 137,510	\$ 49,536	\$ -	\$ 190,233	\$ -	\$ -	\$ -	\$ -	\$ 1,635,710
Other Revenue													
Project Benefit Agreement	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Interest Income	41	16	24	27	31	32	32	31	34	32	32	31	361
CRC	-	-	-	-	-	-	-	-	-	-	-	-	-
NYS BIC	-	-	-	-	-	-	-	-	-	-	-	-	-
Misc	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - Other Revenue	\$ 41	\$ 100,016	\$ 24	\$ 27	\$ 31	\$ 32	\$ 32	\$ 31	\$ 34	\$ 32	\$ 32	\$ 31	\$ 100,361
Total - Revenue	\$ 297,141	\$ 131,836	\$ 669,627	\$ 259,935	\$ 137,541	\$ 49,568	\$ 32	\$ 190,264	\$ 34	\$ 32	\$ 32	\$ 31	\$ 1,736,071
Expenditures													
Management Contract	\$ -	\$ -	\$ 75,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 300,000
Downtown Tactical Plan	-	-	-	-	-	-	-	-	-	-	-	-	-
APA Contract	-	-	-	-	-	-	-	-	-	-	-	-	-
Audits	-	5,300	-	1,700	-	-	-	-	-	-	-	-	7,000
Agency Counsel	42,000	-	-	-	-	-	-	-	-	-	-	-	42,000
ED Support	-	-	62,500	-	-	62,500	-	-	62,500	-	-	62,500	250,000
Sub-lease AHCC	39,226	16,421	-	-	22,659	-	-	16,800	-	-	16,800	-	111,906
NYS BIC	-	-	-	-	-	-	-	-	-	-	-	-	-
D & O Insurance	-	-	-	-	-	1,700	-	-	-	-	-	-	1,700
Misc.	-	563	285	364	364	364	364	364	364	362	363	363	4,120
Other Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - Expenditures	\$ 81,226	\$ 22,284	\$ 137,785	\$ 27,064	\$ 48,023	\$ 89,564	\$ 25,364	\$ 42,164	\$ 87,864	\$ 25,362	\$ 42,163	\$ 87,863	\$ 716,725
Ending Balance	\$ 970,441	\$ 1,079,993	\$ 1,611,835	\$ 1,844,706	\$ 1,934,223	\$ 1,894,227	\$ 1,868,895	\$ 2,016,995	\$ 1,929,165	\$ 1,903,835	\$ 1,861,704	\$ 1,773,872	\$ 1,773,872

City of Albany IDA

Fee Detail by Month

March 2014

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>January</i>	LV Apartments, LP	\$ -	\$ 293,100	\$ -	\$ -	\$ 293,100
	Sixty State Place, LLC	-	-	500	500	-
	733 Broadway, LLC	1,500	-	-	-	1,500
	Tricentennial Properties, LLC	1,500	-	-	-	1,500
	TOTAL	\$ 3,000	\$ 293,100	\$ 500	\$ 500	\$ 297,100
<i>February</i>	412 Broadway Realty, LLC	\$ -	\$ 30,320	\$ -	\$ -	\$ 30,320
	CDP Holland, LLC	1,500	-	-	-	1,500
	TOTAL	\$ 1,500	\$ 30,320	\$ -	\$ -	\$ 31,820
<i>March</i>	Fuller Road Management Corporation	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000
	144 State Street Properties, LLC	-	469,603	-	-	469,603
	488 Broadway Arcade, LLC	-	100,000	-	-	-
	TOTAL	\$ -	\$ 669,603	\$ -	\$ -	\$ 669,603
	<i>April</i>	Aeon Nexus Corporation	\$ -	\$ 18,335	\$ -	\$ -
Sheridan Hollow Village, LLC/Sheridan Hollow Enterprises		-	153,843	-	-	-
Columbia 425 NS, LLC		-	-	500	-	-
Sixty State Place, LLC		-	-	-	500	-
Madison Properties of Albany, LLC		-	-	-	500	-
Dilek, LLC		-	-	-	500	-
Columbia 677, LLC		-	-	-	500	-
Tricentennial Properties, LLC		-	85,230	-	-	85,230
TOTAL	\$ -	\$ 257,408	\$ 500	\$ 2,000	\$ 259,908	
<i>May</i>	132 State Street Properties, LLC	\$ -	\$ 23,515	\$ -	\$ -	\$ 23,515
	136 State Street Properties, LLC	-	35,905	-	-	35,905
	140 State Street Properties, LLC	-	13,055	-	-	13,055
	67 Howard Street, LLC	-	65,035	-	-	65,035
	TOTAL	\$ -	\$ 137,510	\$ -	\$ -	\$ 137,510
<i>June</i>	40 Steuben LLC	\$ -	\$ 49,536	\$ -	\$ -	\$ 49,536
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	TOTAL	\$ -	\$ 49,536	\$ -	\$ -	\$ 49,536

City of Albany IDA

Fee Detail by Month

March 2014

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>July</i>		\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>August</i>	TMG-NY Albany I, LP	\$ -	\$ 190,233	\$ -	\$ -	\$ 190,233
	TOTAL	\$ -	\$ 190,233	\$ -	\$ -	\$ 190,233
<i>September</i>		\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>October</i>		\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>November</i>		\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>December</i>		\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
	2014 TOTAL	\$ 4,500 <i>Application Fee</i>	\$ 1,627,710 <i>Agency Fee</i>	\$ 1,000 <i>Administration Fee</i>	\$ 2,500 <i>Modification Fee</i>	\$ 1,635,710 <i>TOTAL FEE</i>

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY
LEASE/LEASEBACK TRANSACTION
733 BROADWAY LLC PROJECT**

I. PROJECT IDENTIFICATION:

1. Project Applicant: 733 Broadway LLC, a New York limited liability company (the “Company”).
2. The Project:
 - (A) Acquisition of Land: the acquisition of an interest in a parcel of land containing approximately 1.3 acres and located at 733 Broadway in the City of Albany, Albany County, New York (the “Land”), together with the existing improvements located thereon and containing in the aggregate approximately 45,000 square feet of space (the “Facility”).
 - (B) Reconstruction: the renovation and reconstruction of the Facility.
 - (C) Equipment component: the acquisition and installation therein and thereon of certain machinery and equipment (collectively, the Equipment”) (the Land, the Facility, and the Equipment being collectively referred to as the “Project Facility”).
 - (D) Lease: the Project Facility will be owned by the Company and operated by the Company for use as a market rate rental housing apartment facility and commercial/retail facility and other directly and indirectly related activities.

II. PRIOR ACTION ON PROJECT:

3. (A) SEQR classification of the Project: confirming (a) the City of Albany Planning Board (the “Planning Board”) determination that the Project constitutes an “unlisted action” and (b) the issuance of a “negative declaration” on March 20, 2014.
 - (B) SEQR Lead Agency: Planning Board.
 - (C) Date of Lead Agency Action: March 20, 2014.
 - (D) Date of Agency Action: April 17, 2014.
4. Inducement Proceedings:
 - (A) Public Hearing Resolution: adopted on January 23, 2014.
 - (B) Public Hearing:
 - (1) Mailed to Affected Taxing Jurisdictions: January 28, 2014.
 - (2) Date Posted: January 29, 2014 on a public bulletin board and the Agency’s website.
 - (3) Published in the Albany Times Union: January 31, 2014.
 - (4) Date of Public Hearing: February 12, 2014.
 - (5) Location of Public Hearing: offices of the City of Albany Industrial Development Agency located at 21 Lodge Street in City of Albany, Albany County, New York.
5. Payment In Lieu of Taxes:
 - (A) Deviation Letter Mailed: April 4, 2014.

III. PROPOSED AGENCY ACTION ON APRIL 17, 2014:

6. SEQR Resolution: Confirming SEQR Resolution.

7. Commercial/Retail Findings Resolution: Determining Project is a “commercial project”. Retail - located in distressed area.
8. PILOT Deviation Resolution: See 12(B) below for specifics.
9. Approving Resolution: Approving the Project and the proposed financial assistance.
10. Mayor’s Approval: Anticipated - April, 2014.

IV. DETAILS OF PROPOSED STRAIGHT LEASE TRANSACTION:

11. Relationship of Agency to Company: The Agency will acquire, reconstruct, renovate and install the Project Facility and lease the Project Facility to the Company pursuant to the Lease Agreement.
12. Business Terms:
 - (A) Agency Fee: estimated to be \$51,417 (1% of the Project costs of \$5,141,667 (est.)).
 - (B) Pilot Terms: Under the terms of a proposed payment in lieu of tax agreement (the “Proposed Pilot Agreement”), the Company will pay, during the term of the Proposed Pilot Agreement, (a) a base payment in lieu of tax (“PILOT”) payment equal to one hundred percent (100%) of the normal taxes due on the Land and the Facility (fixed at a base amount equal to \$1,000,000) and (b) an additional amount based on the increase in assessed value of the Project Facility (such increase in the assessed value due to the undertaking of the Project shall be referred to as the “Improvements”), such increased amount to be adjusted by the abatement as described as follows:

Years	Amount of Abatement on Increased Assessment
1 - 12	100%
13 - 20	90%
21 and thereafter	0%

Beginning in Year 13, the Proposed Pilot Agreement will also provide that the amount of payments in lieu of taxes payable by the Company will be the greater of (a) the amount determined in accordance with the above paragraph, **OR** (b) an amount equal to 11.5% of the gross rental revenue generated at the Project Facility.

13. 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.
14. Proposed Closing Date: May, 2014.
15. Special Agency Counsel: Hodgson Russ LLP, Albany, New York.

**RESOLUTION CONFIRMING SEQR DETERMINATION
733 BROADWAY LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on April 17, 2014 at 12:15 p.m., local time.

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

PRESENT:

Anthony J. Ferrara	Chairman
Tracy Metzger	Vice Chairman
Hon. Darius Shahinfar	Treasurer
Susan Pedo	Secretary
Dominick Calsolaro	Member
Lee Eck	Member
C. Anthony Owens	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Sarah Reginelli	Director of Economic Development
Bradley Chevalier	Senior Economic Developer, Capitalize Albany Corporation
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Amanda Vitullo	Communications and Marketing Assistant
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

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

Resolution No. 0414-__

**RESOLUTION CONCURRING IN THE DETERMINATION BY CITY OF ALBANY
PLANNING BOARD, AS LEAD AGENCY FOR THE ENVIRONMENTAL REVIEW
OF THE 733 BROADWAY LLC PROPOSED PROJECT.**

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 March, 2013, 733 Broadway 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 1.3 acres and located at 733 Broadway in the City of Albany, Albany County, New York (the “Land”), together with the existing improvements located thereon and containing in the aggregate approximately 45,000 square feet of space (the “Facility”), (2) the reconstruction and renovation of 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 operated by the Company for use as a market rate rental housing apartment facility and commercial/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 property 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 January 23, 2014 (the “Public Hearing Resolution”), the Agency 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 January 28, 2014 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 January 29, 2014 at the City Hall bulletin board located at 24 Eagle Street in the City of Albany, Albany County, New York and on the Agency’s website, (C) caused notice of the Public Hearing to be published on January 31, 2014 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 February 12, 2014 at 12:00 o’clock p.m., local time at 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 “Public Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Public Hearing Report to be made available 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 (collectively with the SEQR Act, "SEQRA"), the Agency has been informed that (1) the City of Albany Planning Board (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 March 20, 2014 (the "Negative Declaration"), attached hereto as Exhibit A, determining that the acquisition, reconstruction, renovation 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 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	_____
Tracy Metzger	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Susan Pedo	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
C. Anthony Owens	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 April 17, 2014 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 17th day of April, 2014.

(Assistant) Secretary

(SEAL)

EXHIBIT A
NEGATIVE DECLARATION

- SEE ATTACHED -

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

ADDRESS OF SUBJECT PROPERTY: 733 Broadway

IN THE MATTER OF: Site Plan Approval to allow for the conversion of +/- 44,200 square feet of floor space from office space to 29 residential dwelling units. The project also includes +/- 3,800 square feet of commercial retail space and 57 parking spaces.

APPLICANT: 733 Broadway, LLC C/O Norstar Development USA, LP
ADDRESS: 733 Broadway, Albany, NY 12207

CASE NUMBER: 2-14, 902

Date Received: 1/13/14
Presentation Dates: 3/6/14; 3/20/14
SEQR Classification: Unlisted Action
SEQR Determination: 3/20/14
Date of Decision: 3/20/14

Vote:	For Approval:	3	Abbott:	Y	Fox :	Y
	Against:	0	Bates:	NIA	Pryor :	NIA
	Abstain:	0	DeSalvo:	Y		

Relevant Considerations:

Owner: 733 Broadway, LLC, 200 S. Division St., Buffalo, NY 14204

Applicant: 733 Broadway, LLC, 200 S. Division St., Buffalo, NY 14204

Authorized Agent: Norstar Development USA, LP, 733 Broadway, Albany, NY 12207

Parcel size: 0.95 acres.

Property Valuation: \$1,000,000.

Location: The property is located on the east side of Broadway between Spencer Street and Livingston Avenue.

Zoning: C-3 (Central Business).

Proposed Project: The property is improved with an existing +/- 44,400 square foot structure and accessory parking area. The proposed building is currently underutilized, being occupied for offices and storage. The interior will be fully renovated to accommodate 29 residential dwelling units, including retail and office space along the Broadway frontage. The existing parking area will remain as accessory to the building.

Parking & Traffic: The project will have off-street parking areas to accommodate approximately 57 vehicles. The existing parking lot will be upgraded to enhance pedestrian access, landscaping, screening and provide proper delineation. Two existing curb cuts will be reduced to a single ingress / egress access drive.

Pedestrian Accessibility: The building will retain two means of egress along the Broadway frontage, serving the retail use and the office space / residences. A side entrance will also provide access to the residential portions of the building from the parking area and will be connected to Broadway via a pedestrian walkway.

Water/Sewer: Existing water and sewer service connections will be utilized provided that they are deemed to be adequate by the Department of Water & Water Supply. The parking lot is served by existing drainage infrastructure to remain in use.

Landscaping/Fencing: A decorative wrought-iron style fence, complementary brick pillars and landscaping will be provided along the Broadway frontage.

Solid Waste: A dumpster with appropriate enclosure will be located to the rear of the building.

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 site plan with the following conditions:

- 1. The applicant shall receive final approval from the Department of Water & Water Supply.**

I, Albert DeSalvo 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 20, 2014.

Date: **3/20/14** Signature: Albert R De Salvo

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.

**COMMERCIAL/RETAIL FINDINGS RESOLUTION
733 BROADWAY LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on April 17, 2014 at 12:15 p.m., local time.

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

PRESENT:

Anthony J. Ferrara	Chairman
Tracy Metzger	Vice Chairman
Hon. Darius Shahinfar	Treasurer
Susan Pedo	Secretary
Dominick Calsolaro	Member
Lee Eck	Member
C. Anthony Owens	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Sarah Reginelli	Director of Economic Development
Bradley Chevalier	Senior Economic Developer, Capitalize Albany Corporation
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Amanda Vitullo	Communications and Marketing Assistant
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

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

Resolution No. 0414-__

RESOLUTION (A) DETERMINING THAT THE PROPOSED 733 BROADWAY LLC PROJECT IS A COMMERCIAL PROJECT, AND (B) MAKING CERTAIN FINDINGS REQUIRED UNDER THE GENERAL MUNICIPAL LAW.

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, manufacturing 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 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 March, 2013, 733 Broadway 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 1.3 acres and located at 733 Broadway in the City of Albany, Albany County, New York (the “Land”), together with the existing improvements located thereon and containing in the aggregate approximately 45,000 square feet of space (the “Facility”), (2) the reconstruction and renovation of 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 operated by the Company for use as a market rate rental housing apartment facility and commercial/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 property 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 January 23, 2014 (the “Public Hearing Resolution”), the Agency 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 January 28, 2014 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 January 29, 2014 at the City Hall bulletin board located at 24 Eagle Street in the City of Albany, Albany County, New York and on the Agency’s website, (C) caused notice of the Public Hearing to be published on January 31, 2014 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 February 12, 2014 at 12:00 o’clock p.m., local time at 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 “Public Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Public Hearing Report to be made available 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 (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on April 17, 2014 (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 March 20, 2014 (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 Opinion of the State Comptroller Number 85-51, the State Comptroller indicated that the determination whether a project that consists of the construction of an apartment house is a commercial activity within the meaning of the Act is to be made by local officials based upon all of the facts relevant to the proposed project, and that any such determination should take into account the stated purpose of the Act, that is, the promotion of employment opportunities and the prevention of economic deterioration; and

WHEREAS, to aid the Agency in determining whether the Project qualifies for Financial Assistance as a commercial project within the meaning of the Act, the Agency has reviewed the following (collectively, the “Project Qualification Documents”): (A) the Application, including the attached Cost Benefit Analysis; and (B) a report dated April 2012 entitled “Albany 2030” (the “2030 Plan”);

WHEREAS, the Agency has given due consideration to the Project Qualification Documents, and to representations by the Company that although the Project constitutes a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost, the Project is located within a census tract in the City of Albany which is considered to be a distressed census tract and therefore is in a “highly distressed area”, as that term is defined in Section 854(18) of the Act; and

WHEREAS, pursuant to Section 862(2)(b) of the Act, the Agency would be authorized to provide financial assistance in respect of the Project provided that the obligation of the Agency to proceed with the Project was subject to certain conditions, including (1) following compliance with the procedural requirements of Section 859-a of the Act, a finding by the Agency that the Project would preserve permanent, private sector jobs in the State of New York or increase the overall number of permanent, private sector jobs in the State of New York and (2) confirmation by the Mayor of the City of Albany of the proposed action by the Agency with respect to the Project; and

WHEREAS, having complied with the requirements of SEQRA and Section 859-a of the Act with respect to the Project, the Agency now desires, pursuant to Section 862(2)(c) of the Act, to make its final findings with respect to the Project and its final determination whether to proceed with the Project;

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

Section 1. Based upon an examination of the Project Qualification Documents and based further upon the Agency's knowledge of the area surrounding the Project and such further investigation of the Project and its economic effects as the Agency has deemed appropriate, the Agency makes the following findings and determinations with respect to the Project:

A. The Project is located in an area having a mixture of residential, not-for-profit, commercial, retail, and service uses.

B. The 2030 Plan makes the following comments/findings regarding housing in the City of Albany:

- Encourage investment in urban land and buildings for employment and housing through development, redevelopment, rehabilitation and adaptive reuse
- Provide and maintain intergenerational life cycle housing options
- Encourage mixed income housing options throughout the City of Albany
- Promote quality affordable housing
- Increase job opportunities for all residents

C. That undertaking the Project is consistent with the 2030 Plan and will assist and maintain current and future residential and commercial development and expansion in the neighborhood area.

D. The Company has informed representatives of the Agency that the Project is expected to create approximately one (1) and retain five (5) full time permanent, private sector jobs.

E. The Company has informed representatives of the Agency that the Company is not aware of any adverse employment impact caused by the undertaking of the Project.

Section 2. Based upon the foregoing review of the Project Qualification Documents and based further upon the Agency's knowledge of the area surrounding the Project Facility and such further investigation of the Project and its economic effects as the Agency has deemed appropriate, the Agency makes the following determinations with respect to the Project:

A. That although the Project does constitute a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost, the Project is located in a "highly distressed area" (as defined in the Act).

B. That (1) the Project Facility will provide necessary infrastructure for area employers and businesses, (2) the completion of the Project Facility will have an impact upon the creation, retention and expansion of employment opportunities in the City of Albany and in the State of New York, and (3) the completion of the Project will assist in promoting employment opportunities and assist in preventing economic deterioration in the City of Albany and in the State of New York.

C. That the acquisition, reconstruction, renovation and installation of the Project Facility is essential to the retention of existing employment and the creation of new employment opportunities and is essential to the prevention of economic deterioration of businesses and neighborhoods located in the City of Albany.

D. That the Project constitutes a "commercial" project, within the meaning of the Act.

E. That the undertaking of the Project will serve the public purposes of the Act by preserving and creating permanent private sector jobs in the State of New York.

Section 3. Having reviewed the Public Hearing Report, and having considered fully all comments contained therein, and based upon the findings contained in Section 1 above, the Agency hereby

determines to proceed with the Project and the granting of the financial assistance described in the notice of the Public Hearing; provided, however, that no financial assistance shall be provided to the Project by the Agency unless and until the Mayor of the City of Albany, New York, as chief executive officer of the City of Albany, New York, shall, pursuant to Section 862(2)(c) of the Act, confirm the proposed action of the Agency with respect to the Project.

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	_____
Tracy Metzger	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Susan Pedo	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
C. Anthony Owens	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 April 17, 2014 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 17th day of April, 2014.

(Assistant) Secretary

(SEAL)

**PILOT DEVIATION APPROVAL RESOLUTION
733 BROADWAY LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on April 17, 2014 at 12:15 p.m., local time.

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

PRESENT:

Anthony J. Ferrara	Chairman
Tracy Metzger	Vice Chairman
Hon. Darius Shahinfar	Treasurer
Susan Pedo	Secretary
Dominick Calsolaro	Member
Lee Eck	Member
C. Anthony Owens	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Sarah Reginelli	Director of Economic Development
Bradley Chevalier	Senior Economic Developer, Capitalize Albany Corporation
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Amanda Vitullo	Communications and Marketing Assistant
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

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

Resolution No. 0414-__

**RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION
WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR 733
BROADWAY 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, manufacturing 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 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 March, 2013, 733 Broadway 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 1.3 acres and located at 733 Broadway in the City of Albany, Albany County, New York (the “Land”), together with the existing improvements located thereon and containing in the aggregate approximately 45,000 square feet of space (the “Facility”), (2) the reconstruction and renovation of 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 operated by the Company for use as a market rate rental housing apartment facility and commercial/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 property 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 January 23, 2014 (the “Public Hearing Resolution”), the Agency 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 January 28, 2014 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 January 29, 2014 at the City Hall bulletin board located at 24 Eagle Street in the City of Albany, Albany County, New York and on the Agency’s website, (C) caused notice of the Public Hearing to be published on January 31, 2014 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 February 12, 2014 at 12:00 o’clock p.m., local time at 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 “Public Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Public Hearing Report to be made available 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 (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on April 17, 2014 (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 March 20, 2014 (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 April 4, 2014 (the “Pilot Deviation Letter”), a copy of which Pilot Deviation Letter is attached hereto as Exhibit 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 City 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 April 4, 2014, 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 any Affected Tax Jurisdiction with respect to the proposed deviation.

(C) The Agency has given all representatives from an 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 Exhibit 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 Chairman (or Vice Chairman) of the Agency, the Chairman (or Vice Chairman) 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 Chairman (or Vice Chairman), the execution thereof by the Chairman (or Vice Chairman) 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	_____
Tracy Metzger	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Susan Pedo	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
C. Anthony Owens	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 April 17, 2014 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 17th day of April, 2014.

(Assistant) Secretary

(SEAL)

EXHIBIT A
PILOT DEVIATION LETTER

- SEE ATTACHED -

CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY
21 Lodge Street
Albany, New York 12207
Tel: 518-434-2532 ext. 19
Fax: 518-434-9846

April 4, 2014

Hon. Daniel P. McCoy
Albany County Executive
Albany County Office Building
112 State Street, Room 825
Albany, New York 12207

Marguerite Vanden Wyngaard, Ph. D.
Superintendent of Schools
Albany City School District
1 Academy Park
Albany, New York 12207

Hon. Kathy M. Sheehan, Mayor
City Hall
24 Eagle Street
Albany, New York 12207

Rose Brandon, Th.D.
School Board President
Albany City School District
1 Academy Park
Albany, New York 12207

RE: City of Albany Industrial Development Agency
Proposed Deviation from Uniform Tax Exemption Policy
733 Broadway LLC Project

Dear Ladies and Gentlemen:

This letter is delivered to you pursuant to Section 874(4)(c) of the General Municipal Law.

In January, 2014, City of Albany Industrial Development Agency (the "Agency") received an application (the "Application") from 733 Broadway LLC (the "Company"), which Application requested that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project to consist of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 1.3 acres and located at 733 Broadway in the City of Albany, Albany County, New York (the "Land"), together with the existing improvements located thereon and containing in the aggregate approximately 45,000 square feet of space (the "Facility"), (2) the reconstruction and renovation of 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 operated by the Company for use as a market rate rental housing apartment facility and commercial/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.

012001.00120 Business 12650854v1

Hon. Daniel P. McCoy
Hon. Kathy M. Sheehan, Mayor
Marguerite Vanden Wyngaard, Ph. D.
Rose Brandon, Th.D.
April 4, 2014
Page 2

The Agency's Uniform Tax Exemption Policy (the "Policy") provides that, for a facility similar to the Project Facility, payments in lieu of taxes will normally be determined as follows: a 50% abatement in real property taxes on the improvements in year one of the payment in lieu of tax agreement with a 10% per year decrease in such abatement over the five year term of the payment in lieu of tax agreement. Further, the Agency's Policy provides that the amount of the assessed value of the Project Facility will change as the assessed value is established annually by the Assessor of the City of Albany.

In connection with the Application, the Company has made a request to the Agency (the "Pilot Request") that the Agency enter into a payment in lieu of tax agreement (the "Proposed Pilot Agreement") which terms would deviate from the Policy. The Proposed Pilot Agreement would not provide any abatements for any special assessments levied on the Project Facility.

The Proposed Pilot Agreement will provide that the Company be granted a twenty-three year payment in lieu of tax agreement on the Facility and any portion of the Equipment assessable as real property pursuant to the New York Real Property Tax Law. Under the terms of the Proposed Pilot Agreement, the Company will pay (a) a base payment in lieu of tax ("PILOT") payment equal to one hundred percent (100%) of the normal taxes due on the Land and the Facility (fixed at a base amount equal to \$1,000,000) and (b) an additional amount based on the increase in assessed value of the Project Facility (such increase in the assessed value due to the undertaking of the Project shall be referred to as the "Improvements"), such increased amount to be adjusted by the abatement as described as follows:

Years	Amount of Abatement on Increased Assessment
1 - 12	100%
13 - 20	90%
21 and thereafter	0%

Beginning in Year 13, the Proposed Pilot Agreement will also provide that the amount of payments in lieu of taxes payable by the Company will be the greater of (A) the amount determined in accordance with the above paragraph, or (B) an amount equal to 11.5% of the gross rental revenue generated at the Project Facility.

The purpose of this letter is to inform you of such Pilot Request and that the Agency is considering whether to grant the Pilot Request and to approve a Proposed Pilot Agreement conforming to the terms of the Pilot Request. The Agency expects to consider whether to approve the terms of the Proposed Pilot Agreement at its meeting scheduled for April 17, 2014 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"). As described later in this letter, during the meeting on April 17, 2014, the Agency will review the terms of the Pilot Request and, based on the discussions during such meeting the terms of the Pilot Request may be modified.

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 written notice prior to the Agency taking final action with respect to the Proposed Pilot Agreement (if said Proposed Pilot Agreement may deviate from the provisions of the Agency's Policy).

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The Agency considered the following factors in considering the proposed deviation:

1. **The nature of the Project:** The Project involves the reconstruction and renovation of an existing building for use as a market rate rental housing apartment facility and commercial/retail facility to be owned by the Company.

2. **The present use of the property:** One (1) parcel of land containing an existing building, currently operational as an office.

3. **The economic condition of the area at the time of the request of the Company and the economic multiplying effect that the Project will have on the area:** At the time of the filing of the Application, the economic condition of the area in which the Project Facility is to be located is generally average to poor. The area is strategically targeted for adding downtown residential development, based on the presence of vacant or underutilized buildings to be converted, as well as the emerging residential projects that are occurring proximate to this building. This will create a neighborhood district, a goal of the City of Albany's economic development strategy; Capitalize Albany.

The Project will create approximately twenty-seven (27) construction jobs, thus generating revenue for the City of Albany and surrounding areas. The major positive impact of the Project is the creation of downtown housing, which is consistent with the downtown development plan of the City of Albany. New residents in the downtown area will provide economic growth for the business and entertainment facilities located in the downtown, and result in further residential development. Additional benefits created by the Project are described in the Application.

4. **The extent to which the Project will create or retain permanent, private sector jobs and the number of jobs to be created or retained and the salary range of such jobs:** The Project will create construction jobs over the one (1) year construction period generating a payroll of over \$1,604,373.

The Company has estimated that the Project will create approximately 5 full-time jobs by the end of the second year of operation. Further, the Company expects that the Project will also result in the retention and creation of employment in the retail, restaurant and entertainment operations located in the downtown.

5. **The estimated value of new tax exemptions to be provided:** The estimated value of the tax exemptions are the following: \$100,000, sales and use tax; \$50,000, mortgage recording tax; and \$2,672,878 (or less – depending on gross rental provisions) real property taxes.

6. **The economic impact of the Proposed Pilot Agreement on affected tax jurisdictions:** The economic impact of the Proposed Pilot Agreement is positive as development of the Project Facility is expected to spur additional development in the downtown sections of the City of Albany.

7. **The impact of the Proposed Pilot Agreement on existing and proposed businesses and economic development projects in the vicinity:** The impact of the Project is a

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positive one on the community, as it creates rental housing in the area. In addition it will act to reduce the vacancy rate in downtown and increase the number of market rent residential projects in downtown, which is critical to building the market. This development will build investor and bank confidence in the market and will serve to attract additional mid and large scale residential redevelopment projects. The local restaurants and entertainment facilities will benefit from the undertaking of the Project.

8. The amount of private sector investment generated or likely to be generated by the Proposed Pilot Agreement: The investment by the Company in undertaking the Project is equal to approximately \$5,141,667.

9. The effect of the Proposed Pilot Agreement on the environment: It is likely that the Project will not have a significant effect on the environment.

10. Project timing: It is anticipated that the Project will be accomplished in a timely fashion.

11. The extent to which the Proposed Pilot Agreement will require the provision of additional services including, but not limited to, additional educational, transportation, police, emergency medical or fire services: It is not anticipated that the Project will have a tremendous burden upon the educational facilities for any school district within the City of Albany, Albany County. After the completion of the Project, the employment at the Project is not anticipated to generate a substantial burden on the highways of the City of Albany or the surrounding area. All necessary emergency medical and police services are available.

12. Anticipated tax revenues: The Company has requested a deviation from the Policy in order to pass the real property tax savings on to the proposed tenants at the Project in the form of market lease payments.

13. The extent to which the Proposed Pilot Agreement will provide a benefit (economic or otherwise) not otherwise available within the municipality in which the Project Facility is located: The benefit is a positive one economically, in that the Project will promote the development of the downtown of the City of Albany.

The Agency will consider the Proposed Pilot Agreement (and the proposed deviation from the Agency's Uniform Tax Exemption Policy) at the Meeting. The Agency would welcome any written comments that you might have on this proposed deviation from the Agency's Uniform Tax Exemption 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.

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

CITY OF ALBANY INDUSTRIAL DEVELOPMENT
AGENCY

By: s/Michael J. Yevoli
Chief Executive Officer

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**APPROVING RESOLUTION
733 BROADWAY LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on April 17, 2014 at 12:15 p.m., local time.

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

PRESENT:

Anthony J. Ferrara	Chairman
Tracy Metzger	Vice Chairman
Hon. Darius Shahinfar	Treasurer
Susan Pedo	Secretary
Dominick Calsolaro	Member
Lee Eck	Member
C. Anthony Owens	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Sarah Reginelli	Director of Economic Development
Bradley Chevalier	Senior Economic Developer, Capitalize Albany Corporation
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Amanda Vitullo	Communications and Marketing Assistant
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

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

Resolution No. 0414-__

**RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION
WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR 733
BROADWAY 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, manufacturing 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 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 March, 2013, 733 Broadway 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 1.3 acres and located at 733 Broadway in the City of Albany, Albany County, New York (the “Land”), together with the existing improvements located thereon and containing in the aggregate approximately 45,000 square feet of space (the “Facility”), (2) the reconstruction and renovation of 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 operated by the Company for use as a market rate rental housing apartment facility and commercial/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 property 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 January 23, 2014 (the “Public Hearing Resolution”), the Agency 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 January 28, 2014 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 January 29, 2014 at the City Hall bulletin board located at 24 Eagle Street in the City of Albany, Albany County, New York and on the Agency’s website, (C) caused notice of the Public Hearing to be published on January 31, 2014 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 February 12, 2014 at 12:00 o’clock p.m., local time at 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 “Public Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Public Hearing Report to be made available 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 (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on April 17, 2014 (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 March 20, 2014 (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, by further resolution adopted by the members of the Agency on April 17, 2014 (the “Commercial/Retail Finding Resolution”), the Agency (A) determined that the Project constituted a “commercial project” within the meaning of the Act, (B) found that although the Project Facility appears to constitute a project where facilities or properties that are primarily used in making the retail sales of goods or services to customers who personally visit such facilities may constitute more than one-third of the costs of the Project, the Agency is authorized to provide financial assistance in respect of the Project pursuant to Section 862(2)(a) of the Act because the Project Facility is located in a highly distressed area, (C) determined, following a review of the Public Hearing Report, that the Project would serve the public purposes of the Act by preserving permanent private sector jobs in the State of New York, (D) determined that the Agency would proceed with the Project and the granting of the Financial Assistance; provided however, that no financial assistance would be provided to the Project by the Agency unless and until the Mayor of City of Albany, as chief executive officer of City of Albany, New York, pursuant to Section 862(2)(c) of the Act, confirmed the proposed action of the Agency with respect to the Project; and

WHEREAS, by resolution adopted by the members of the Agency on April 17, 2014 (the “Pilot Deviation Approval Resolution”), the members of the Agency determined to deviate from the Agency’s uniform tax exemption policy with respect to the Project; 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) a certain recapture agreement (the "Section 875 GML Recapture Agreement") by and between the Company and the Agency, required by the Act, regarding the recovery or recapture of certain sales and use taxes; (F) a sales tax exemption letter (the "Sales Tax Exemption Letter") to ensure the granting of the sales tax exemption which forms a part of the Financial Assistance; (G) a New York State Department of Taxation and Finance form entitled "IDA Appointment of Project Operator or Agency for Sales Tax Purposes" (the form required to be filed pursuant to Section 874(9) of the Act) (the "Thirty-Day Sales Tax Report") and any additional report to the Commissioner of the State Department of Taxation and Finance concerning the amount of sales tax exemption benefit for the Project (the "Additional Thirty-Day Project Report"); (H) if the Company intends to finance the Project with borrowed money, a mortgage and any other security documents and related documents (collectively, the "Mortgage") from the Agency and the Company to the Company's lender with respect to the Project ("the "Lender"), which Mortgage will grant a lien on and security interest in the Project Facility to secure a loan from the Lender to the Company with respect to the Project (the "Loan"); and (I) 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 \$5,141,667;

(E) 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;

(F) Although the Project constitutes a project where facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities constitute more than one-third of the costs of the Project, the Agency is authorized to provide financial assistance with respect to the Project pursuant to Section 862(2)(a) of the Act because the Project is located in a distressed census tract and therefore is in a highly distressed area;

(G) 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;

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

(I) 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) accept the License Agreement; (B) lease the Project Facility to the Company pursuant to the Lease Agreement or sell the Project Facility to the Company pursuant to the Installment Sale Agreement; (C) acquire, construct and install the Project Facility, or cause the Project Facility to be acquired, installed and constructed; (D) enter into the Payment in Lieu of Tax Agreement; (E) enter into the Section 875 GML Recapture Agreement; (F) secure the Loan by entering into the Mortgage; and (G) grant the Financial Assistance with respect to the Project; provided, however, that no financial assistance shall be provided to the Project by the Agency unless and until the Mayor of the City of Albany, New York, as chief executive officer of the City of Albany, New York, shall, pursuant to Section 862(2)(c) of the Act, confirm the proposed action of the Agency 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; provided, however, that no financial assistance shall be provided to the Project by the Agency unless and until the Mayor of the City of Albany, New York, as chief executive officer of the City of Albany, New York, shall, pursuant to Section 862(2)(c) of the Act, confirm the proposed action of the Agency with respect to the Project.

Section 6. The Agency is hereby authorized to acquire, reconstruct, renovate 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, reconstruction, renovation and installation are hereby ratified, confirmed and approved; provided, however, that no financial assistance shall be provided to the Project by the Agency unless and until the Mayor of the City of Albany, New York, as chief executive officer of the City of Albany, New York,

shall, pursuant to Section 862(2)(c) of the Act, confirm the proposed action of the Agency with respect to the Project.

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	_____
Tracy Metzger	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Susan Pedo	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
C. Anthony Owens	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 April 17, 2014 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 17th day of April, 2014.

(Assistant) Secretary

(SEAL)