

# Albany Industrial Development Agency

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

Anthony J. Ferrara, *Chairman*  
Kathy Sheehan, *Treasurer*  
Susan Pado, *Secretary*  
Martin Daley  
Tracy Metzger  
C. Anthony Owens  
Tracy Metzger  
Lee Eck

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

To: Anthony J. Ferrara      Michael Yevoli  
Kathy Sheehan      Erik Smith  
Susan Pado      John Reilly  
Martin Daley      Joseph Scott  
C. Anthony Owens      Sarah Reginelli  
Tracy Metzger      Bradley Chevalier  
Lee Eck

Date: August 9, 2013

## AGENDA

The regular meeting of the City of Albany Industrial Development Agency will be held on **August 15, 2013 at 12:15PM** at the 21 Lodge Street, Albany, NY 12207 (Conference Room).

### Roll Call

### Reading of Minutes of the Regular Reconvened Meeting of July 19, 2013

### Approval of Minutes of the Regular Reconvened Meeting of July 19, 2013

### Reports of Committees

### Report of Chief Executive Officer

### Report of Chief Financial Officer

- Financial Report

### Communications

### Unfinished Business

- 733 Broadway, LLC Project Synopsis
- 733 Broadway, LLC Project SEQR Resolution
- 733 Broadway, LLC Project Commercial Findings Resolution
- 733 Broadway, LLC Project PILOT Deviation Approval Resolution
- 733 Broadway, LLC Project Approving Resolution
- TMG-NY Albany I, LP Project PILOT Deviation Approval Resolution
- TMG-NY Albany I, LP Bond Resolution
- 677 Broadway, LCC
- Columbia 425NS, LLC

### New Business

- Scannell Properties # 145, LLC Project Authorizing Conveyance & Assignment Resolution

### Other Business

### Adjournment

**\* The next regularly scheduled meeting is Thursday, September 19th, 2013 at 21 Lodge Street, Albany, NY 12207**

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John Reilly, *Agency Counsel*

## IDA MINUTES OF REGULAR MEETING Thursday, July 18, 2013

Attending: Anthony J. Ferrara, Susan Pedo, & Martin Daley

Absent: Kathy Sheehan, C. Anthony Owens, Tracy Metzger, & Lee Eck

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

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

### Roll Call

Chairman Ferrara reported that all Board members were present with the exception of Kathy Sheehan, C. Anthony Owens, Tracy Metzger, and Lee Eck. As there was not the required number of Board members for quorum, it was determined that the Board meeting would be reconvened Friday, July 19<sup>th</sup> at 12:30pm.

## IDA MINUTES OF RECONVENED REGULAR MEETING Friday, July 19, 2013

Attending: Anthony J. Ferrara, Susan Pedo, Martin Daley, Tracy Metzger & Lee Eck

Absent: Kathy Sheehan, C. Anthony Owens

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

Chairman Anthony J. Ferrara called the reconvened regular meeting of the IDA to order at 12:30 PM.

### Roll Call

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

### Reading of Minutes of the Regular Meeting of June 20, 2013

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

## **Approval of Minutes of the Regular Meeting of June 20, 2013**

Chairman Ferrara made a proposal to approve the minutes of the regular Board meeting of June 20, 2013 as presented. A motion to accept the minutes, as presented, was made by Tracy Metzger and seconded by Martin Daley. A vote being taken, the minutes were accepted unanimously.

## **Reports of Committees**

None

## **Report of Chief Executive Officer**

None

## **Report of Chief Financial Officer**

Erik Smith reviewed the monthly financial report with the Board. Mr. Smith reviewed year-to-date and projected cash inflows and outlays. Mr. Smith advised the Board that the expenditure activity through June 30th is consistent with the IDA's budget. At this time the IDA's projected year-end cash balance is \$738,523.

## **Communications**

None

## **Other Business**

### Assignment of PILOT Policy Resolution

Counsel reviewed the resolution and draft policy with the Board. The purpose of the Policy is to provide guidance in connection with any proposed assignment of an existing PILOT agreement entered into by the Agency with a project applicant. The Policy lays out the process, procedures, and requirements for the project applicant. The Policy specifically states that the assignment of any PILOT agreement is subject to consent by the Agency and that the Agency may condition its consent on one or more conditions in its absolute discretion. The Policy lays out a few of the possible condition options. The Board recommended that section 2\_04 of the policy be amended to read "such conditions may include, but are not limited to, the following".

Chairman Ferrara presented the Assignment of PILOT Policy Resolution to the Board. A motion to adopt the Resolution as amended was made by Tracy Metzger and seconded by Martin Daly. A vote being taken, the Resolution passed unanimously.

### Local Contractors/Suppliers Labor Policy Resolution

Counsel reviewed the resolution and draft policy with the Board. The purpose of the Policy is to request companies benefiting from the Agency programs to engage local residents from the City of Albany – in addition to residents from Albany County, Columbia County, Fulton County, Greene County, Montgomery County, Rensselaer County, Saratoga County, Schenectady County, Schoharie County, Warren County and Washington County – in and during the construction phase of projects. The Policy lays out the process, procedures, and requirements for the project applicant. The Policy also states the actions of the Agency. The Resolution includes an amendment to the Agency application.

Chairman Ferrara presented the Local Contractors/Suppliers Labor Policy Resolution to the Board. A motion to adopt the Resolution was made by Martin Daly and seconded by Lee Eck. A vote being taken, the Resolution passed unanimously.

## **Unfinished Business**

### **TMG-NY Albany I, LP Project Synopsis**

Staff advised the Board that the Finance Committee had discussed the resolutions at its previous meeting. Counsel presented a summary of the project to the Board outlining the project and the requests of the Agency. The project will not be receiving the benefit of a mortgage recording tax exemption.

### **TMG-NY Albany I, LP Project SEQR Resolution**

Counsel reviewed the Resolution with the Board explaining that the findings determined that this project would not have a significant effect on the environment.

Chairman Ferrara presented the TMG-NY Albany I, LP Project SEQR Resolution to the Board. A motion to adopt the Resolution was made by Tracy Metzger and seconded by Martin Daley. A vote being taken, the Resolution passed unanimously.

### **TMG-NY Albany I, LP Project Commercial Retail Findings Resolution**

Counsel reviewed the Resolution with the Board.

Chairman Ferrara presented the TMG-NY Albany I, LP Project Commercial Retail Findings Resolution to the Board. A motion to adopt the Resolution was made by Tracy Metzger and seconded by Martin Daley. A vote being taken, the Resolution passed unanimously.

### **TMG-NY Albany I, LP Project PILOT Deviation Approval Resolution**

Counsel reviewed the Resolution with the Board. A lengthy discussion on the PILOT and the Assignment of PILOT Policy Resolution occurred.

Chairman Ferrara presented the TMG-NY Albany I, LP Project PILOT Deviation Approval Resolution to the Board. A motion to table the Resolution was made by Susan Pedo and seconded by Lee Eck. A vote being taken, Susan Pedo and Lee Eck voted "YES". Anthony Ferrara, Martin Daley, and Tracy Metzger voted "NO". The motion to table the resolution was defeated. A motion to adopt the Resolution was made by Tracy Metzger and seconded by Anthony Ferrara. A vote being taken, Anthony Ferrara and Tracy Metzger voted "YES". Martin Daley voted "NO". Susan Pedo and Lee Eck "ABSTAINED". The Resolution was defeated.

### **TMG-NY Albany I, LP Project Bond Resolution**

The resolution was not considered.

### **Peter D. Kiernan Plaza Projects Authorizing Condemnation Proceedings Resolution**

John Allen of Whiteman Osterman & Hanna LLP, representing the project Applicant, was present to discuss the project. Mr. Allen advised the Board that the Fuller Road Management Corporation ("the Applicant") is requesting permission to move forward with the eminent domain proceedings. The Applicant would like to demonstrate progress on the project and obtaining the property.

Chairman Ferrara presented the Peter D. Kiernan Plaza Projects Authorizing Condemnation Proceedings Resolution to the Board. A motion to adopt the Resolution was made by Tracy Metzger and seconded by Martin Daley. A vote being taken, the Resolution passed unanimously.

## **New Business**



Columbia 677, LLC Project Resolution Authorizing PILOT Deviation Letter

Counsel reviewed the Resolution with the Board. Counsel advised the Board that the letter will not serve as any type of binding agreement and is to alert the taxing jurisdictions to a possible change in the PILOT.

Chairman Ferrara presented the Columbia 677, LLC Project Resolution Authorizing PILOT Deviation Letter to the Board. A motion to adopt the Resolution was made by Martin Daley and seconded by Tracy Metzger. A vote being taken, the Resolution passed unanimously.

**Other Business**

There being no further business, Chairman Ferrara adjourned the meeting at 1:20PM.

Respectfully submitted,

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Susan Pedo, Secretary

**City of Albany IDA**  
2013 Monthly Cash Position  
July 2013

	<b>ACTUAL</b>							<b>PROJECTED</b>						
	<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>		<b>YTD Total</b>
<b>Beginning Balance</b>	\$ 743,791	\$ 733,351	\$ 827,405	\$ 1,251,055	\$ 1,102,214	\$ 1,121,881	\$ 1,016,276	\$ 973,318	\$ 946,366	\$ 873,811	\$ 845,351	\$ 816,888		\$ 743,791
<b>Revenue</b>														
<b>Fee Revenue</b>														
Application Fee	\$ -	\$ -	\$ -	\$ 1,500	\$ -	\$ -	\$ 3,000	\$ 1,500	\$ -	\$ -	\$ -	\$ -		\$ 6,000
Agency Fee	-	92,478	430,400	-	19,445	-	-	-	-	-	-	100,000		642,323
Administrative Fee	-	4,000	-	-	500	-	-	-	18,400	-	-	-		22,900
Modification Fee	500	500	-	-	-	500	-	-	-	-	-	-		1,500
<b>Subtotal - Fee Revenue</b>	\$ 500	\$ 96,978	\$ 430,400	\$ 1,500	\$ 19,945	\$ 500	\$ 3,000	\$ 1,500	\$ 18,400	\$ -	\$ -	\$ 100,000		\$ 672,723
<b>Other Revenue</b>														
Project Benefit Agreement	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ 100,000
Interest Income	66	61	100	94	95	89	85	81	79	73	70	68		960
CRC	-	-	-	-	-	-	-	-	-	-	-	-		-
NYS BIC	-	-	-	-	-	-	-	-	-	-	-	-		-
Misc	-	18,086	-	-	-	-	-	-	-	-	-	-		18,086
<b>Subtotal - Other Revenue</b>	\$ 66	\$ 118,147	\$ 100	\$ 94	\$ 95	\$ 89	\$ 85	\$ 81	\$ 79	\$ 73	\$ 70	\$ 68		\$ 119,046
<b>Total - Revenue</b>	\$ 566	\$ 215,125	\$ 430,500	\$ 1,594	\$ 20,040	\$ 589	\$ 3,085	\$ 1,581	\$ 18,479	\$ 73	\$ 70	\$ 100,068		\$ 791,769
<b>Expenditures</b>														
Management Contract	\$ -	\$ -	\$ -	\$ 83,333	\$ -	\$ 41,667	\$ 20,833	\$ 20,833	\$ 20,833	\$ 20,833	\$ 20,833	\$ 20,833		\$ 250,000
Downtown Tactical Plan	-	-	-	-	-	-	25,000	-	-	-	-	25,000		50,000
APA Contract	-	-	-	-	-	-	-	-	-	-	-	-		-
Audits	2,500	-	-	4,500	-	-	-	-	-	-	-	-		7,000
Agency Counsel	-	42,000	-	-	-	-	-	-	-	-	-	42,000		84,000
ED Support	-	62,500	-	62,500	-	62,500	-	-	62,500	-	-	62,500		312,500
Sub-lease AHCC	8,506	-	6,371	-	-	-	-	7,500	7,500	7,500	7,500	7,500		52,377
NYS BIC	-	-	-	-	-	-	-	-	-	-	-	-		-
D & O Insurance	-	-	-	-	-	1,647	-	-	-	-	-	-		1,647
Misc.	-	160	479	102	373	380	209	200	200	200	200	200		2,703
Other Expenses	-	16,411	-	-	-	-	-	-	-	-	-	-		16,411
<b>Total - Expenditures</b>	\$ 11,006	\$ 121,071	\$ 6,850	\$ 150,435	\$ 373	\$ 106,194	\$ 46,042	\$ 28,533	\$ 91,033	\$ 28,533	\$ 28,533	\$ 158,033		\$ 776,637
<b>Ending Balance</b>	\$ 733,351	\$ 827,405	\$ 1,251,055	\$ 1,102,214	\$ 1,121,881	\$ 1,016,276	\$ 973,318	\$ 946,366	\$ 873,811	\$ 845,351	\$ 816,888	\$ 758,923		\$ 758,923

# City of Albany IDA

Fee Detail by Month

July 2013

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>January</i>	Columbia 16 NS II, LLC	\$ -	\$ -	\$ -	\$ 500	\$ 500
		-	-	-	-	-
		-	-	-	-	-
	<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 500</b>	<b>\$ 500</b>
<i>February</i>	39 Sheridan Realty, LLC	\$ -	\$ -	\$ 4,000	\$ 500	\$ 4,500
	Columbia Harriman 455, LLC	-	92,478	-	-	92,478
		-	-	-	-	-
	<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 92,478</b>	<b>\$ 4,000</b>	<b>\$ 500</b>	<b>\$ 96,978</b>
<i>March</i>	Honest Weight Food Co-Op	\$ -	\$ 24,000	\$ -	\$ -	\$ 24,000
	Albany Medical Science Research, LLC	-	370,000	-	-	370,000
	581 Livingston Avenue, LLC	-	36,400	-	-	36,400
	<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 430,400</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 430,400</b>
<i>April</i>	Fuller Road Management Corporation	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500
		-	-	-	-	-
	<b>TOTAL</b>	<b>\$ 1,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,500</b>
<i>May</i>	Dilek, LLC	\$ -	\$ 19,445	\$ -	\$ -	\$ 19,445
	NYS OGS	-	-	500	-	500
		-	-	-	-	-
	<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 19,445</b>	<b>\$ 500</b>	<b>\$ -</b>	<b>\$ 19,945</b>
<i>June</i>	39 Sheridan Realty, LLC	\$ -	\$ -	\$ -	\$ 500	\$ 500
		-	-	-	-	-
		-	-	-	-	-
	<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 500</b>	<b>\$ 500</b>

# City of Albany IDA

Fee Detail by Month

July 2013

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>July</i>	Columbia 425 NS, LLC	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500
	488 Broadway Arcade, LLC	1,500	-	-	-	1,500
		-	-	-	-	-
		-	-	-	-	-
	<b>TOTAL</b>	<b>\$ 3,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,000</b>
<i>August</i>	Scannell Properties #145, LLC	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
	<b>TOTAL</b>	<b>\$ 1,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,500</b>
<i>September</i>	Scannell Properties #145, LLC	\$ -	\$ -	\$ 18,400	\$ -	\$ 18,400
	<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 18,400</b>	<b>\$ -</b>	<b>\$ 18,400</b>
<i>October</i>		\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
	<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<i>November</i>		\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
	<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<i>December</i>	Fuller Road Management Corporation	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
	<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>
	<b>2012 TOTAL</b>	<b>\$ 6,000</b>	<b>\$ 642,323</b>	<b>\$ 22,900</b>	<b>\$ 1,500</b>	<b>\$ 672,723</b>
		<i>Application Fee</i>	<i>Agency Fee</i>	<i>Administration Fee</i>	<i>Modification Fee</i>	<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 “Existing Facility”).
  - (B) Construction: the demolition of the Existing Facility and the construction on the Land of a new building to contain approximately 81,080 square feet of space (the “Facility”).
  - (C) Equipment component: the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Existing Facility, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”).
  - (D) Lease: The Project Facility will be leased by the Agency to the Company pursuant to a lease agreement (the “Lease Agreement”) by and between the Agency and the Company, which Project Facility will be owned by the Company and operated by the Company for use as a market rate rental housing apartment facility and other directly and indirectly related activities.

**II. PRIOR ACTION ON PROJECT:**

3. SEQR Compliance:
  - (A) SEQR classification of the Project: Unlisted - Negative Declaration.
  - (B) SEQR Lead Agency: None – uncoordinated review.
  - (C) Date of Agency Action: August 15, 2013.
4. Inducement Proceedings:
  - (A) Public Hearing Resolution: adopted on May 16, 2013.
  - (B) Public Hearing:
    - (1) Mailed to Affected Taxing Jurisdictions: June 28, 2013.
    - (2) Date Posted: July 1, 2013.
    - (3) Published in the Albany Times Union: July 1, 2013.
    - (4) Date of Public Hearing: July 18, 2013.
    - (5) Location of Public Hearing: offices of the City of Albany Industrial Development Agency at 21 Lodge Street in City of Albany, Albany County, New York.

**III. PROPOSED AGENCY ACTION ON AUGUST 15, 2013:**

5. SEQR Resolution: Unlisted – Negative Declaration.

6. Commercial/Retail Findings Resolution: Determining Project is a “commercial project”.
7. Pilot Deviation Approval Resolution: Approving a deviation from the Agency’s uniform tax exemption policy.
8. Approving Resolution: Approving the Company’s project and the proposed financial assistance.

#### **IV. DETAILS OF PROPOSED STRAIGHT LEASE TRANSACTION:**

8. Relationship of Agency to Company: The Agency will acquire, construct and install the Project Facility and lease the Project Facility to the Company pursuant to the Lease Agreement.
9. Business Terms: The Agency fee is estimated to be \$139,773.86 (1% of the Project costs of \$13,977,386 (est)).
10. 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.
11. Proposed Closing Date: August \_\_, 2013.
12. Special Agency Counsel: Hodgson Russ LLP, Albany, New York.

**SEQR RESOLUTION  
733 BROADWAY LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on August 15, 2013 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
Susan Pedo	Secretary
Hon. Kathy Sheehan	Treasurer
Martin Daley	Member
Lee Eck	Member
Tracy Metzger	Member
C. Anthony Owens	Member

**ABSENT:**

**THE FOLLOWING PERSONS WERE ALSO PRESENT:**

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
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. \_\_\_\_\_

**RESOLUTION DETERMINING THAT ACTION TO UNDERTAKE A PROJECT FOR  
THE BENEFIT OF 733 BROADWAY LLC WILL NOT HAVE A SIGNIFICANT  
EFFECT ON THE ENVIRONMENT.**

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 “Existing Facility”), (2) the demolition of the Existing Facility, (3) the construction on the Land of a new building to contain approximately 81,080 square feet of space (the “Facility”) and (4) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Existing Facility, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company and operated by the Company for use as a market rate rental housing apartment 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 May 16, 2013 (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 June 28, 2013 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 July 1, 2013 at the City Hall bulletin board located at 24 Eagle Street, in the City of Albany, Albany County, New York, (C) caused notice of the Public Hearing to be published on July 1, 2013 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, New York, (D) conducted the Public Hearing on July 18, 2013 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 SEQRA Act, "SEQRA"), the Agency must satisfy the requirements contained in SEQRA and the Regulations prior to making a final determination whether to undertake the Project; and

WHEREAS, to aid the Agency in determining whether the Project may have a significant effect upon the environment, the Company has prepared and submitted to the Agency an environmental assessment form (the "EAF") with respect to the Project, a copy of which EAF was presented to and reviewed by the Agency at this meeting and a copy of which is on file at the office of the Agency; and

WHEREAS, the Agency has also received notifications of local action from the City of Albany Planning Board (the "Planning Board") in which the Planning Board issued negative declarations pursuant to SEQRA with respect to the Project (the "Planning Board Negative Declarations"); and

WHEREAS, copies of the Planning Board Negative Declarations and the EAF are attached to this resolution as Schedule A; and

WHEREAS, pursuant to SEQRA, the Agency has examined the EAF in order to make an determination as to the potential environmental significance of the Project; and

WHEREAS, the Project does not appear to constitute a "Type I Action" (as said quoted term is defined in the Regulations), and therefore coordinated review and notification is optional with respect to the actions contemplated by the Agency with respect to the Project; and

WHEREAS, the Agency desires to conduct an uncoordinated review of the Project and to determine whether the Project may have a "significant effect on the environment" and therefore require the preparation of an environmental impact statement;

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 Application, the EAF, the Planning Board Negative Declarations (collectively, the "Reviewed Materials") and based further upon the Agency's knowledge of the area surrounding the Project Facility and such further investigation of the Project and its environmental effects as the Agency has deemed appropriate, the Agency makes the following findings with respect to the Project:

A. The project (the "Project") consists 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 "Existing Facility"), (2) the demolition of the Existing Facility, (3) the construction on the Land of a new building to contain approximately 81,080 square feet of space (the "Facility") and (4) the acquisition and installation therein and thereon of certain machinery and equipment (the "Equipment") (the Land, the Existing Facility, the Facility and the Equipment hereinafter collectively referred to as the "Project Facility"), all of the foregoing to be owned by the Company and operated by the Company for use as a market rate rental housing apartment 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.

B. The only potential impacts on the environment are noted in the Reviewed Material and the actions taken or to be taken to mitigate the potential impacts are also noted in the Reviewed Materials.

C. No potentially significant impacts on the environment are noted in the Reviewed Materials, and none are known to the Agency.

Section 2. Based upon the foregoing investigation of the potential environmental impacts of the Project and considering both the magnitude and importance of each environmental impact therein indicated, the Agency makes the following findings and determinations with respect to the Project:

A. The Project constitutes an “Unlisted Action” (as said quoted term is defined in the Regulations) and therefore coordinated review and notification of other involved agencies is strictly optional. The Agency hereby determines not to undertake a coordinated review of the Project, and therefore will not seek lead agency status with respect to the Project;

B. The Project will result in no major impacts and, therefore, is one which will not cause significant damage to the environment. Therefore, the Agency hereby determines that the Project will not have a significant effect on the environment, and the Agency will not require the preparation of an environmental impact statement with respect to the Project; and

C. As a consequence of the foregoing, the Agency has decided to prepare a negative declaration with respect to the Project.

Section 3. The Chief Executive Officer of the Agency is hereby directed to prepare a negative declaration with respect to the Project, said negative declaration to be substantially in the form and to the effect of the negative declaration attached hereto, and to cause copies of said negative declaration to be (A) filed in the main office of the Agency and (B) distributed to the Company.

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	_____
Susan Peto	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
Lee Eck	VOTING	_____
Tracy Metzger	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 August 15, 2013 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 15<sup>th</sup> day of August, 2013.

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(Assistant) Secretary

(SEAL)

SCHEDULE A

PLANNING BOARD AND BOARD OF ZONING APPEALS  
NEGATIVE DECLARATIONS  
AND EAF

**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 construction of a four (4)-story, +/- 82,300 square feet, seventy (70)-unit apartment building and a seventy (70)-space accessory parking area. Demolition Approval is also sought for the demolition of a two (2)-story, 47,200 square foot structure at the site.

APPLICANT: Norstar Development USA c/o Hershberg and Hershberg  
ADDRESS: 18 Locust St., Albany, NY 12203

CASE NUMBER: 10-12, 853

Date Received: 10/5/12  
Preliminary Presentation: 10/18/12  
Subsequent Presentation: 12/20/12  
SEQR Classification: Unlisted Action  
SEQR Determination: 12/20/12  
Date of Decision: 12/20/12

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

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**Relevant Considerations:**

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

**Applicant:** Norstar Development USA, 200 S. Division St., Buffalo, NY 14204

**Authorized Agent:** Hershberg and Hershberg, 18 Locust St., Albany, NY 12203

**Parcel size:** 1.3 acres.

**Property Valuation:** \$1,000,000 +.

**Location:** The property is located on the east side of Broadway between Spencer Street and Livingston Avenue, and currently abuts unimproved Jackson Street at its eastern boundary.

**Zoning:** C-3 (Central Business). A Parking Lot Permit was approved by the Board of Zoning Appeals on December 12, 2012.

**Surrounding Uses:** *North:* +/- 160-space parking lot of Selected Properties of the Northeast, LLC. *West:* 171,144 sq. ft. Leo W. O'Brien Federal Office Building and

accessory parking garage. *East:* 87,616 sq. ft. office building and parking lot of Progressive Casualty Insurance Company. *South:* Vacant lands and buildings of Albany Soma Project, LLC.

**Project Overview:** The applicant is proposing to demolish an existing two-story, 47,200 square foot commercial structure in order to construct a +/- 82,300, 70-unit apartment building and accessory parking area. The apartment structure will be built in the shape of an "L" with primary frontage along Broadway and a perpendicular extension along the northern property boundary adjacent 737 Broadway.

**Jackson Street Land Acquisition:** The applicant intends to acquire a 0.34-acre strip of land from the City of Albany currently known and referenced as the Jackson Street right-of-way. This piece of land is an ill-maintained and largely unutilized segment of roadway. Acquisition of the land will allow the applicant to provide the full allocation of seventy parking spaces needed to obtain construction financing.

**Parking & Traffic:** The applicant proposes seventy parking spaces at the site (1.0 per dwelling unit). 45 spaces are to be located on land currently owned by the applicant, while the remaining 25 will be located on the currently unutilized Jackson Street right-of-way to be purchased from the City of Albany. Traffic is proposed to enter from Broadway via an archway built into the building façade and exit via the former Jackson Street right-of-way onto Livingston Avenue.

**Transit Service:** The site is most directly served by CDTA Route #22 and #116 running along the Broadway corridor, but is within proximity to numerous other transit services.

**Pedestrian Accessibility:** A concrete walk is proposed to lead to three distinct entrances to the building. The plan proposes no direct ingress/egress onto Broadway, the main abutting thoroughfare, with the nearest access being approximately thirty feet set back. While the general orientation of the building is sound, pedestrian access is internally oriented. The applicant was unwilling to modify proposed entrance locations.

**Water/Sewer:** Daily water use is estimated at 14,000 GPD. A new sanitary sewer connection will connect to a combined sewer running along the Jackson Street right-of-way. A proposed water service is as-yet-undetermined.

**Storm Water:** The applicant is preparing a Storm Water Pollution Prevention Plan (SWPPP) for submission to the Department of Water & Water Supply.

**Archeology:** Phase 1A and Phase 1B Archeological Surveys were prepared by The Louis Berger Group, Inc. for a prior iteration of this project. Trenching indicate that twentieth-century industrial development had removed any historic or prehistoric archeological deposits that may have been present in the area. These findings should hold true given the changes in the current site design.

**Landscaping:** The applicant proposes the planting of sixteen trees and numerous shrubs throughout the project site. There are currently no street trees located along the abutting section of Broadway and none are proposed.

**Lighting:** A total of sixteen pole-mounted lights and six building-mounted lights are proposed to light the interior site and parking areas. Photometric drawings do not depict any substantive impact upon adjacent properties.

**Solid Waste:** Two trash dumpsters are provided at the rear of the building. A private collection service will be utilized.

**Signage:** The number "733" appears on the building façade in several visible locations.

**Demolition:** The 47,200 square foot structure to be demolished is a two- to four-story structure of steel frame, brick and concrete block construction. The site slopes to the east resulting in the variation in number of floors. The building has two-story frontage along Broadway and a four-story façade inclusive of a loading area at its rear. It was constructed circa 1930 for a plumbing supply company and is currently used as commercial offices and storage space. While functionally and structurally sound, the building is not ideally suited to the highest and best use of the land.

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**Actions Taken:**

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

The Board **Approved** the demolition of 733 Broadway with the following conditions:

1. A minimum of twenty-five percent (25%) of construction and demolition debris generated from demolition shall be diverted from disposal to landfills through recycling, reuse and diversion programs.

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

1. The Storm Water Pollution Prevention Plan (SWPPP) and water/sewer service connections shall be approved by Department of Water & Water Supply.
2. The applicant shall complete the purchase of the Jackson Street right-of-way and fully incorporate this area into building site as proposed; the land should be merged into existing tax parcel # 65.83-1-32.
3. An easement agreement shall be put into place providing for continued access to all under- and above-ground utilities or other City, County and private infrastructure within the discontinued Jackson Street right-of-way.

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I, **Edward Trant** representing the Planning Board of the City of Albany, hereby certify that the foregoing is a true copy of a decision of the Planning Board made at a meeting thereof duly called and held on the day of **December 20, 2012**.

Date: **12/20/12**

Signature: \_\_\_\_\_

*Edward R. Trant*

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

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

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

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

ADDRESS OF SUBJECT PROPERTY: **733 Broadway**

IN THE MATTER OF: **Parking Lot Permit to allow a seventy (70)-space parking area as accessory to a proposed four (4)-story, +/- 83,300 square foot, seventy (70)-unit apartment building.**

APPLICANT: **Norstar Development USA c/o Hershberg & Hershberg**

ADDRESS: **18 Locust St., Albany, NY 12203**

CASE NUMBER: **11-12, 4045**

DATE APPLICATION RECEIVED: **10/5/12**

DATE OF HEARING: **11/14/12**

DATE OF DECISION: **12/12/12**

WARD: **4**

DECISION: **Approved**

N.A.: **N/A**

HISTORIC/ SPECIAL DISTRICT(S): **Downtown Albany Business Improvement District**

The request is **Approved**, by the following vote:

For: 6	Apostol: Y	Ray: Y
Against: 0	Cronin: Y	Tucker-Ross: Y
Abstain: 0	Moran: Y	Viele: Y

**Site Description**

The property in question is located on the east side of Broadway between Spencer Street and Livingston Avenue in a C-3 Central Business zoning district and Downtown Albany Business Improvement District. The property is improved with three-story, +/- 44,400 square foot, commercial structure and a +/- 80-space accessory parking area. The project also involves the purchase of a portion of the Jackson Street right-of-way as it abuts the rear of the subject property and extends towards its terminus at Livingston Avenue.

**Relevant Considerations**

The applicant is proposing to construct a 70-space parking area as accessory to the construction of a 70-unit apartment structure to be constructed at the site. The proposed apartment building is a permitted use of the site, but will require Site Plan Approval from the City Planning Board as well as an approval of the demolition of the existing building at the site. The existing site is already improved with approximately 80 parking spaces, albeit in a differing configuration.

The property is located in a C-3 zoning district and thus there is no parking requirement for the new structure. However, the applicant seeks to provide a minimum of 70 parking spaces at the site as an amenity to residents and as a requirement of the lender that is financing the project. The proposed parking will require authorization by means of a Parking Lot Permit:

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

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



The applicant indicates that approximately thirty of the proposed seventy parking spaces would be located upon what is now City property – the existing, largely unutilized right-of-way known as Jackson Street. It intends to purchase this land from the City, which will require approval of the Common Council as well as the enactment of easements pertaining to City infrastructure that is currently located within the right-of-way and expected to remain.

**Findings**

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

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

I, G. Michael Apostol, representing the Board of Zoning Appeals of the City of Albany, hereby certify that the foregoing is a true copy of a decision of the Board made at a meeting thereof duly called and held on **December 12, 2012.**

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

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

•  
EAF

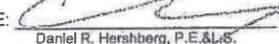
### SHORT ENVIRONMENTAL ASSESSMENT FORM

#### INSTRUCTIONS:

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

#### ENVIRONMENTAL ASSESSMENT

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

PREPARER'S SIGNATURE:  TITLE: Engineer for the applicant  
Daniel R. Hershberg, P.E.&L.S.  
REPRESENTING: Norstar Development USA DATE: 10/3/12

NOTICE OF DETERMINATION  
OF NO SIGNIFICANT EFFECT  
ON THE ENVIRONMENT

TO ALL INTERESTED AGENCIES, GROUPS AND PERSONS:

In accordance with Article 8 (State Environmental Quality Review) of the Environmental Conservation Law (the "Act"), and the statewide regulations under the Act (6 NYCRR Part 617) (the "Regulations"), notice is hereby given that City of Albany County Industrial Development Agency (the "Agency") has reviewed an application and an environmental assessment form from 733 Broadway LLC (the "Company") in connection with the proposed project described below (the "Project") and that the Agency has determined (A) that the proposed Project is an "Unlisted Action" pursuant to the Regulations, and therefore that coordinated review and notification is optional with respect to said Project; (B) to conduct an uncoordinated review of the Project; (C) that the Project will result in no major impacts and therefore will not have a significant effect on the environment; and (D) therefore that an environmental impact statement is not required to be prepared with respect to the Project. THIS NOTICE IS A NEGATIVE DECLARATION FOR THE PURPOSES OF THE ACT.

1. Lead Agency: The Agency has determined not to follow the coordinated review provisions of the Regulations. Therefore, there is no lead agency for the Project.

2. Person to Contact for Further Information: Michael J. Yevoli, Chief Executive Officer, City of Albany Industrial Development Agency, 21 Lodge Street, Albany, New York 12207; Telephone No. 518-434-2532 ext. 19.

3. Project Identification: Proposed 733 Broadway LLC Project.

4. Project Description: The Project (the "Project") consists 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 "Existing Facility"), (2) the demolition of the Existing Facility, (3) the construction on the Land of a new building to contain approximately 81,080 square feet of space (the "Facility") and (4) the acquisition and installation therein and thereon of certain machinery and equipment (the "Equipment") (the Land, the Existing Facility, the Facility and the Equipment hereinafter collectively referred to as the "Project Facility"), all of the foregoing to be owned by the Company and operated by the Company for use as a market rate rental housing apartment 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.

5. Project Location: The Project Facility will be located at 733 Broadway in the City of Albany, Albany County, New York.

6. Reasons for Determination of Non-Significance: By resolution adopted by the members of the Agency on August 15, 2013 the Agency determined that the following potential environmental impacts of the Project will not constitute significant adverse impacts:

1. According to the EAF, the Project will be compatible with the adjoining/surrounding lands uses within a ¼ mile area.

2. The Project will create employment. The Application indicates that the anticipated number of new employees, at the end of the first year of the completion of the Project Facility, will be approximately 2. Due to the number of workers currently on the local unemployment rolls, this potential impact will not be significant.

3. It is not anticipated that the Project will have any adverse impact on threatened or endangered aquatic species or other plant or animal resources.

4. The proposed Project is not anticipated to be publicly controversial as there are no adverse environmental impacts.

5. The proposed Project is not anticipated to have a significant adverse impact on agricultural resources.

6. The Project will create the need for multiple Storm Tech SC310 Infiltrators for storm water. As the Company will comply with all state and federal regulations and the Department of Water and Water Supply will ensure compliance with the City of Albany's Interim Storm Water Regulations, this is a small to moderate impact on the environment and therefore will not be significant.

No other significant environmental impacts were identified by the Agency in its review of the environmental assessment form submitted to the Agency with respect to the Project and, based upon the Agency's knowledge of the area surrounding the Project Facility and such further investigation of the Project and its environmental effects as the Agency has deemed appropriate, no significant environmental impacts are known to the Agency.

7. Comment Period: All interested parties, groups and persons disagreeing with or otherwise desiring to comment upon the Agency's environmental determination with respect to this Project are invited to submit written comments for consideration by the Agency. All such comments should be sent by mail addressed to Michael J. Yevoli, Chief Executive Officer at the address specified in paragraph two hereof.

Dated: August 15, 2013

CITY OF ALBANY INDUSTRIAL  
DEVELOPMENT AGENCY

BY: \_\_\_\_\_  
Chief Executive Officer

**COMMERCIAL 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 offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on August 15, 2013 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
Susan Pedo	Secretary
Hon. Kathy Sheehan	Treasurer
Martin Daley	Member
Lee Eck	Member
Tracy Metzger	Member
C. Anthony Owens	Member

**ABSENT:**

**THE FOLLOWING PERSONS WERE ALSO PRESENT:**

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
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. \_\_\_\_\_

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

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

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

WHEREAS, 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 “Existing Facility”), (2) the demolition of the Existing Facility, (3) the construction on the Land of a new building to contain approximately 81,080 square feet of space (the “Facility”) and (4) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Existing Facility, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company and operated by the Company for use as a market rate rental housing apartment 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 May 16, 2013 (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 June 28, 2013 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 July 1, 2013 at the City Hall bulletin board located at 24 Eagle Street, in the City of Albany, Albany County, New York, (C) caused notice of the Public Hearing to be published on July 1, 2013 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, New York, (D) conducted the Public Hearing on July 18, 2013 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 adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (the “Regulations”, and

collectively with the SEQRA Act, "SEQRA"), by resolution adopted by the members of the Agency on August 15, 2013 (the "SEQRA Resolution"), the Agency determined (A) that the Project constituted an "Unlisted Action" under SEQRA, (B) that the Project would 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, and (C) as a consequence of the foregoing, to prepare a negative declaration with respect to the Project; 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 Applicant has submitted to the Agency the following (collectively, the "Project Qualification Documents"): (A) the Agency Application, and (B) a report prepared for the City of Albany entitled "Albany 2030: The City of Albany Comprehensive Plan" (the "Albany 2030 Plan");

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. That the Application indicates that the Project will create approximately 1.5 full-time permanent private sector jobs at the Project Facility.

B. That the Albany 2030 Plan also directs that support should be provided to small businesses and that the mixed use retail and other commercial developments in the Project are consistent with the Plan.

C. That undertaking the Project will provide good quality housing to individuals seeking to reside and work in the City of Albany.

D. That undertaking the Project will improve the quality of housing in the City of Albany.

E. That not undertaking the Project would most likely result in the further deterioration of housing stock in the City of Albany and discourage future commercial and residential development and expansion in the neighborhood area.

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 (1) the Project Facility will provide necessary infrastructure for area employers, (2) that 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) that 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.

B. That the acquisition, reconstruction, construction 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 located in the City of Albany.

C. That the Project constitutes a “commercial” project, within the meaning of the Act.

D. That the Project will serve the public purposes of the Act by preserving permanent, private sector jobs or by increasing the overall number of permanent, private sector jobs in the State of New York.

Section 3. 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	_____
Susan Pado	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
Lee Eck	VOTING	_____
Tracy Metzger	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 August 15, 2013 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 15<sup>th</sup> day of August, 2013.

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(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 offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on August 15, 2013 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
Susan Pedo	Secretary
Hon. Kathy Sheehan	Treasurer
Martin Daley	Member
Lee Eck	Member
Tracy Metzger	Member
C. Anthony Owens	Member

**ABSENT:**

**THE FOLLOWING PERSONS WERE ALSO PRESENT:**

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
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. \_\_\_\_\_

**RESOLUTION AUTHORIZING A DEVIATION FROM THE AGENCY’S UNIFORM TAX  
EXEMPTION POLICY IN CONNECTION WITH THE PROPOSED PAYMENT IN LIEU OF  
TAX AGREEMENT TO BE ENTERED INTO BY THE AGENCY IN CONNECTION WITH  
THE PROPOSED 733 BROADWAY LLC 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 manufacturing, warehousing, research, commercial and industrial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

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

WHEREAS, 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 “Existing Facility”), (2) the demolition of the Existing Facility, (3) the construction on the Land of a new building to contain approximately 81,080 square feet of space (the “Facility”) and (4) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Existing Facility, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company and operated by the Company for use as a market rate rental housing apartment 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 May 16, 2013 (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 June 28, 2013 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 July 1, 2013 at the City Hall bulletin board located at 24 Eagle Street, in the City of Albany, Albany County, New York, (C) caused notice of the Public Hearing to be published on July 1, 2013 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, New York, (D) conducted the Public Hearing on July 18, 2013 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 August 15, 2013 (the "SEQR Resolution"), the Agency (A) determined that the Project constituted an "unlisted action" under SEQRA, (B) determined that the Project will not have a "significant effect on the environment" and therefore that an environmental impact statement is not required to be prepared with respect to the Project and (C) authorized the issuance of a "negative declaration" with respect to the Project (as said quoted terms are used in SEQRA); 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 August 12, 2013 (the "Pilot Deviation Letter"), a copy of the payment terms contained in the 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 County and each city, town, village and school district in which the Project Facility is located (collectively, the "Affected Tax Jurisdictions") written notice of the proposed deviation from the Agency's uniform tax exemption policy and the reasons prior to the meeting of the Agency at which the members of the Agency shall consider whether to approve such proposed deviation; and

WHEREAS, by the Pilot Deviation Letter, the Chief Executive Officer 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) 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 and (E) 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, such deviation to be as described in the Pilot Deviation Letter.

Section 3. Upon preparation by 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	_____
Susan Pedo	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
Lee Eck	VOTING	_____
Tracy Metzger	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 August 15, 2013 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 13<sup>th</sup> day of August, 2013.

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(Assistant) Secretary

(SEAL)

## **EXHIBIT A**

### **PILOT DEVIATION PAYMENT TERMS**

Years 1-10	\$47,000/year
Years 11-15	\$55,000/year
Years 16-20	\$65,000/year
Years 21-25	\$100,000/year
Years 26-30	\$125,000/year
Years 31-35	\$150,000/year
Years 36-40	\$200,000/year



**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 offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on August 15, 2013 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
Susan Pedo	Secretary
Hon. Kathy Sheehan	Treasurer
Martin Daley	Member
Lee Eck	Member
Tracy Metzger	Member
C. Anthony Owens	Member

**ABSENT:**

**THE FOLLOWING PERSONS WERE ALSO PRESENT:**

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
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. \_\_\_\_\_

**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 “Existing Facility”), (2) the demolition of the Existing Facility, (3) the construction on the Land of a new building to contain approximately 81,080 square feet of space (the “Facility”) and (4) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Existing Facility, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company and operated by the Company for use as a market rate rental housing apartment 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 May 16, 2013 (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 June 28, 2013 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 July 1, 2013 at the City Hall bulletin board located at 24 Eagle Street, in the City of Albany, Albany County, New York, (C) caused notice of the Public Hearing to be published on July 1, 2013 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, New York, (D) conducted the Public Hearing on July 18, 2013 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 adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (the “Regulations”),

and collectively with the SEQR Act, "SEQRA"), by resolution adopted by the members of the Agency on August 15, 2013 (the "SEQR Resolution"), the Agency determined (A) that the Project constituted an "Unlisted Action" under SEQRA, (B) that the Project would 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, and (C) as a consequence of the foregoing, to prepare a negative declaration with respect to the Project; and

WHEREAS, by resolution adopted by the members of the Agency on August 15, 2013 (the "Commercial Determination Resolution"), the Agency determined that Project constituted a "commercial project" within the meaning of the Act; and

WHEREAS, the Agency has given due consideration to the Application, and to representations by the Company that (A) the granting by the Agency of the Financial Assistance with respect to the Project will be an inducement to the Company to undertake the Project in City of Albany, New York and (B) the completion of the Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and will not result in the abandonment of one or more plants or facilities of any occupant of the Project Facility located in the State of New York; and

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

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

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

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

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

Section 3. The Agency hereby finds and determines that:

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

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

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

(D) It is estimated at the present time that the costs of the planning, development, acquisition, construction, reconstruction and installation of the Project Facility (collectively, the “Project Costs”) will be approximately \$13,977,386;

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

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

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

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

Section 5. The Agency is hereby authorized (A) to acquire a license in the Licensed Premises pursuant to the License Agreement, (B) to acquire, construct and install a leasehold interest in

the Leased Premises pursuant to the Underlying Lease, (C) to acquire title to the Equipment pursuant to a bill of sale (the "Bill of Sale to Agency") from the Company to the Agency, and (D) to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisitions are hereby approved, ratified and confirmed.

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

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

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

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

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

Section 10. This Resolution shall take effect immediately.

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

Anthony J. Ferrara	VOTING	_____
Susan Pedo	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
Lee Eck	VOTING	_____
Tracy Metzger	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 August 15, 2013 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 15th day of August 2013.

---

(Assistant) Secretary

(SEAL)

**PILOT DEVIATION APPROVAL RESOLUTION  
TMG-NY ALBANY I, LP PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on August 15, 2013 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
Susan Pedo	Secretary
Hon. Kathy Sheehan	Treasurer
Martin Daley	Member
Lee Eck	Member
Tracy Metzger	Member
C. Anthony Owens	Member

**ABSENT:**

**THE FOLLOWING PERSONS WERE ALSO PRESENT:**

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
Amanda Vitullo	Communications and Marketing Assistant
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Bond Counsel

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_,  
to wit:

Resolution No. \_\_\_\_\_

**RESOLUTION AUTHORIZING A DEVIATION FROM THE AGENCY'S UNIFORM  
TAX EXEMPTION POLICY IN CONNECTION WITH THE PROPOSED PAYMENT IN  
LIEU OF TAX AGREEMENT TO BE ENTERED INTO BY THE AGENCY IN  
CONNECTION WITH THE PROPOSED TMG-NY Albany I, LP PROJECT.**

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

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

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to issue its industrial development revenue bonds to finance the cost of the acquisition, construction, reconstruction and installation of one or more “projects” (as defined in the Act), to acquire, construct, reconstruct and install said projects or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, TMG-NY Albany I, LP, a limited partnership formed under the laws of the State of Delaware (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 or interests in a parcel of land containing approximately .79 acres located at 400 Hudson Avenue in the City of Albany, Albany County, New York (the “Land”), together with the existing building containing approximately 130,000 square feet of space located on the Land (the “Facility”); (2) the reconstruction and renovation of the Facility, and (3) the acquisition and installation thereon and therein of various 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 constitute a housing facility to be owned by the Company; (B) the financing of all or a portion of the costs of the foregoing by the issuance of taxable and/or tax-exempt revenue bonds of the Agency in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, presently estimated to equal approximately \$9,750,000, but in any event not to exceed \$11,500,000 (the “Bonds”); (C) the granting of certain other “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including exemption from certain sales taxes, deed transfer taxes, mortgage recording taxes and real property taxes (collectively with the Bonds, the “Financial Assistance”); and (D) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to the authorization contained in a resolution adopted by the members of the Agency on December 15 2013 (the “Inducement Resolution”), the Chairman of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act and Section 147(f) of the Internal Revenue Code of 1986, as amended, 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 April 30, 2013 to the chief executive officers of each county, city, town and school district in which the Project Facility is (or will be) located, (B) caused notice of the Public Hearing to be published on May 2, 2013 in The Times Union, a newspaper of general circulation available to the residents of the City of Albany, Albany County, New York, (C) conducted the Public Hearing on May 16, 2013, at 12:00 o’clock, noon, local time at the offices of the Agency located in the office of the Department of Economic Development and Planning at 21 Lodge Street in the City of Albany, Albany County, New York, and (D) prepared a report of the Public Hearing (the “Public Hearing Report”) which fairly summarized the views presented at said Public Hearing and distributed same to the members of the Agency and to the Mayor of the City of Albany, New York (the “Mayor”); 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 adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6NYCRR Part 617, as



amended (the “Regulations” and collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on July 19, 2013 (the “SEQR Resolution”), the Agency determined that the Project constituted a “Type II action” (as such quoted term is defined under SEQRA), and therefore that no further action with respect to the Project was required under SEQRA with respect to the Project; and

WHEREAS, in connection with the Project, the Company has requested that the Agency deviate from its uniform tax exemption policy with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility, which proposed deviation is outlined in the letter dated July 8, 2013 (the “Pilot Deviation Letter”), a copy of which Pilot Deviation Letter is attached hereto as **Schedule A**; and

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

WHEREAS, on July 8, 2013, the Chief Executive Officer of the Agency sent a copy of the Pilot Deviation Letter to the Affected Tax Jurisdictions to notify the Affected Tax Jurisdictions of the proposed deviation from the Agency’s uniform tax exemption policy in connection with the Project; and

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

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

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

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

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

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

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

policy, the terms of the approved deviation to be as described in the Pilot Deviation Letter attached hereto as **Schedule A**.

Section 3. Upon preparation by Special Counsel to the Agency of a payment in lieu of tax agreement with respect to the Project Facility reflecting the terms of this resolution (the "Payment in Lieu of Tax Agreement") and approval of same by the 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	_____
Susan Peto	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
Lee Eck	VOTING	_____
Tracy Metzger	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 extract of the minutes of the meeting of the members of the Agency, including the resolution contained therein, held on August 15, 2013, with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of the Agency and of such resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 15th day of August, 2013.

\_\_\_\_\_  
(Assistant) Secretary

(SEAL)

**SCHEDULE “A”**  
**PILOT DEVIATION LETTER**

CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY

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

July 8, 2013

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

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

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

Alexandra Streznewski, School Board President  
Albany City School District  
Academy Park  
Albany, New York 12207

RE: Proposed Deviation from Uniform Tax Exemption Policy by  
City of Albany Industrial Development Agency  
in connection with its Proposed TMG-NY Albany I, L.P. Project

Dear Ladies/Gentlemen:

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

In December, 2011, City of Albany Industrial Development Agency (the "Agency") received an application (the "Application") from TMG-NY Albany I, L.P. (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 or interests in parcels of land containing in the aggregate approximately 1 acre located at 400 Hudson Avenue in the City of Albany, Albany County, New York (the "Land"), together with the existing building containing approximately 130,000 square feet of space located on the Land (the "Facility"); (2) the reconstruction and renovation of the Facility, and (3) the acquisition and installation thereon and therein of various 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 constitute a housing facility to be owned by the Company; (B) the financing of all or a portion of the costs of the foregoing by the issuance of taxable and/or tax-exempt revenue bonds of the Agency in one or more issues or series in an aggregate principal amount sufficient to pay all or a portion of the cost of undertaking the Project, together with necessary incidental costs in connection therewith, presently estimated to be approximately \$10,720,000 and in any event not to exceed \$11,500,000 (the "Obligations"); (C) paying a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations and any reserve funds as may be necessary to secure the Obligations; (D) the granting of certain other "financial assistance" (within the meaning of Section 854(14) of the General Municipal Law) 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 with the Obligations, the "Financial Assistance"); and

(E) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency.

In connection with the 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 Agency's Uniform Tax Exemption Policy (the "Policy"). The Proposed Agreement would not provide any abatements for any special assessments levied on the Project Facility. The Proposed Pilot Agreement would provide that the Company be granted a forty (40) 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 (collectively, with the Facility, the "Improvements") with the Proposed PILOT Agreement starting with a fixed annual payment of \$43,000 for Year 1 with a 3% per year increase in said fixed annual payment every year thereafter for the term of the Proposed Pilot Agreement. Pursuant to Section 856(15) of the General Municipal Law, unless otherwise agreed by the affected tax jurisdictions, payments in lieu of taxes will be allocated among the affected tax jurisdictions in proportion to the amount of real property tax and other taxes which would have been received by each affected tax jurisdiction had the Project Facility not been tax exempt due to the status of the Agency.

The terms of the Proposed Pilot Agreement deviate from the Agency's Policy. The Policy provides that, for a facility similar to the Project Facility, payments in lieu of taxes would normally be 10% of "shelter rents" (aggregate collected annual tenant paid rents less owner paid utilities).

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 July 18, 2013 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 July 18, 2013, 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).

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 senior affordable housing facility.
- 2. The present use of the property:** The present use of the property consists of senior affordable housing.
- 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 filing of the Application, the economic condition of the area in which the Project Facility is located is generally average.

The reconstruction and renovation of the Project Facility will provide for the continued affordable residential options and services for senior citizens. Such residential options potentially

provide customers for business and entertainment facilities located within the City of Albany (the "City"). 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 Company has represented in the Application that the Project will create sixty construction jobs with estimated construction costs of approximately \$7,369,783.

The Project will retain approximately five (5) permanent private sector jobs with a yearly salary of \$30,000 - \$47,000.

**5. The estimated value of new tax exemptions to be provided:** The estimated value of the tax exemptions for real property taxes, mortgage recording taxes and sales tax have been calculated by the Company and are described in the Application and the accompanying memoranda and schedules. Please advise if you would like us to provide you with copies.

**6. The economic impact of the Proposed Pilot Agreement on affected tax jurisdictions:** The Proposed PILOT Agreement is expected to provide a net benefit to the affected tax jurisdictions in the form of increased municipal revenues under the Proposed PILOT Agreement when compared to the current yearly amount of \$17,000 of real property taxes being paid relating to the Project site.

**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 positive one on the community, as it retains jobs and economic activity in the community and the related housing component to the Project addresses housing needs in the neighborhood.

**8. The amount of private sector investment generated or likely to be generated by the Proposed Pilot Agreement:** The investment by the Company will be approximately \$19,023,331.

**9. The effect of the Project 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 Project 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 residents of the Facility are not anticipated to generate a substantial burden on the highways of the City or the surrounding area. All necessary emergency medical and police services are available.

**12. Anticipated tax revenues:** It is expected that sales tax collections will increase due to retained employment and increased residential units at the reconstructed and renovated Facility.

**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 Proposed PILOT Agreement will assist with reconstruction and renovation of the Facility, which will potentially offer affordable housing options to senior citizens which is a growing need as the nation's population ages.

The Agency will consider the Proposed Pilot Agreement (and the proposed deviation from the Agency's Policy) at the Meeting. The discussion at the Meeting will include a review of (a) the terms of the Pilot Request, (b) other projects where the Agency has approved a deviation from its Policy, and (c) the information contained in this letter and other materials provided by the Company supporting the Pilot Request. Based on the discussion at the Meeting, and the review of any comments received by the Agency with respect to the Pilot Request, the Agency may determine to modify the terms of the Pilot Request.

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

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

Sincerely yours,

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



**BOND RESOLUTION  
TMG-NY ALBANY I, LP PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on August 15, 2013 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
Susan Pedo	Secretary
Hon. Kathy Sheehan	Treasurer
Martin Daley	Member
Lee Eck	Member
Tracy Metzger	Member
C. Anthony Owens	Member

**ABSENT:**

**THE FOLLOWING PERSONS WERE ALSO PRESENT:**

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
Amanda Vitullo	Communications and Marketing Assistant
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Bond Counsel

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Resolution No. \_\_\_\_\_

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE BY CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY OF ITS MULTI-FAMILY HOUSING REVENUE BONDS (TMG-NY ALBANY I, LP PROJECT), SERIES 2013A IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED ELEVEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$11,500,000) AND THE EXECUTION OF VARIOUS DOCUMENTS RELATED THERETO.

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

to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing and 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 issue its revenue bonds to finance the cost of the acquisition, construction and installation of one or more "projects" (as defined in the Act), to acquire, construct and install said projects 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, TMG-NY Albany I, LP, a limited partnership formed under the laws of the State of Delaware (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 or interests in parcels of land containing in the aggregate approximately 1 acre located at 400 Hudson Avenue in the City of Albany, Albany County, New York (the "Land"), together with the existing building containing approximately 130,000 square feet of space located on the Land (the "Facility"); (2) the reconstruction and renovation of the Facility, and (3) the acquisition and installation thereon and therein of various 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 constitute a housing facility to be owned by the Company; (B) the financing of all or a portion of the costs of the foregoing by the issuance of taxable and/or tax-exempt revenue bonds of the Agency in one or more issues or series in an aggregate principal amount sufficient to pay all or a portion of the cost of undertaking the Project, together with necessary incidental costs in connection therewith, presently estimated to be approximately \$9,750,000 and in any event not to exceed \$11,500,000 (the "Bonds"); (C) the granting of certain other "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including exemption from certain sales taxes, deed transfer taxes, mortgage recording taxes and real property taxes (collectively with the Bonds, the "Financial Assistance"); and (D) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to the authorization contained in a resolution adopted by the members of the Agency on December 15, 2011 (the "Inducement Resolution"), the Chairman of the Agency (A) caused notice of a public hearing of the Agency (the "Public Hearing") pursuant to Section 859-a of the Act and Section 147(f) of the Internal Revenue Code of 1986, as amended, 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 April 30, 2013 to the chief executive officers of each county, city, town and school district in which the Project Facility is (or will be) located, (B) caused notice of the Public Hearing to be published on May 2, 2013 in The Times Union, a newspaper of general circulation available to the residents of the City of Albany, Albany County, New York, (C) conducted the Public Hearing on May 16, 2013, at 12:00 o'clock, noon, local time at the offices of the Agency located in the office of the Department of Economic Development and Planning at 21 Lodge Street in the City of Albany, Albany County, New York, and (D) prepared a report of the Public Hearing (the "Public Hearing Report") which fairly summarized the views presented at said Public Hearing and distributed same to the members of the Agency and to the Mayor of the City of Albany, New York (the "Mayor"); and

WHEREAS, by resolution adopted by the members of the Agency on July 19, 2013 (the “Commercial Findings Resolution”), the members of the Agency determined, following a review of the Project Qualification Documents (as defined in the Commercial Findings Resolution, that the Project constitutes a “commercial” project under the Act; and

WHEREAS, by resolution adopted by the members of the Agency on August 15, 2013 (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 terms of a payment in lieu of tax agreement to be entered into by the Agency with respect to the Project; 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 adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6NYCRR Part 617, as amended (the “Regulations” and collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on July 19, 2013 (the “SEQR Resolution”), the Agency determined that the Project constituted a “Type II action” (as such quoted term is defined under SEQRA), and therefore that no further action with respect to the Project was required under SEQRA with respect to the Project; and

WHEREAS, the Company has requested that the Agency sell its Multi-Family Housing Revenue Bonds (TMG-NY Albany I, LP Project), Series 2013A in the aggregate principal amount not to exceed \$11,500,000 (the “Bonds”) for the purpose of providing funds to pay a portion of the costs of the Project, together with necessary incidental expenses in connection therewith; and

WHEREAS, the Bonds are to be issued under this resolution (the “Bond Resolution”) and a trust indenture dated as of August 1, 2013 (the “Indenture”) by and between the Agency and a commercial bank and trust company (for convenience hereinafter referred to as the “Trustee”) for the holders of the Bonds; and

WHEREAS, prior to or simultaneously with the issuance of the Bonds, (A) the Company and the Agency will execute and deliver a certain lease agreement (the “Underlying Lease”), pursuant to which the Company has agreed to sublease the Land to the Agency, (B) the Company will execute and deliver (1) a certain license agreement dated as of August 1, 2013 (the “License to Agency”) by and between the Company, as licensor, and the Agency, as licensee, pursuant to which the Company will grant to the Agency a license to enter upon the Land for the purpose of undertaking and completing the Project and, in the event of an occurrence of an Event of Default by the Company, an additional license to enter upon the Land for the purpose of pursuing its remedies under the Installment Sale Agreement (as hereinafter defined), and (2) a bill of sale dated as of August 1, 2013 (the “Bill of Sale to Agency”) from the Company to the Agency, pursuant to which the Company will convey to the Agency the Company’s interest in the portion of the Project Facility constituting fixtures and other personal property, (C) the Agency will execute and deliver (1) an installment sale agreement dated as of August 1, 2013 (the “Installment Sale Agreement”) by and between the Agency and the Company and (2) certain other documents related to the Project and to the Bonds, and (D) a 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 (collectively with the Indenture and the Installment Sale Agreement, the “Financing Documents”); and

WHEREAS, pursuant to the terms of the Installment Sale Agreement, (A) the Company will agree (1) to cause the Project Facility to be acquired, reconstructed and installed, (2) as agent of the Agency, to undertake the acquisition, reconstruction and installation of the Project Facility, (3) to purchase the Project Facility from the Agency, and (4) to make certain installment purchase payments to

or upon the order of the Agency as the purchase price for the Project Facility, which installment purchase payments shall include amounts equal to the debt service payments due on the Bonds, and (B) the Agency will agree to (1) undertake the Project, (2) appoint the Company as agent of the Agency to acquire, reconstruct and install the Project Facility, and (3) sell the Project Facility to the Company; and

WHEREAS, as security for the Bonds, the Agency will execute and deliver to the Trustee a pledge and assignment dated as of August 1, 2013 (the “Pledge and Assignment”) from the Agency to the Trustee, which Pledge and Assignment will assign to the Trustee certain of the Agency’s rights under the Installment Sale Agreement; and

WHEREAS, pursuant to the Pledge and Assignment, installment purchase payments made by the Company under the Installment Sale Agreement are to be paid directly to the Trustee; and

WHEREAS, to further secure the Bonds, the Company and the Agency will execute and deliver to the Trustee (A) a mortgage dated as of August 1, 2013 (the “Mortgage”) which grants to the Trustee a mortgage lien on and security interest in the Project Facility, and (B) an assignment of leases and rents dated as of August 1, 2013 (the “Assignment of Rents”) which assigns to the Trustee all leases affecting the Project Facility and the rents payable thereunder; and

WHEREAS, the Company’s obligations under the Installment Sale Agreement will be further secured by a guaranty dated as of August 1, 2013 (the “Guaranty”) from the Company to the Trustee; and

WHEREAS, the Bonds will be initially purchased by M&T Realty Capital Corporation (the “Underwriter”) pursuant to a bond purchase agreement dated as of August \_\_, 2013 (the “Bond Purchase Agreement”) by and between the Underwriter and the Company and consented to by the Agency. To assure compliance with the continuing disclosure requirements imposed by the Securities and Exchange Commission, the Company will execute and deliver to the Underwriter a continuing disclosure undertaking dated as of August 1, 2013 (the “Continuing Disclosure Agreement”); and

WHEREAS, the Bonds will be issued as “book-entry-only” obligations to be held by The Depository Trust Company, as depository (the “Depository”) for the Bonds, and, to comply with the requirements of the Depository, the Agency and the Trustee will execute and deliver to the Depository a letter of representations (the “Depository Letter”) relating to the Bonds; and

WHEREAS, pursuant to Section 146 of the Code, the Company has previously applied to the New York Department of Economic Development (“NYSDER”) for an allocation of private activity bond volume cap (“Volume Cap”) for the Bonds; and

WHEREAS, pursuant to a notification of allocation adjustment from NYSDER (the “Volume Cap Notice”), NYSDER has notified the Agency that the Agency has been allocated sufficient Volume Cap to permit issuance of the Bonds; and

WHEREAS, to demonstrate compliance with the provisions of the Code relating to the issuance of tax-exempt obligations, (A) the Agency will (1) execute an arbitrage certificate dated the date of delivery of the Bonds (the “Arbitrage Certificate”) relating to certain requirements set forth in Section 148 of the Code relating to the Bonds, (2) execute a completed Internal Revenue Service Form 8038 (Information Return for Private Activity Bonds) relating to the Bonds (the “Information Return”) pursuant to Section 149(e) of the Code, and (3), upon receipt from NYSDER of the certification required by Section 149(e)(2)(F) of the Code (the “Volume Cap Certificate”), file the Information Return with the Internal Revenue Service (the “IRS”), (B) the Company will execute (1) a land use restriction agreement dated as of August 1, 2013 (the “Land Use Restriction Agreement”) relating to the requirements in

Sections 142 of the Code, and (2) a tax regulatory agreement dated the Closing Date (the “Tax Regulatory Agreement”) relating to the requirements in Sections 142, 146, 147, 148 and 149 of the Code, and (C) the Underwriter will execute a letter (the “Issue Price Letter”) confirming the issue price of the Bonds on the Closing Date for purposes of Section 148 of the Code; and

WHEREAS, simultaneously with the issuance of the Bonds, (A) the Agency will execute and deliver to the Company a sales tax exemption (the “Sales Tax Exemption Letter”) to ensure the granting of the sales tax exemption which forms a part of the Financial Assistance and (B) the Agency will file with the New York State Department of Taxation and Finance the form entitled “IDA Appointment of Project Operator or Agent for Sales Tax Purposes” (the form required to be filed pursuant to Section 874(9) of the Act) (the “Thirty-Day Sales Tax Form”); and

WHEREAS, simultaneously with the issuance of the Bonds, (A) the Agency and the Company will execute and deliver a payment in lieu of tax agreement dated as of August 1, 2013 (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 and (B) the Agency will file with the assessor and mail to the chief executive officers of each of the Affected Tax Jurisdictions a copy of a New York State Board of Real Property Services Form RP-412-a (the form required to be filed by the Agency in order for the Agency to obtain a real property tax exemption with respect to the Project Facility under Section 412-a of the Real Property Tax Law) (a “Real Property Tax Exemption Form”) relating to the Project Facility and the Payment in Lieu of tax Agreement;

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

Section 1. The Agency hereby finds and determines that:

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

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

(C) The undertaking and completion of the Project Facility and the sale of the Project Facility on an installment basis to the Company will promote and maintain the job opportunities, general prosperity and economic welfare of the citizens of the City of Albany, New York and the State of New York and improve their standard of living; and

(D) It is desirable and in the public interest for the Agency to issue and sell its Bonds in the aggregate principal amount not to exceed Eleven Million Five Hundred Thousand Dollars (\$11,500,000) upon the terms and conditions set forth in the Bond Purchase Agreement for the purpose of financing a portion of the costs of the undertaking and completion of the Project, together with necessary incidental expenses in connection therewith.

Section 2. In consequence of the foregoing, the Agency hereby determines to (A) subject to Section 7 hereof, issue the Bonds on the terms and conditions set forth in the Indenture, (B) sell the Bonds to the Underwriter pursuant to the Bond Purchase Agreement, (C) use the proceeds of the Bonds to pay a portion of the costs of issuance of the Bonds and a portion of the costs of the acquisition, reconstruction and installation of the Project Facility, (D) acquire an interest in the Project Facility by execution of the Underlying Lease, (E) sell the Project Facility on an installment basis to the Company pursuant to the Installment Sale Agreement, (F) secure the Bonds by assigning to the Trustee pursuant to the Pledge and

Assignment certain of the Agency's rights under the Installment Sale Agreement (except the Unassigned Rights, as defined therein), including the right to collect and receive amounts payable thereunder (except for amounts payable pursuant to the Unassigned Rights), (G) further secure the Bonds by granting to the Trustee a mortgage lien on and security interest in the Project Facility pursuant to the Mortgage, (H) further secure the Bonds by assigning to the Trustee its interest in any leases relating to the Project Facility pursuant to the Assignment of Rents, (I) execute and deliver the Payment in Lieu of Tax Agreement, (J) execute and deliver the Section 875 GML Recapture Agreement, (K) execute the Arbitrage Certificate and the Information Return with respect to the Bonds, (L) allocate to the Bonds a portion of the Agency's Volume Cap in an amount equal to approximately \$11,500,000, and (M) file the Information Return with the IRS.

Section 3. The Agency is hereby authorized to acquire an interest in the real and personal property described in the Underlying Lease, the License to Agency and the Bill of Sale to Agency (collectively, the "Conveyance Documents"), 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 and grant are hereby approved, ratified and confirmed.

Section 4. The form and substance of the Conveyance Documents, the Bonds, the Bond Purchase Agreement, the Installment Sale Agreement, the Mortgage, the Assignment of Rents, the Pledge and Assignment, the Section 875 GML Recapture Agreement, the Payment in Lieu of Tax Agreement, the Arbitrage Certificate and the Information Return (collectively, the "Agency Documents") (in substantially the forms presented to this meeting) are hereby approved.

Section 5. The Agency hereby elects to allocate to the Bonds an approximately \$11,500,000 portion of the Agency's Volume Cap for calendar year 2013.

Section 6. The form and substance of the termination of underlying lease by and between the Agency and the Company (in substantially the form of Exhibit C to the Installment Sale Agreement) (the "Termination of Underlying Lease"), the termination of license agreement by and between the Agency and the Company (in substantially the form of Exhibit D to the Installment Sale Agreement) (the "Termination of License") and the bill of sale from the Agency to the Company (in substantially the form of Exhibit E to the Installment Sale Agreement) (the "Bill of Sale to Company") are hereby approved.

Section 7. Subject to receipt by the Agency of notice from the Mayor of the City of Albany that the Mayor has approved the issuance of the Bonds pursuant to, and solely for purposes of, Section 147(f) of the Code, the Agency is hereby authorized to issue, execute, sell and deliver to the Trustee for authentication its Bonds in the aggregate principal amount of not to exceed Eleven Million Five Hundred Thousand Dollars (\$11,500,000) in the form heretofore approved in Section 4 of this Bond Resolution, and upon authentication thereof the Trustee is hereby authorized to deliver said Bonds to the Underwriter against receipt of the purchase price thereof, all pursuant to the Act and in accordance with the provisions of the Indenture, this Bond Resolution and the Bond Purchase Agreement, provided that

(A) The Bonds authorized to be issued, executed, sold and delivered pursuant to this Section 7 shall (1) be issued, executed and delivered at such time as the Chairman (or Vice Chairman) of the Agency shall determine, and (2) bear interest at the rate or rates, be issued in such form, be subject to redemption prior to maturity and have such other terms and provisions and be issued in such manner and on such conditions as are set forth in the Bonds, in the Bond Purchase Agreement and Schedule A attached hereto or as are hereinafter approved by the Chairman (or Vice Chairman) of the Agency, which terms are specifically incorporated herein by reference with the same force and effect as if fully set forth in this Resolution.

(B) The Bonds shall be issued solely for the purpose of providing funds to finance a portion of the costs of the undertaking and completion of the Project and a portion of the administrative, legal, financial and other expenses of the Agency in connection with the undertaking and completion of the Project Facility and incidental to the issuance of the Bonds.

(C) Neither the members nor officers of the Agency, nor any person executing the Bonds or any of the Financing Documents (as hereinafter defined) on behalf of the Agency, shall be liable thereon or be subject to any personal liability or accountability by reason of the execution, issuance or delivery thereof. The Bonds and the interest thereon are not and shall never be a debt of the State of New York, the City of Albany, New York or any political subdivision thereof (other than the Agency), and neither the State of New York, the City of Albany, New York nor any political subdivision thereof (other than the Agency) shall be liable thereon.

(D) The Bonds, together with interest payable thereon, shall be special obligations of the Agency payable solely from certain of the revenues and receipts derived from the sale or other disposition of the Project Facility or from the enforcement of the security provided by the Financing Documents (as hereinafter defined) and the Guaranty and the other security pledged to the payment thereof.

(E) Notwithstanding any other provision of this Resolution, the Agency covenants that it will make no use of the proceeds of the Bonds or of any other funds (other than the Agency's administrative fee) which, if such use had been reasonably expected on the date of issuance of the Bonds, would have caused any of the Bonds to be an "arbitrage bond" within the meaning of Section 148 of the Code.

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 the other documents related thereto (collectively with the Agency Documents, the "Financing 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 substantially the forms thereof presented to this meeting with such changes, variations, omissions and insertions 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 Installment Sale Agreement).

(C) The Chairman (or Vice Chairman) of the Agency is hereby further authorized to execute the Termination of Underlying Lease, the Termination of License and the Bill of Sale to Company and to deliver same to the Company as provided in the Installment Sale 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 Financing 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 Financing Documents binding upon the Agency.

Section 10. This Resolution shall take effect immediately and the Bonds are hereby ordered to be issued in accordance with this Resolution.

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	_____
Susan Pedo	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
Lee Eck	VOTING	_____
Tracy Metzger	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 annexed extract of the minutes of the meeting of the Agency, including the resolution contained therein, held on August 15, 2013, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting, (B) said meeting was in all 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 public notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law and (D) there was a quorum of the members of the Agency present throughout said meeting.

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 15th day of August, 2013.

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(Assistant) Secretary

(S E A L)

SCHEDULE A

TERMS OF THE INITIAL BONDS

August 12, 2013

Mr. Michael Yevoli  
Commissioner, City of Albany of Planning and Development  
21 Lodge Street  
Albany, NY 12207

RE: 425 New Scotland Avenue  
City of Albany, NY

Dear Mr. Yevoli:

As you know St. Peter's Hospital would like to utilize the building located at 425 New Scotland Avenue, City of Albany ("Project Site") for hospital financial, information services and billing services. Since there are only 17 on-site parking spaces but approximately 78 employees slotted to work at this facility, St. Peter's has developed a parking plan to ensure employees do not utilize resident parking spaces in the surrounding neighborhood.

St. Peter's Hospital currently maintains over 2,500 parking spaces for patients, visitors and staff on-campus at 315 South Manning Boulevard in the City of Albany. This parking provides a safe and convenient solution to the hospital's parking needs without monopolizing parking spaces on the surrounding streets. There is ample additional parking available on-campus to satisfy the parking needs for the Project. Therefore, St. Peter's intends to extend its current shuttle services to the Project Site and require project employees to use this shuttle. Employees working at the Project Site will be prohibited from parking at 425 New Scotland Avenue and on the streets in the neighborhood of the project.

St. Peter's currently offers free shuttle service to the hospital and surrounding medical office buildings. St. Peter's will expand its existing shuttle service from the Project Site to the 315 South Manning Boulevard parking lots and garages and require staff to use this service. By expanding its current shuttle service to include pickup and delivery of 425 New Scotland staff, the hospital will ensure that neighboring residents do not lose use of the existing on-street parking adjacent to the Project Site. Shuttle stops will be scheduled at the beginning and end of each workday as well as three times in the morning and three times in the afternoon to provide the staff convenient daytime access to their vehicles. In addition, a dedicated phone line will be established for unscheduled or emergency shuttle requests.

Lastly, it should be noted that the distance between 425 New Scotland Avenue and the St. Peter's campus is less than 1.5 miles. This proximity, coupled with the frequency and convenience that this plan provides will enable St. Peter's to utilize this vacant building while maintaining its respectful presence in the community it serves.

Should you require any additional information, please do not hesitate to contact me at 518-525-1042.



Michael F. Whelan  
VP, Facilities Management & Supply Chain  
St. Peter's Health Partners



Offices

Indianapolis  
Washington DC  
San Francisco  
Denver  
Minneapolis

800 E. 96th Street  
Suite 175  
Indianapolis, IN 46240  
tel: 317.843.5959  
fax: 317.843.5957

July 8, 2013

*Via Regular Mail and email*

Mr. Bradley Chevalier  
City of Albany Industrial Development Agency  
c/o Department of Economic Development  
21 Lodge Street  
Albany, New York 12207

RE: American Tire Project at 55 Commerce Avenue, Albany, NY

Dear Mr. Chevalier:

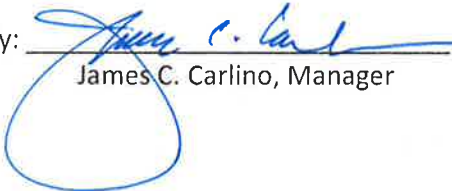
As you are aware, the undersigned, Scannell Properties #145, LLC, is the owner of the property commonly known as 55 Commerce Avenue, Albany, New York, and has a PILOT arrangement in place with your agency. We recently completed the construction of a warehouse for our tenant, American Tire Distributors, Inc. The tenant has taken possession of the building and is paying rent. In addition, we have completed the investment portion of the commitment under this PILOT arrangement.

The purpose of this letter is to inform the agency that we are currently under contract to sell the property to Cole AT Albany NY, LLC, a Delaware limited liability company, located out of Phoenix, Arizona. The buyer is an affiliate of a well-known REIT by the name of Cole Real Estate Investments, Inc. To learn more about them, here is a link to its web-site: <https://www.colecapital.com/>. We are anticipating the closing on the sale to take place at the end of July or early August. The buyer would like to participate in the PILOT program and, therefore, we are contacting you to request an assignment of the PILOT documents to Cole AT Albany NY, LLC.

At your earliest convenience, please let us know what additional information or documents you may need in order to start the process of this assignment. We look forward to hearing from you soon.

Best Regards,

Scannell Properties #145, LLC

By:   
James C. Carlino, Manager

dhc:

cc: Christopher Martell *(via email)*  
Erik Smith *(via email)*

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY**

**APPLICATION**

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IMPORTANT NOTICE: The answers to the questions contained in this application are necessary to determine your firm's eligibility for financing and other assistance from the City of Albany Industrial Development Agency. These answers will also be used in the preparation of papers in this transaction. Accordingly, all questions should be answered accurately and completely by an officer or other employee of your firm who is thoroughly familiar with the business and affairs of your firm and who is also thoroughly familiar with the proposed project. This application is subject to acceptance by the Agency.  
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TO: CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY  
c/o Department of Economic Development  
21 Lodge Street  
Albany, New York 12207

This application by applicant respectfully states:

APPLICANT: Cole AT Albany NY, LLC, a Delaware limited liability company

APPLICANT'S ADDRESS: 2325 East Camelback Road, Suite 1100

CITY: Phoenix STATE: AZ ZIP CODE: 85020

PHONE NO.: 602-778-6162 FAX NO.: 480-449-7023 E-MAIL: karen.halpert@ColeREIT.com

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

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

NAME OF ATTORNEY: Kevin T. Lytle of Snell & Wilmer L.L.P.

ATTORNEY'S ADDRESS: One Arizona Center, 400 East Van Buren Street

CITY: Phoenix STATE: AZ ZIP CODE: 85004-2202

PHONE NO.: 602-382-6065 FAX NO.: 602-382-6070 E-MAIL: klytle@swlaw.com

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NOTE: PLEASE READ THE INSTRUCTIONS ON PAGE 2 HEREOF BEFORE FILLING OUT THIS FORM.  
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## INSTRUCTIONS

1. The Agency will not approve any application unless, in the judgment of the Agency, said application and the summary contains sufficient information upon which to base a decision whether to approve or tentatively approve an action.
2. Fill in all blanks, using “none” or “not applicable” or “N/A” where the question is not appropriate to the project which is the subject of this application (the “Project”).
3. If an estimate is given as the answer to a question, put “(est)” after the figure or answer which is estimated.
4. If more space is needed to answer any specific question, attach a separate sheet.
5. When completed, return eight (8) copies of this application to the Agency at the address indicated on the first page of this application.
6. The Agency will not give final approval to this application until the Agency receives a completed environmental assessment form concerning the Project which is the subject of this application.
7. Please note that Article 6 of the Public Officers Law declares that all records in the possession of the Agency (with certain limited exceptions) are open to public inspection and copying. If the applicant feels that there are elements of the Project which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the applicant’s competitive position, the applicant may identify such elements in writing and request that such elements be kept confidential in accordance with Article 6 of the Public Officers Law.
8. The applicant will be required to pay to the Agency all actual costs incurred in connection with this application and the Project contemplated herein (to the extent such expenses are not paid out of the proceeds of the Agency’s bonds issued to finance the project). The applicant will also be expected to pay all costs incurred by general counsel and bond counsel to the Agency. The costs incurred by the Agency, including the Agency’s general counsel and bond counsel, may be considered as a part of the project and included as a part of the resultant bond issue.
9. The Agency has established an application fee of One Thousand Five Hundred Dollars (\$1,500) to cover the anticipated costs of the Agency in processing this application. A check or money order made payable to the Agency must accompany each application. **THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS ACCOMPANIED BY THE APPLICATION FEE.**

FOR AGENCY USE ONLY

1. Project Number	
2. Date application Received by Agency	, 20
3. Date application referred to attorney for review	, 20
4. Date copy of application mailed to members	, 20
5. Date notice of Agency meeting on application posted	, 20
6. Date notice of Agency meeting on application mailed	, 20
7. Date of Agency meeting on application	, 20
8. Date Agency conditionally approved application	, 20
9. Date scheduled for public hearing	, 20
10. Date Environmental Assessment Form ("EAF") received	, 20
11. Date Agency completed environmental review	, 20
12. Date of final approval of application	, 20

## SUMMARY OF PROJECT

Applicant: Cole AT Albany NY, LLC

Contact Person: Karen Halpert

Phone Number: 602-778-6162

Occupant: Cole AT Albany NY, LLC

**Project Location:** 55 Commerce Avenue, Albany

Approximate Size of Project Site: 7.8 acres (+/-)

Description of Project: The sale of a new 124,863 square foot distribution facility and related improvements leased to American Tire Distributors, Inc. pursuant to a 10-year, triple net lease with two five-year renewal options. It is intended the building will be expandable to 155,000 square feet.

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

Employment Impact: Existing Jobs : 17 (created in 2013)  
New Jobs : 8 (future)

Project Cost: \$ N/A

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

Amount of Bonds Requested: \$ 0

Estimated Value of Tax-Exemptions:

N.Y.S. Sales and Compensating Use Tax:	\$ 0.00
Mortgage Recording Taxes:	\$ 0.00
Real Property Tax Exemptions:	\$ 304,756.00
Other (please specify):	\$



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

A. Identity of Company:

1. Company Name: Cole AT Albany NY, LLC

Present Address: 2325 East Camelback Road, Suite 1100, Phoenix, AZ 85016

Employer's ID No.: 27-2432028

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

3. Indicate type of business organization of Company:

a. \_\_\_\_\_ Corporation (If so, incorporated in what country?  
What State?

Date Incorporated?

Type of Corporation? \_\_\_\_\_

Authorized to do business in New York? Yes \_\_\_\_; No \_\_\_\_).

b. \_\_\_\_\_ Partnership (if so, indicate type of partnership \_\_\_\_\_,  
Number of general partners \_\_\_\_, Number of limited partners \_\_\_\_).

c. X - Delaware Limited liability Company,  
Date created? September 11, 2012.

d. \_\_\_\_\_ Sole proprietorship

4. Is the Company a subsidiary or direct or indirect affiliate of any other organization(s)? If so, indicate name of related organization(s) and relationship:

The Company is a wholly-owned subsidiary of Cole Corporate Income Operating Partnership, LP, a Delaware limited partnership.

B. Management of Company:

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

NAME (First, Middle, Last) HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
		Cole Corporate Income Advisors, LLC  Cole Corporate Income Operating Partnership, LLP

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

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

4. Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated a bankrupt? Yes \_\_\_\_; No X. (If yes to any of the foregoing, furnish details in a separate attachment).

5. If the answer to any of questions 2 through 4 is yes, please, furnish details in a separate attachment.

C. Principal Owners of Company:

1. Principal owners of Company: Is Company publicly held? Yes \_\_\_\_; No X. If yes, list exchanges where stock traded:

2. If no, list all stockholders having a 5% or more interest in the Company:

NAME	ADDRESS	PERCENTAGE OF HOLDING
None		No shareholder owns 5% or more of the company

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

II. DATA REGARDING PROPOSED PROJECT

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

The sale of a new 124,863 square foot distribution facility and related improvements leased to American Tire Distributors, Inc. pursuant to a 10-year, triple net lease with two five-year renewal options.

B. Location of Proposed Project:

1. Street Address: 55 Commerce Avenue
2. City of Albany
3. Town of NA
4. Village of NA
5. County of Albany

C. Project Site:

1. Approximate size (in acres or square feet) of Project site: 7.8 acres  
Is a map, survey or sketch of the project site attached? Yes X; No \_\_\_\_.
2. Are there existing buildings on project site? Yes X; No \_\_\_\_.
  - a. If yes, indicate number and approximate size (in square feet) of each existing building:

One (1) building totaling 124,863 SF

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

Present use of the building is as a warehouse and distribution facility of tires and tire products, and general office uses.

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

- d. Attach photograph of present buildings. Attached.

3. Utilities serving project site:  
Water-Municipal: City of Albany Water – There is a 12” water line in Commerce Avenue with two hydrants along the project frontage.  
Other (describe)  
Sewer-Municipal: City of Albany Sewer – There is a 12” sewer line in Commerce Avenue.  
Other (describe)  
Electric-Utility: National Grid/Niagra Mohawk – rework existing.  
Other (describe)  
Heat-Utility: TBD – rework existing.  
Other (describe)
4. Present legal owner of project site: Scannell Properties #145, LLC

- a. If the Company owns project site, indicate date of purchase:  
\_\_\_\_N/A\_\_\_\_, 20\_\_\_\_; Purchase price: \$\_\_\_\_N/A\_\_\_\_.

b. If Company does not own the Project site, does Company have option signed with owner to purchase the Project site? Yes X; No \_\_\_\_\_. If yes, indicate date option signed with owner: March 20, 2013

c. If the Company does not own the project site, is there a relationship legally or by common control between the Company and the present owners of the project site? Yes \_\_\_\_; No X. If yes, describe:

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

M-1 General Industrial District

b. Are there any variances or special permits affecting the site? Yes X; No \_\_\_\_\_. If yes, list below and attach copies of all such variances or special permits:

Area Variance to reduce the required amount of parking as well as a parking lot permit.

D. Buildings:

1. Does part of the project consist of a new building or buildings? Yes X; No \_\_\_\_\_. If yes, indicate number and size of new buildings:

One (1) new 124,863 square foot concrete tilt wall building.

2. Does part of the project consist of additions and/or renovations to the existing buildings? Yes \_\_\_\_; No X. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation:

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

Warehousing and distribution of tires and tire products, and general office uses.

E. Description of the Equipment:

1. Does a part of the Project consist of the acquisition or installation of machinery, equipment or other personal property (the "Equipment")? Yes X; No \_\_\_\_\_. If yes, describe the Equipment:

HVAC, plumbing, as well as equipment in the facility specifically for the tenant.

2. With respect to the Equipment to be acquired, will any of the Equipment be Equipment which has previously been used? Yes X; No \_\_\_\_\_. If yes, please provided detail:

Previously installed as part of initial construction.

3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed:

The principal uses by the Company of the Equipment installed are for the operation of the building.

F. Project Use:

1. What are the principal products to be produced at the Project?

N/A

2. What are the principal activities to be conducted at the Project?

The principal activities to be conducted at the project site are storage of tires and related products on fixed metal raking, operation of forklifts, and activities involving customers picking-up and paying for inventory.

3. Does the Project include facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities? Yes \_\_\_\_; No X. If yes, please provide detail:

N/A

4. If the answer to question 3 is yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project? N/A %

5. If the answer to question 3 is yes, and the answer to question 4 is more than 33.33%, indicate whether any of the following apply to the Project: N/A

- a. Will the Project be operated by a not-for-profit corporation? Yes \_\_\_\_; No \_\_\_\_\_. If yes, please explain:

N/A

- b. Is the Project likely to attract a significant number of visitors from outside the economic development region in which the Project will be located? Yes \_\_\_\_; No \_\_\_\_\_. If yes, please explain:

N/A

- c. Would the Project occupant, but for the contemplated financial assistance from the Agency, locate the related jobs outside the State of New York? Yes\_\_\_\_; No\_\_\_\_. If yes, please explain:

N/A

- d. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonable accessible to the residents of the city, town or village within which the Project will be located, because of a lack of reasonably accessible retail trade facilities offering such goods or services? Yes\_\_\_\_; No\_\_\_\_. If yes, please provide detail:

N/A

- e. Will the Project be located in one of the following: (i) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (ii) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most recent census data, has (x) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? Yes\_\_\_\_; No\_\_\_\_. If yes, please explain: \_\_\_\_\_

N/A

6. If the answers to any of subdivisions c. through e. of question 5 is yes, will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York? Yes\_\_\_\_; No\_\_\_\_. If yes, please explain: N/A

7. Will the completion of the Project result in the removal of a plant or facility of the Company or another proposed occupant of the Project (a "Project Occupant") from one area of the State of New York to another area of the State of New York? Yes\_\_\_\_; No\_\_X\_\_. If yes, please explain:

8. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Company located in the State of New York? Yes\_\_\_\_; No\_\_X\_\_. If yes, please provide detail:

9. If the answer to either question 7 or question 8 is yes, indicate whether any of the following apply to the Project:

- a. Is the Project reasonably necessary to preserve the competitive position of the Company on such Project Occupant in its industry? Yes\_\_\_\_; No\_\_\_\_. If yes, please provide detail:

N/A

- b. Is the Project reasonably necessary to discourage the Company or such Project Occupant from removing such other plant or facility to a location outside the State of New York? Yes\_\_\_\_; No\_\_\_\_. If yes, please provide detail:

N/A

G. Other Involved Agencies:

1. Please indicate all other local agencies, boards, authorities, districts, commissions or governing bodies (including any city, county and other political subdivision of the State of New York and all state departments, agencies, boards, public benefit corporations, public authorities or commissions) involved in approving or funding or directly undertaking action with respect to the Project. For example, do you need a municipal building permit to undertake the Project? Do you need a zoning approval to undertake the Project? If so, you would list the appropriate municipal building department or planning or zoning commission which would give said approvals.

N/A

2. Describe the nature of the involvement of the federal, state or local agencies described above:

N/A

H. Construction Status:

1. Has construction work on this project begun? Yes \_\_X\_\_; No \_\_\_\_\_. If yes, please discuss in detail the approximate extent of construction and the extent of completion. Indicate in your answer whether such specific steps have been completed as site clearance and preparation; completion of foundations; installation of footings; etc.:

The project is completed.

2. Please indicate amount of funds expended on this project by the Company in the past three (3) years and the purposes of such expenditures:

N/A

I. Method of Construction After Agency Approval:

1. If the Agency approves the project which is the subject of this application, there are two methods that may be used to construct the project. The applicant can construct the project privately and sell the project to the Agency upon completion. Alternatively, the applicant can request to be appointed as "agent" of the Agency, in which case certain laws applicable to public construction may apply to the project. Does the applicant wish to be designated as "agent" of the Agency for purposes of constructing the project? Yes \_\_\_\_; No X.

2. If the answer to question 1 is yes, does the applicant desire such "agent" status prior to the closing date of the financing? Yes \_\_\_\_; No X.

III. INFORMATION CONCERNING LEASES OR SUBLEASES OF THE PROJECT. (PLEASE COMPLETE THE FOLLOWING SECTION IF THE COMPANY INTENDS TO LEASE OR SUBLEASE ANY PORTION OF THE PROJECT).

A. Does the Company intend to lease or sublease more than 10% (by area or fair market value) of the Project? Yes \_\_\_\_; No X (see III(B) below). If yes, please complete the following for each existing or proposed tenant or subtenant:

1. Sublessee name: N/A  
Present Address:  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Employer's ID No.: \_\_\_\_\_  
Sublessee is:  
\_\_\_\_\_ Corporation: \_\_\_\_\_ Partnership: \_\_\_\_\_ Sole Proprietorship  
Relationship to Company:  
Percentage of Project to be leased or subleased:  
Use of Project intended by Sublessee:  
Date of lease or sublease to Sublessee:  
Term of lease or sublease to Sublessee: \_\_\_\_\_  
Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes \_\_\_\_; No \_\_\_\_\_. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.



2. Sublessee name: N/A  
 Present Address:  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
 Employer's ID No.: \_\_\_\_\_  
 Sublessee is: \_\_\_\_\_  
 \_\_\_\_\_ Corporation: \_\_\_\_\_ Partnership: \_\_\_\_\_ Sole Proprietorship  
 Relationship to Company: \_\_\_\_\_  
 Percentage of Project to be leased or subleased: \_\_\_\_\_  
 Use of Project intended by Sublessee: \_\_\_\_\_  
 Date of lease or sublease to Sublessee: \_\_\_\_\_  
 Term of lease or sublease to Sublessee: \_\_\_\_\_  
 Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes \_\_\_\_; No \_\_\_\_\_. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.
3. Sublessee name: N/A  
 Present Address:  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
 Employer's ID No.: \_\_\_\_\_  
 Sublessee is: \_\_\_\_\_ Corporation: \_\_\_\_\_ Partnership: \_\_\_\_\_ Sole Proprietorship  
 Relationship to Company: \_\_\_\_\_  
 Percentage of Project to be leased or subleased: \_\_\_\_\_  
 Use of Project intended by Sublessee: \_\_\_\_\_  
 Date of lease or sublease to Sublessee: \_\_\_\_\_  
 Term of lease or sublease to Sublessee: \_\_\_\_\_  
 Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes \_\_\_\_; No \_\_\_\_\_. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

B. What percentage of the space intended to be leased or subleased is now subject to a binding written lease or sublease? 100% is currently leased by Scannell Properties #145, LLC, an Indiana limited liability company, as Landlord, to American Tire Distributors, Inc., a Delaware corporation, whose address is P.O. Box 3145, Huntersville, NC, 28070-3145, as Tenant, under the Commercial Lease Agreement dated July 31, 2012, as amended by the Amendment to Commercial Lease Agreement dated July \_\_\_, 2013. It is a 10-year, triple net lease with two, five-year renewal options. No portion of the leased space will be primarily used in making retail sales of goods or services to customers who personally visit the Project.

#### IV. Employment Impact

A. Indicate below the number of people presently employed at the project site and the number that will be employed at the project site at end of the first and second years after the project has been completed (Do not include construction workers). Also indicate below the number of workers employed at the project site representing newly created positions as opposed to positions relocated from other project sites of the applicant. Such information regarding

relocated positions should also indicate whether such positions are relocated from other project sites financed by obligations previously issued by the Agency.

TYPE OF EMPLOYMENT					
	PROFESSIONAL MANAGERIAL	SKILLED	SEMI- SKILLED	UNSKILLED	TOTALS
Present Full Time	3	0	14	0	17
Present Part Time	0	0	0	0	0
Present Seasonal	0	0	0	0	0
First Year Full Time	5	0	20	0	25
First Year Part Time	0	0	0	0	0
First Year Seasonal	0	0	0	0	0
Second Year Full Time	5	0	20	0	25
Second Year Part Time	0	0	0	0	0
Second Year Seasonal	0	0	0	0	0

B. Please prepare a separate attachment describing in detail the types of employment at the project site. Such attachment should describe the activities or work performed for each type of employment. Attached

V. Project Cost

A. Anticipated Project Costs. State the costs reasonably necessary for the acquisition of the project site and the construction of the proposed project including the acquisition and installation of any machinery and equipment necessary or convenient in connection therewith, and including any utilities, access roads or appurtenant facilities, using the following categories:

N/A. Project is complete.

<u>Description of Cost</u>	<u>Amount</u>
Land	\$ _____
Buildings	\$ _____

Machinery and equipment costs	\$ _____
Utilities, roads and appurtenant costs	\$ _____
Architects and engineering fees	\$ _____
Costs of Bond issue (legal, financial and printing)	\$ _____
Construction loan fees and interest	\$ _____
(if applicable)	\$ _____
Other (specify)	\$ _____
_____	\$ _____
_____	\$ _____
 TOTAL PROJECT COST	 \$ _____

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

Project completed.

V. BENEFITS EXPECTED FROM THE AGENCY

A. Financing

1. Is the applicant requesting that the Agency issue bonds to assist in financing the project? Yes \_\_\_\_; No X\_\_\_\_. If yes, indicate:
  - a. Amount of loan requested: N/A Dollars;
  - b. Maturity requested: \_\_\_\_\_ Years.
2. Is the interest on such bonds intended to be exempt from federal income taxation? N/A Yes \_\_\_\_; No \_\_\_\_.
3. If the answer to question 2 is yes, will any portion of the Project be used for any of the following purposes: N/A
  - a. retail food and beverage services: Yes \_\_\_\_; No \_\_\_\_
  - b. automobile sales or service: Yes \_\_\_\_; No \_\_\_\_
  - c. recreation or entertainment: Yes \_\_\_\_; No \_\_\_\_
  - d. golf course: Yes \_\_\_\_; No \_\_\_\_
  - e. country club: Yes \_\_\_\_; No \_\_\_\_
  - f. massage parlor: Yes \_\_\_\_; No \_\_\_\_
  - g. tennis club: Yes \_\_\_\_; No \_\_\_\_
  - h. skating facility (including roller skating, skateboard and ice skating): Yes \_\_\_\_; No \_\_\_\_
  - j. racquet sports facility (including handball and racquetball court): Yes \_\_\_\_; No \_\_\_\_
  - k. hot tub facility: Yes \_\_\_\_; No \_\_\_\_
  - l. suntan facility: Yes \_\_\_\_; No \_\_\_\_
  - m. racetrack: Yes \_\_\_\_; No \_\_\_\_

4. If the answer to any of the above questions contained in question 3 is yes, please furnish details on a separate attachment. N/A
5. Is the Project located in the City's federally designated Enterprise Zone? Yes \_\_\_\_; No \_\_\_\_\_. N/A
6. Is the applicant requesting the Agency to issue federally tax-exempt Enterprise Zone bonds? Yes \_\_\_\_; No X\_\_\_\_\_.

B. Tax Benefits

1. Is the applicant requesting any real property tax exemption that would not be available to a project that did not involve the Agency? Yes X\_\_\_\_; No \_\_\_\_.
2. Is the applicant expecting that the financing of the Project will be secured by one or more mortgages? Yes \_\_\_\_; No X\_\_\_\_. If yes, what is the approximate amount of financing to be secured by mortgages? \$ N/A\_\_\_\_\_.
3. Is the applicant expecting to be appointed agent of the Agency for purposes of avoiding payment of N.Y.S. Sales Tax or Compensating Use Tax? Yes \_\_\_\_; No X\_\_\_\_. If yes, what is the approximate amount of purchases which the applicant expects to be exempt from the N.Y.S. Sales and Compensating Use Taxes? \$ N/A\_\_\_\_\_.
4. What is the estimated value of each type of tax-exemption being sought in connection with the Project? Please detail the type of tax-exemption and value of the exemption.

a.	N.Y.S. Sales and Compensating Use Taxes:	\$ <u>0.00</u>
b.	Mortgage Recording Taxes:	\$ <u>0.00</u>
c.	Real Property Tax Exemptions:	\$ <u>304,756.00</u>
d.	Other (please specify):	\$ _____
	_____	\$ _____
	_____	\$ _____

5. Are any of the tax-exemptions being sought in connection with the Project inconsistent with the Agency's tax-exemption policy contained in its Rules and Regulations? Yes \_\_\_\_; No X\_\_\_\_. If yes, please explain.

6. Is the Project located in the City's state designated Empire Zone? Yes \_\_\_\_; No \_\_\_\_\_. N/A

C. Project Cost/Benefit Information. Complete the attached Cost/Benefit Analysis so that the Agency can perform a cost/benefit analysis of undertaking the Project. Such information should consist of a list and detailed description of the benefits of the Agency undertaking the Project (e.g., number of jobs created, types of jobs created, economic development in the area, etc.). Such information should also consist of a list and detailed description of the costs of the Agency undertaking the Project (e.g., tax revenues lost, buildings abandoned, etc.).

VI. REPRESENTATIONS BY THE APPLICANT. The applicant understands and agrees with the Agency as follows:

A. Job Listings. Except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOC") and with the administrative entity (collectively with the DOC, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.

B. First Consideration for Employment: In accordance with Section 858-b(2) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.

C. City Human Rights Law. The Applicant agrees to endeavor to comply with the provisions of Article XI, Division 2 of the City Code, entitled "The Omnibus Human Rights Law". The Applicant understands that it is not subject to the provisions of The Omnibus Human Rights Law.


D. Annual Sales Tax Filings. In accordance with Section 874(8) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the applicant and all consultants or subcontractors retained by the applicant.

F. Annual Employment Reports: The applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site.

G. Absence of Conflicts of Interest: The applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

Cole AT Albany NY, LLC  
a Delaware limited liability company

By: Cole Corporate Income Advisors, LLC, a  
Delaware limited liability company, its Manager

By:   
Todd J. Weiss, Sr. Vice President

NOTE: APPLICANT MUST ALSO COMPLETE THE APPROPRIATE VERIFICATION  
APPEARING ON PAGES 18 THROUGH 21 HEREOF BEFORE A NOTARY PUBLIC AND MUST  
SIGN AND ACKNOWLEDGE THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 22

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VERIFICATION

(If Applicant is a Corporation)

STATE OF \_\_\_\_\_ )  
 ) SS.:  
COUNTY OF \_\_\_\_\_ )

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

\_\_\_\_\_ of \_\_\_\_\_,  
(Title) (Company Name)

the corporation named in the attached application; that he has read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. Deponent further says that the reason this verification is made by the deponent and not by said company is because the said company is a corporation. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as an officer of and from the books and papers of said corporation.

\_\_\_\_\_  
(officer of applicant)

Sworn to before me this  
\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
(Notary Public)

VERIFICATION

(If applicant is sole proprietor)

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ) SS.:

\_\_\_\_\_, deposes and says  
(Name of Individual)

that he has read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application.

Sworn to before me this  
\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
(Notary Public)



VERIFICATION

(If applicant is partnership)

STATE OF \_\_\_\_\_ )  
 ) SS.:  
COUNTY OF \_\_\_\_\_ )

\_\_\_\_\_, deposes and says

(Name of Individual)

that he is one of the members of the firm of \_\_\_\_\_,

(Partnership Name)

the partnership named in the attached application; that he has read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as a member of and from the books and papers of said partnership.

Sworn to before me this  
\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
(Notary Public)

## VERIFICATION

(If applicant is limited liability company)

STATE OF Arizona ) SS.:  
COUNTY OF Maricopa

Todd J. Weiss, deposes and says that he is the Senior Vice President of Cole Corporate Income Advisors, LLC, a Delaware limited liability company, Manager of Cole AT Albany NY, LLC, the limited liability company named in the attached application; that he has read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to his actual knowledge. It is specifically agreed and understood that the individual executing this Application shall have no personal liability whatsoever in connection with this Application or any statements contained herein.

Sworn to before me this  
26<sup>th</sup> day of July, 2013.

Jenny Withman  
(Notary Public)




NOTE: THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 22 IS SIGNED BY THE APPLICANT.

## HOLD HARMLESS AGREEMENT

Applicant hereby releases City of Albany Industrial Development Agency and the members, officers, servants, agents and employees thereof (hereinafter collectively referred to as the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (i) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the application or the project described therein or the issue of bonds requested therein are favorably acted upon by the Agency, and (ii) the Agency's financing of the Project described therein; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or the Applicant are unable to find buyers willing to purchase the total bond issue requested, then, and in that event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

Cole AT Albany NY, LLC  
a Delaware limited liability company

By: Cole Corporate Income Advisors, LLC, a  
Delaware limited liability company, its Manager

By:   
Todd J. Weiss, Sr. Vice President

Sworn to before me this  
26<sup>th</sup> day of July, 2013.

  
(Notary Public)



TO: Project Applicants  
 FROM: City of Albany Industrial Development Agency  
 RE: Cost/Benefit Analysis

In order for the City of Albany Industrial Development Agency (the "Agency") to prepare a Cost/Benefit Analysis for a proposed project (the "Project"), the Applicant must answer the questions contained in this Project Questionnaire (the "Questionnaire") and complete the attached Schedules. This Questionnaire and the attached Schedule will provide information regarding various aspects of the Project, and the costs and benefits associated therewith.

Since we need this Questionnaire to be completed before we can finalize the Cost/Benefit Analysis, please complete this Questionnaire and forward it to us at your earliest convenience.

### **PROJECT QUESTIONNAIRE**

1. Name of Project Beneficiary ("Company"):	Cole AT Albany NY, LLC
2. Brief Identification of the Project:	A new 124,863 square foot distribution facility and related improvements have been constructed. The facility is leased to American Tire Distributors, Inc. pursuant to a 10-year, triple net lease with two five-year renewal options.
3. Estimated Amount of Project Benefits Sought:	
A. Amount of Bonds Sought:	\$ N/A
B. Value of Sales Tax Exemption Sought	\$ 0
C. Value of Real Property Tax Exemption Sought	\$ 304,756
D. Value of Mortgage Recording Tax Exemption Sought	\$ 0

### **PROJECTED PROJECT INVESTMENT**

N/A – Project completed

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

<b>B.</b>	<b>Building-Related Costs</b>	
1.	Acquisition of existing structures	\$ _____
2.	Renovation of existing structures	\$ _____
3.	New construction costs	\$ _____
4.	Electrical systems	\$ _____
5.	Heating, ventilation and air conditioning	\$ _____
6.	Plumbing	\$ _____
7.	Other building-related costs (describe)	\$ _____
<b>C.</b>	<b>Machinery and Equipment Costs</b>	
1.	Production and process equipment	\$ _____
2.	Packaging equipment	\$ _____
3.	Warehousing equipment	\$ _____
4.	Installation costs for various equipment	\$ _____
5.	Other equipment-related costs (describe)	\$ _____
<b>D.</b>	<b>Furniture and Fixture Costs</b>	
1.	Office furniture	\$ N/A _____
2.	Office equipment	\$ N/A _____
3.	Computers	\$ N/A _____
4.	Other furniture-related costs (describe)	\$ N/A _____
<b>E.</b>	<b>Working Capital Costs</b>	
1.	Operation costs	\$ N/A _____
2.	Production costs	\$ N/A _____
3.	Raw materials	\$ N/A _____
4.	Debt service	\$ N/A _____
5.	Relocation costs	\$ N/A _____
6.	Skills training	\$ N/A _____
7.	Other working capital-related costs (describe)	\$ N/A _____
<b>F.</b>	<b>Professional Service Costs</b>	
1.	Architecture and engineering	\$ _____
2.	Accounting/legal	\$ _____
3.	Other service-related costs (describe)	\$ _____
<b>G.</b>	<b>Other Costs</b>	
<b>H.</b>	<b>Summary of Expenditures</b>	
1.	Total Land-Related Costs	\$ _____
2.	Total Building-Related Costs	\$ _____
3.	Total Machinery and Equipment Costs	\$ _____
4.	Total Furniture and Fixture Costs	\$ _____
5.	Total Working Capital Costs	\$ _____
6.	Total Professional Service Costs	\$ _____
7.	Total Other Costs	\$ _____

--	--

### **PROJECTED PROFIT**

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

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

**“There will be no change as the benefit will pass through to the tenant.”**

### **PROJECTED CONSTRUCTION EMPLOYMENT IMPACT**

- I. Please provide estimates of total construction jobs and the total annual wages and benefits of construction jobs at the Project:

Construction completed.

Year	Number of Construction Jobs	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax
Current Year		\$	\$
Year 1		\$	\$
Year 2		\$	\$
Year 3		\$	\$
Year 4		\$	\$
Year 5		\$	\$

### **PROJECTED PERMANENT EMPLOYMENT IMPACT**

- I. Please provide estimates of total number of existing permanent jobs to be preserved or retained as a result of the Project:

Year	Professional	Skilled	Semi-Skilled	Unskilled
*Current Year	3		14	
Year 1				
Year 2				
Year 3				
Year 4				
Year 5				

\*Created due to initial financial assistance to current owner.

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

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year	2	0	6	0
Year 1				
Year 2				
Year 3				
Year 4				
Year 5				

III. Please provide estimates for the following:

A. Creation of New Job Skills relating to permanent jobs. Please complete Schedule A.

IV. Provide the projected percentage of employment that would be filled by City of Albany residents:  
Estimated to be 50%

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

### **PROJECTED OPERATING IMPACT**

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

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

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

Year	Existing Real Property Taxes* (Without IDA involvement)	New Pilot Payments (With IDA)	Total (Difference)
Current Year	66,035 (existing taxes)		
Year 1	\$222,698	\$125,105	\$97,593
Year 2	\$229,379	\$148,962	\$80,417
Year 3	\$236,260	\$174,138	\$62,122
Year 4	\$243,348	\$200,691	\$42,657
Year 5	\$250,648	\$228,680	\$21,968
Year 6	\$258,168	\$258,168	\$0

\* It's assumed Year 1 represents the first year of the abatement term. It is assumed that the proposed new improvements would be first assessed as of March 1, 2013. The projected property taxes were based on a building assessment of \$40/SF. The millage rates as follows were used: School District 25.92/1,000, County 3.48/1,000 and City 13.84/1,000.

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

The total impact of the Project is much larger in breadth than the site specific fiscal impacts. The most significant benefit to the community is the increase in earnings and employment positions that the Project will bring to Albany County. The Project is a part of a major nationwide expansion initiative by American Tire Distributors. The additional 25 employment positions created by the Project will translate into an additional 17 indirect and induced opportunities in Albany County totaling approximately \$700,000 in indirect and induced earnings.

In addition to the employment impact, the Project will increase the tax base even with the IDA real estate tax abatement from the current tax rate of \$66,035 to \$125,105 in Year 1. This is a net increase of \$59,070 to the tax roll. Additionally, this will increase annually for the first five years by approximately \$24,000 per year. By Year 6, the taxes will be \$258,168 which is a net increase of \$192,133 per year.



## CERTIFICATION

I certify that I have prepared the responses provided in this Questionnaire and that, to the best of my knowledge, such responses are true, correct and complete.

I understand that the foregoing information and attached documentation will be relied upon, and constitute inducement for, the Agency in providing financial assistance to the Project. I certify that I am familiar with the Project and am authorized by the Company to provide the foregoing information, and such information is true and complete to the best of my knowledge. I further agree that I will advise the Agency of any changes in such information, and will answer any further questions regarding the Project prior to the closing.

**Date Signed:** July 26, 2013

**Name of Person Completing Project Questionnaire on behalf of the Company.**

Name: Todd J. Weiss

Title: Senior Vice President

Phone Number: \_\_\_\_\_

Address: 2325 East Camelback Road, Suite 1100,  
Phoenix, Arizona 85016

**Signature:** \_\_\_\_\_



## SCHEDULE A

## CREATION OF NEW JOB SKILLS

Please list the projected new job skills for the new permanent jobs to be created at the Project as a result of the undertaking of the Project by the Company.

[illegible]

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

## ABOUT COLE

At Cole®, our primary focus is on the acquisition and management of income-producing commercial real estate net-leased to national, brand-name, creditworthy tenants. Our foundation was built on credit tenants with "necessity-based" business models that have the potential to produce rental income through all market cycles. We invest across a number of industry sectors including retail, office and industrial.

Our experience in investing in commercial real estate through diverse economic and interest rate cycles has helped refine our conservative strategy. We take great pride in our disciplined approach and commitment to excellence in our investment process and portfolio management.

Cole invests primarily in income-producing, single-tenant commercial real estate net leased to high-quality, creditworthy tenants under long-term leases. We are also conservative to moderate in our use of financing.

### OWNED REAL ESTATE PORTFOLIO (Data as of 03/31/2013)

#### Portfolio Summary

Gross Assets: \$7.7 Billion

Number of Properties: 1,013

Total Square Feet: 43.1 Million

Number of States/Territories: 48

Occupancy: 99%

Wtd. Avg. Remaining Lease Term: 12.4 Years

Number of Tenant Concepts: 576

Number of Industry Sectors: 36

Below is the list of properties owned by Cole in the Northeast.

Common Name	Property Type	Building State
CVS PA-Erie	Freestanding Retail	PA
	Multi-Tenant	
Tops Plaza - Arcade	Grocery	NY
	Multi-Tenant	
Tops Plaza - Avon	Grocery	NY
	Multi-Tenant	
Tops Plaza - Elmira	Grocery	NY
	Multi-Tenant	
Tops Plaza - Hamlin	Grocery	NY
	Multi-Tenant	
Tops Plaza - Tonawanda	Grocery	NY
	Multi-Tenant	
Youngmann Plaza	Grocery	NY
EvonikDegussa NJ-Parsippany	Office	NJ
PNCBank PA-Philadelphia	Office	PA
SanofiAventis NJ-Bridgewater	Office	NJ
HarvardVanguard MA-Concord	Office	MA
RiteAid ME-Bangor	Freestanding Retail	ME
RiteAid PA-Philadelphia	Freestanding Retail	PA
RiteAid ME-Buxton	Freestanding Retail	ME
Aaron'sRents PA-Meadville	Freestanding Retail	PA
TractorSupply NJ-Sicklerville	Freestanding Retail	NJ
Walgreens MA-Framingham	Freestanding Retail	MA
Walgreens ME-Augusta	Freestanding Retail	ME
Aaron'sRents PA-Bloomsburg	Freestanding Retail	PA
FedExGround NY-Plattsburg	Industrial	NY
TractorSupply PA-Gibsonia	Freestanding Retail	PA
Stop&Shop CT-Stamford	Freestanding Retail	CT
Lowe's ME-Sanford	Freestanding Retail	ME
Chili's NJ-Flanders	Freestanding Retail	NJ
OnTheBorder NJ-Mt.Laurel	Freestanding Retail	NJ
OnTheBorder MA-WestSpringfield	Freestanding Retail	MA
OnTheBorder NJ-W.Windsor	Freestanding Retail	NJ
TractorSupply MA-Belchertown	Freestanding Retail	MA
TractorSupply MA-Southwick	Freestanding Retail	MA
MacaroniGrill NJ-Flanders	Freestanding Retail	NJ
MacaroniGrill(Chili's SL) NJ-Mt.Laurel	Freestanding Retail	NJ
MacaroniGrill NJ-W.Windsor	Freestanding Retail	NJ
Lowe's NY-Ticonderoga	Freestanding Retail	NY
TractorSupply ME-Augusta	Freestanding Retail	ME

Applebee's PA-Chambersburg	Freestanding Retail	PA
TutorTime PA-Downingtown	Freestanding Retail	PA
Healthnow NY-Buffalo	Office	NY
CVS NJ-Lawrenceville(Brunswick)	Freestanding Retail	NJ
CVS NY-Mineola	Freestanding Retail	NY
CVS NJ-Edison	Freestanding Retail	NJ
Conagra PA-Milton	Industrial	PA
PetSmart MA-Braintree	Freestanding Retail	MA
Walgreens NY-Watertown	Freestanding Retail	NY
Stop&Shop RI-Cranston	Freestanding Retail	RI
BJ'sWholesaleClub NJ-Deptford	Freestanding Retail	NJ
BJ'sWholesaleClub PA-Lancaster	Freestanding Retail	PA
BJ'sWholesaleClub MA-Greenfield	Freestanding Retail	MA
BJ'sWholesaleClub-Ind MA-Uxbridge	Industrial	MA
BJ'sWholesaleClub MA-Leominster	Freestanding Retail	MA
BJ'sWholesaleClub ME-Auburn	Freestanding Retail	ME
BJ'sWholesaleClub NH-Portsmouth	Freestanding Retail	NH
CVS NJ-CherryHill	Freestanding Retail	NJ
HHGregg PA-NorthFayette	Freestanding Retail	PA
DaVitaDialysis PA-WillowGrove	Office	PA
CVS PA-Titusville	Freestanding Retail	PA
IrvingOil ME-Belfast	Freestanding Retail	ME
IrvingOil ME-Bethel	Freestanding Retail	ME
IrvingOil ME-BoothbayHarbor	Freestanding Retail	ME
IrvingOil ME-Caribou	Freestanding Retail	ME
IrvingOil NH-Conway	Freestanding Retail	NH
IrvingOil NH-Dover	Freestanding Retail	NH
IrvingOil ME-FortKent	Freestanding Retail	ME
IrvingOil ME-Kennebunk	Freestanding Retail	ME
IrvingOil ME-Lincoln	Freestanding Retail	ME
IrvingOil ME-Orono	Freestanding Retail	ME
IrvingOil NH-Rochester	Freestanding Retail	NH
IrvingOil ME-Skowhegan	Freestanding Retail	ME
IrvingOil VT-WestDummerston	Freestanding Retail	VT
IrvingOil VT-Rutland	Freestanding Retail	VT
IrvingOil ME-Saco	Freestanding Retail	ME
IrvingOil VT-Westminster	Freestanding Retail	VT
DaVitaDialysis NJ-Lawrenceville	Office	NJ
MedicinesCoHQ NJ-Parsippany	Office	NJ
Outback PA-Pittsburgh	Freestanding Retail	PA
	Multi-Tenant	
Widewaters Commons	Anchored	PA
LAFitness PA-Easton	Freestanding Retail	PA

<b>FamilyDollar MA-Lynn</b>	Freestanding Retail	MA
<b>FamilyDollar NY-PennYan</b>	Freestanding Retail	NY
<b>GoldenCorral PA-Monroeville</b>	Freestanding Retail	PA
<b>EMCCorp MA-Bedford</b>	Office	MA
<b>Wawa PA-Gap</b>	Freestanding Retail	PA
<b>MerrillLynch NJ-Hopewell</b>	Office	NJ
<b>AutoZone PA-Philipsburg</b>	Freestanding Retail	PA
<b>Wawa NJ-CapeMay</b>	Freestanding Retail	NJ
<b>Wawa NJ-Galloway</b>	Freestanding Retail	NJ
	Multi-Tenant Power	
<b>Canarsie Plaza</b>	Center	NY
<b>PetSmart PA-Pittsburgh</b>	Freestanding Retail	PA
<b>QuickChek NY-Saugerties</b>	Freestanding Retail	NY
<b>QuickChek NY-Middletown(Main)</b>	Freestanding Retail	NY
<b>QuickChek NY-Middletown(Hwy108)</b>	Freestanding Retail	NY
<b>QuickChek NY-Middletown(Rte211)</b>	Freestanding Retail	NY
<b>QuickChek NY-Kingston</b>	Freestanding Retail	NY
<b>QuickChek NY-LakeKatrine</b>	Freestanding Retail	NY

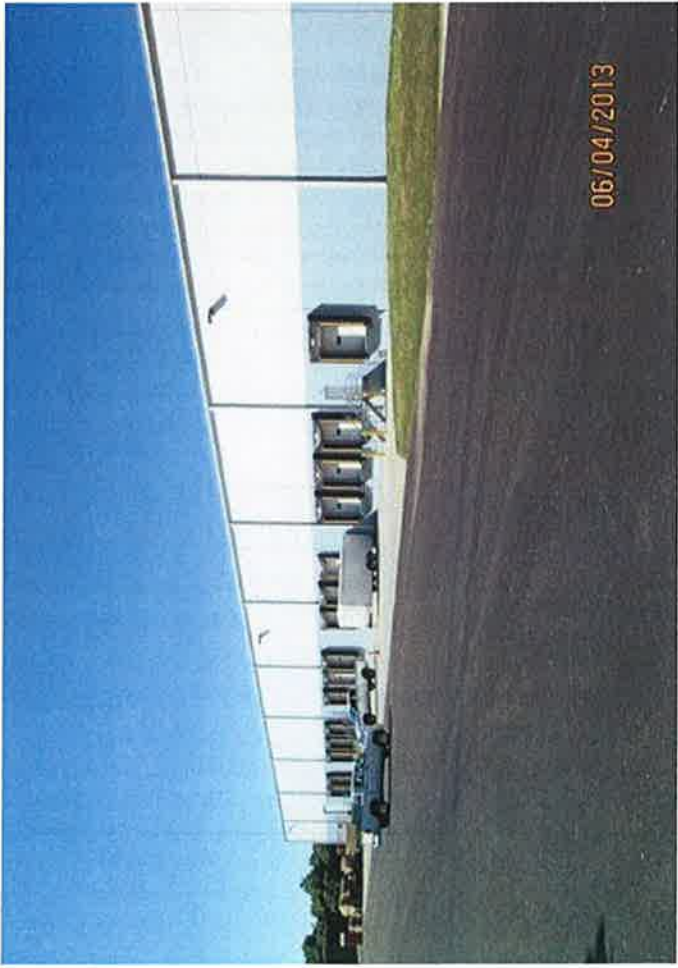












## Original Project Application

**TO:** City of Albany Industrial Development Agency Board

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

**RE:** Scannell Properties #145, LLC - IDA Application Summary

**DATE:** June 15, 2012

---

**Applicant:** Scannell Properties #145, LLC

**Managing Members (% of Ownership):** Robert J. Scannell, as trustee under the Revocable Trust of Robert J. Scannell dated September 9, 2002 (87.625%), Saveau, LLC (5%)

**Project Location:** 55 Commerce Avenue

**Project Description:** This building, formerly the Crowley Dairy facility, has been vacant for over five years. The applicant proposes demolishing the existing structure and constructing a new 125,000 sq.ft. distribution facility and related parking. It is intended that the building be expandable in the future to 155,000 sq.ft. to handle anticipated growth. The building will be leased to American Tire Distributors, Inc. pursuant to a 10 year, triple net lease with two five-year renewal options. Since 1935, American Tire Distributors, Inc. has supported the nation's tire dealers, service repair shops, and automotive performance shops by supplying them with the products, tools, and programs they need. The company is privately held and headquartered in Huntersville, North Carolina.

**Estimated Project Cost:** \$7,750,000 (estimated amount spent to date \$10,000)

**Type of Financing:** Straight Lease

**Amount of Bonds Requested:** None

**Estimated Total Purchases Exempt from Sales Tax:** \$3,000,000

**Estimated Total Mortgage Amount:** \$6,800,000

**Current Assessment:** \$1,527,100 (will be reduced to approximately \$617,700 upon demolition of existing building per discussion with Commissioner of Assessment & Taxation)

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

**Requested PILOT:** Agency standard PILOT which equates to 50% abatement on the increased assessment value in Year 1. At which time the abatement on the increased assessment value decreases at 10% per year for the following 4 years. Full assessment will be paid in Year 6 and every year thereafter.

**Estimated Value of Total PILOT Payments:**

- Total PILOT Payments: \$877,577 (over 5 year PILOT period)

**Estimated Value of Tax Exemptions:**

- NYS Sales and Compensating Use Tax: \$240,000
- Mortgage Recording Taxes: \$85,000
- Real Property Taxes: \$304,756 (over 5 year PILOT period)
- Other: N/A

**Employment Impact:**

- Projected Permanent: (25) new jobs
- Projected Construction: (40) jobs

**Strategic Initiatives:**

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

**Planning Board Actions:**

- Currently seeking necessary approvals. Expected approvals in late July or early August.

**Estimated IDA Fee**

- Fee amount: 77,500

**Mission**

- The purpose of the Industrial Development Agency is to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, research and recreation facilities. The Agency aims to protect and promote the health of the inhabitants of the City of Albany by the conservation, protection and improvement of the natural and cultural or historic resources and environment and to control land, sewer, water, air, noise or general environmental pollution derived from the operation of industrial development.





Monday, June 11, 2012 9:41:41 AM  
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The City of Albany Department of Development & Planning provides this figure for illustrative purposes only. Unauthorized attempts to modify or utilize this figure for other than its intended purposes are prohibited. All locations are approximate. The City makes no claims or guarantees about the accuracy or currency of the contents of the data provided and expressly disclaims liability for errors and omissions in its contents.



City of Albany  
**55 COMMERCE AVENUE**



### Scannell Properties #145, LLC: PILOT Analysis

Calendar Year	Project Year	Tax Rate <sup>(2)</sup>	Status Quo		Proposed Project					
			Current Tax		Normal Tax			Requested PILOT		
			Current Assessment <sup>(3)</sup>	Current Tax <sup>(4)</sup>	Base Assessment <sup>(5)</sup>	Total Improved Assessment <sup>(6)</sup>	Tax w/o PILOT <sup>(7)</sup>	PILOT Payment <sup>(8)</sup>	Abatement Savings <sup>(9)</sup>	% of Abatement on Improved Assessment <sup>(10)</sup>
2012	0	\$43.242300	\$1,527,100	\$66,035	\$1,527,100	\$1,527,100	\$66,035	\$66,035	\$0	0%
2013	1	\$44.539569	\$1,527,100	\$68,016	\$617,700	\$5,000,000	\$222,698	\$125,105	\$97,593	50%
2014	2	\$45.875756	\$1,527,100	\$70,057	\$617,700	\$5,000,000	\$229,379	\$148,962	\$80,417	40%
2015	3	\$47.252029	\$1,527,100	\$72,159	\$617,700	\$5,000,000	\$236,260	\$174,138	\$62,122	30%
2016	4	\$48.669590	\$1,527,100	\$74,323	\$617,700	\$5,000,000	\$243,348	\$200,691	\$42,657	20%
2017	5	\$50.129677	\$1,527,100	\$76,553	\$617,700	\$5,000,000	\$250,648	\$228,680	\$21,968	10%
2018	6 <sup>(1)</sup>	\$51.633568	\$1,527,100	\$78,850	\$617,700	\$5,000,000	\$258,168	\$258,168	\$0	0%
Total				\$361,108			\$1,182,333	\$877,577	\$304,756	

**Notes:**

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

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

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

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

(5) Base assessment (i.e. land assessment value) as per Applicant's discussion with Commissioner of Assessment & Taxation

(6) Improved assessment as per Applicant's discussion with Commissioner of Assessment & Taxation

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

(8) Standard PILOT - 5 years of abatement that starts at 50% and then decreases 10% thereafter until full assessment in Year 6

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

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



OFFICE LOCATIONS  
Indianapolis, IN  
Washington, DC  
Minneapolis, MN  
Denver, CO  
San Francisco, CA

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY**

June 7, 2012

Michael Yevoli  
Chief Executive Officer  
City of Albany Industrial Development Agency  
21 Lodge Street  
Albany, New York 12207

RE: Request for IDA Assistance for Scannell Properties #145, LLC

Dear Michael:

Attached is a completed application, as well as the appropriate supplementary material required by the City of Albany Industrial Development Agency for the consideration of financial assistance associated with the American Tire project.

The proposed project would involve the acquisition of 7.8 acres of land, demolition of the existing Crowley Dairy facility, site preparation, and the construction of a new 125,000 square foot distribution facility and related improvements. It is intended the building will be expandable to 155,000 square feet, would be leased to American Tire Distributors, Inc. pursuant to a 10-year, triple net lease with two five-year renewal options.

The application is for sales tax abatement, mortgage tax abatement and Standard IDA real estate tax abatement.

The assistance is being requested to make this project a reality. Without this assistance, the project economical would be in jeopardy and other options would be explored for the location of the American Tire project. The benefits to the City includes taking a property and redeveloping with a new Class A distribution facility, bringing 25 new employment positions to the market and an increased tax revenue.





OFFICE LOCATIONS  
Indianapolis, IN  
Washington, DC  
Minneapolis, MN  
Denver, CO  
San Francisco, CA

Please do not hesitate to contact me if you should have any questions or find additional information is needed. I look forward to working with the Agency on this project. Thank you.

Sincerely,

Tim Elam  
Development Manager

Enclosure

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY**

**APPLICATION**

-----  
IMPORTANT NOTICE: The answers to the questions contained in this application are necessary to determine your firm's eligibility for financing and other assistance from the City of Albany Industrial Development Agency. These answers will also be used in the preparation of papers in this transaction. Accordingly, all questions should be answered accurately and completely by an officer or other employee of your firm who is thoroughly familiar with the business and affairs of your firm and who is also thoroughly familiar with the proposed project. This application is subject to acceptance by the Agency.  
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TO: CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY  
c/o Department of Economic Development  
21 Lodge Street  
Albany, New York 12207

This application by applicant respectfully states:

APPLICANT: Scannell Properties #145, LLC

APPLICANT'S ADDRESS: 800 East 96<sup>th</sup> Street, Suite 175

CITY: Indianapolis STATE: IN ZIP CODE: 46240

PHONE NO.: (317)-843-5956 FAX NO.: (317)-843-5957 E-MAIL: time@scannellproperties.com

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

Tim Elam

James Carlino

Dave Johnson

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

NAME OF ATTORNEY: Jim Carlino

ATTORNEY'S ADDRESS: 800 E. 96<sup>th</sup> Street, Suite 175

CITY: Indianapolis STATE: IN ZIP CODE: 46240

PHONE NO.: (317)-843-5107 FAX NO.: (317) 843-5957 E-MAIL: jimc@scannellproperties.com

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NOTE: PLEASE READ THE INSTRUCTIONS ON PAGE 2 HEREOF BEFORE FILLING  
OUT THIS FORM.

---

## INSTRUCTIONS

1. The Agency will not approve any application unless, in the judgment of the Agency, said application and the summary contains sufficient information upon which to base a decision whether to approve or tentatively approve an action.
2. Fill in all blanks, using “none” or “not applicable” or “N/A” where the question is not appropriate to the project which is the subject of this application (the “Project”).
3. If an estimate is given as the answer to a question, put “(est)” after the figure or answer which is estimated.
4. If more space is needed to answer any specific question, attach a separate sheet.
5. When completed, return eight (8) copies of this application to the Agency at the address indicated on the first page of this application.
6. The Agency will not give final approval to this application until the Agency receives a completed environmental assessment form concerning the Project which is the subject of this application.
7. Please note that Article 6 of the Public Officers Law declares that all records in the possession of the Agency (with certain limited exceptions) are open to public inspection and copying. If the applicant feels that there are elements of the Project which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the applicant’s competitive position, the applicant may identify such elements in writing and request that such elements be kept confidential in accordance with Article 6 of the Public Officers Law.
8. The applicant will be required to pay to the Agency all actual costs incurred in connection with this application and the Project contemplated herein (to the extent such expenses are not paid out of the proceeds of the Agency’s bonds issued to finance the project). The applicant will also be expected to pay all costs incurred by general counsel and bond counsel to the Agency. The costs incurred by the Agency, including the Agency’s general counsel and bond counsel, may be considered as a part of the project and included as a part of the resultant bond issue.
9. The Agency has established an application fee of One Thousand Five Hundred Dollars (\$1,500) to cover the anticipated costs of the Agency in processing this application. A check or money order made payable to the Agency must accompany each application. THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS ACCOMPANIED BY THE APPLICATION FEE.

FOR AGENCY USE ONLY

1. Project Number	
2. Date application Received by Agency	, 20
3. Date application referred to attorney for review	, 20
4. Date copy of application mailed to members	, 20
5. Date notice of Agency meeting on application posted	, 20
6. Date notice of Agency meeting on application mailed	, 20
7. Date of Agency meeting on application	, 20
8. Date Agency conditionally approved application	, 20
9. Date scheduled for public hearing	, 20
10. Date Environmental Assessment Form ("EAF") received	, 20
11. Date Agency completed environmental review	, 20
12. Date of final approval of application	, 20

## SUMMARY OF PROJECT

Applicant: Scannell Properties #145, LLC

Contact Person: Tim Elam

Phone Number: (317)-843-5956

Occupant: American Tire Distributors, Inc. (Tenant)

Project Location: 55 Commerce Avenue, Albany

Approximate Size of Project Site: 7.8 acres (+/-)

Description of Project: The proposed project would involve the acquisition of 7.8 acres of land, demolition of the existing Crowley Dairy facility, site preparation, and the construction of a new 125,000 square foot distribution facility and related improvements. It is intended the building will be expandable to 155,000 square feet, and would be leased to American Tire Distributors, Inc. pursuant to a 10-year, triple net lease with two five-year renewal options.

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

Employment Impact: Existing Jobs : 0

New Jobs : 25

Project Cost: \$ 7,750,000

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

Amount of Bonds Requested: \$ 0

Estimated Value of Tax-Exemptions:

N.Y.S. Sales and Compensating Use Tax:	\$240,000.00
Mortgage Recording Taxes:	\$85,000.00
Real Property Tax Exemptions:	\$304,756.00
Other (please specify):	\$

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

A. Identity of Company:

1. Company Name: Scannell Properties #145, LLC

Present Address: 800 East 96<sup>th</sup> Street, Suite 175, Indianapolis, IN

Zip Code: 46240

Employer's ID No.: 45-4741035

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

3. Indicate type of business organization of Company:

a. \_\_\_\_\_ Corporation (If so, incorporated in what country?  
What State? \_\_\_\_\_ Date Incorporated? \_\_\_\_\_ Type of  
Corporation? \_\_\_\_\_ Authorized to do business in New York?  
Yes \_\_\_\_; No \_\_\_\_).

b. \_\_\_\_\_ Partnership (if so, indicate type of partnership \_\_\_\_\_,  
Number of general partners \_\_\_\_\_, Number of limited partners \_\_\_\_).

c. X Limited liability company,  
Date created? June 2012.

d. \_\_\_\_\_ Sole proprietorship

4. Is the Company a subsidiary or direct or indirect affiliate of any other organization(s)? If so, indicate name of related organization(s) and relationship:  
Scannell Properties and Scannell Development Company

B. Management of Company:

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

NAME (First, Middle, Last) HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
Robert J. Scannell 800 E. 96 <sup>th</sup> Street, Suite 175 Indianapolis, IN 46260	Manager	NA
Douglas L. Snyder 800 E. 96th Street, Suite 175 Indianapolis, IN 46260	Manager	NA
James C. Carlino 800 E. 96th Street, Suite 175 Indianapolis, IN 46260	Manager	NA

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

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

4. Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated a bankrupt? Yes \_\_\_\_; No X.  
(If yes to any of the foregoing, furnish details in a separate attachment).

5. If the answer to any of questions 2 through 4 is yes, please, furnish details in a separate attachment.

C. Principal Owners of Company:

1. Principal owners of Company: Is Company publicly held? Yes \_\_\_\_; No X.  
If yes, list exchanges where stock traded:

2. If no, list all stockholders having a 5% or more interest in the Company:

NAME	ADDRESS	PERCENTAGE OF HOLDING
Robert J. Scannell, as trustee under the Revocable Trust of Robert J. Scannell dated September 9, 2002	800 E. 96th Street, Suite 175 Indianapolis, IN 46240	87.625%
Saveau, LLC	800 E. 96th Street, Suite 175 Indianapolis, IN 46240	5%



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

Regions Bank, Indianapolis, IN

II. DATA REGARDING PROPOSED PROJECT

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

The proposed project would involve the acquisition of 7.8 acres of land, demolition of the existing Crowley Dairy facility, site preparation, and the construction of a new 125,000 square foot distribution facility and related improvements. It is intended the building will be expandable to 155,000 square feet, and would be leased to American Tire Distributors, Inc. pursuant to a 10-year, triple net lease with two five-year renewal options.

B. Location of Proposed Project:

1. Street Address: 55 Commerce Avenue
2. City of Albany
3. Town of NA
4. Village of NA
5. County of Albany

C. Project Site:

1. Approximate size (in acres or square feet) of Project site: 7.8 acres  
Is a map, survey or sketch of the project site attached? Yes X; No \_\_\_\_.
2. Are there existing buildings on project site? Yes X; No \_\_\_\_.
  - a. If yes, indicate number and approximate size (in square feet) of each existing building:  
Two buildings (5,760 SF and 37,632 SF) totaling 43,392 SF
  - b. Are existing buildings in operation? Yes \_\_\_\_; No X.  
If yes, describe present use of present buildings:
  - c. Are existing buildings abandoned? Yes \_\_\_\_; No X. About to be abandoned? Yes \_\_\_\_; No X. If yes, describe:
  - d. Attach photograph of present buildings. Attached.

3. Utilities serving project site:  
 Water-Municipal: City of Albany Water – There is a 12” water line in Commerce Avenue with two hydrants along the project frontage.  
 Other (describe)  
 Sewer-Municipal: City of Albany Sewer – There is a 12” sewer line in Commerce Avenue.  
 Other (describe)  
 Electric-Utility: National Grid/Niagra Mohawk – rework existing.  
 Other (describe)  
 Heat-Utility: TBD – rework existing.  
 Other (describe)
4. Present legal owner of project site: HP Hood, LLC
  - a. If the Company owns project site, indicate date of purchase: N/A, 20  ; Purchase price: \$   N/A   .
  - b. If Company does not own the Project site, does Company have option signed with owner to purchase the Project site? Yes X; No   . If yes, indicate date option signed with owner: June 4, 2012; and the date the option expires: November 16, 2012.
  - c. If the Company does not own the project site, is there a relationship legally or by common control between the Company and the present owners of the project site? Yes   ; No   . If yes, describe: N/A

5. a. Zoning District in which the project site is located: M-1 General Industrial District

b. Are there any variances or special permits affecting the site? Yes   ; No X. If yes, list below and attach copies of all such variances or special permits:

D. Buildings:

1. Does part of the project consist of a new building or buildings? Yes X; No   . If yes, indicate number and size of new buildings:

Construction of a new 125,000 square foot concrete tilt wall building.

2. Does part of the project consist of additions and/or renovations to the existing buildings? Yes   ; No X. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation:

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

Warehousing and distribution of tires and tire products, and general office uses.

E. Description of the Equipment:

1. Does a part of the Project consist of the acquisition or installation of machinery, equipment or other personal property (the "Equipment")? Yes X; No \_\_\_\_\_. If yes, describe the Equipment:

HVAC, plumbing, as well as equipment in the facility specifically for the tenant.

2. With respect to the Equipment to be acquired, will any of the Equipment be Equipment which has previously been used? Yes \_\_\_\_; No X\_. If yes, please provided detail:

3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed:

It is intended that the proposed facility would be leased to American Tire Distributors for its distribution and warehousing of tires and tire accessories.

F. Project Use:

1. What are the principal products to be produced at the Project?

N/A

2. What are the principal activities to be conducted at the Project?

It is intended that the proposed facility would be leased to American Tire Distributors for its distribution and warehousing of tires and tire accessories.

3. Does the Project include facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities? Yes \_\_\_\_; No X\_. If yes, please provide detail:

N/A

4. If the answer to question 3 is yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project? N/A %

5. If the answer to question 3 is yes, and the answer to question 4 is more than 33.33%, indicate whether any of the following apply to the Project: N/A

- a. Will the Project be operated by a not-for-profit corporation? Yes\_\_\_\_; No\_\_\_\_. If yes, please explain:

N/A

- b. Is the Project likely to attract a significant number of visitors from outside the economic development region in which the Project will be located? Yes\_\_\_\_; No\_\_\_\_. If yes, please explain:

N/A

- c. Would the Project occupant, but for the contemplated financial assistance from the Agency, locate the related jobs outside the State of New York? Yes\_\_\_\_; No\_\_\_\_. If yes, please explain:

N/A

- d. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonable accessible to the residents of the city, town or village within which the Project will be located, because of a lack of reasonably accessible retail trade facilities offering such goods or services? Yes\_\_\_\_; No\_\_\_\_. If yes, please provide detail:

N/A

- e. Will the Project be located in one of the following: (i) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (ii) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most recent census data, has (x) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? Yes\_\_\_\_; No\_\_\_\_. If yes, please explain: \_\_\_\_\_

N/A

6. If the answers to any of subdivisions c. through e. of question 5 is yes, will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York? Yes\_\_\_\_; No\_\_\_\_. If yes, please explain: N/A

7. Will the completion of the Project result in the removal of a plant or facility of the Company or another proposed occupant of the Project (a "Project Occupant") from one area of the State of New York to another area of the State of New York? Yes\_\_\_\_; No\_\_X\_. If yes, please explain:

8. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Company located in the State of New York? Yes\_\_\_\_; No\_\_X\_\_. If yes, please provide detail:

9. If the answer to either question 7 or question 8 is yes, indicate whether any of the following apply to the Project:

- a. Is the Project reasonably necessary to preserve the competitive position of the Company on such Project Occupant in its industry? Yes\_\_\_\_; No\_\_\_\_. If yes, please provide detail:

N/A

- b. Is the Project reasonably necessary to discourage the Company or such Project Occupant from removing such other plant or facility to a location outside the State of New York? Yes\_\_\_\_; No\_\_\_\_. If yes, please provide detail:

N/A

G. Other Involved Agencies:

1. Please indicate all other local agencies, boards, authorities, districts, commissions or governing bodies (including any city, county and other political subdivision of the State of New York and all state departments, agencies, boards, public benefit corporations, public authorities or commissions) involved in approving or funding or directly undertaking action with respect to the Project. For example, do you need a municipal building permit to undertake the Project? Do you need a zoning approval to undertake the Project? If so, you would list the appropriate municipal building department or planning or zoning commission which would give said approvals.

Albany Board of Zoning Appeals

Area Variance

Parking Lot Permit

Albany Planning Board

SEQRA Determination

Site Plan Approval

Demolition Review

Albany Department of Public Safety

Division of Building & Codes, Demolition Permit (ministerial)

Division of Building & Codes, Building Permit (ministerial)

Albany Department of Water & Water Supply

Storm Water Management Review (ministerial)

Sewer Connection Permit (ministerial)

Water Connection Permit (ministerial)

Albany Department of General Services

Street Opening Permit (ministerial)

Highway Access Permit (ministerial)

2. Describe the nature of the involvement of the federal, state or local agencies described above:

As defined above by local agencies.

H. Construction Status:

1. Has construction work on this project begun? Yes \_\_\_\_; No X\_. If yes, please discuss in detail the approximate extent of construction and the extent of completion. Indicate in your answer whether such specific steps have been completed as site clearance and preparation; completion of foundations; installation of footings; etc.:

2. Please indicate amount of funds expended on this project by the Company in the past three (3) years and the purposes of such expenditures:

\$10,000 on property due diligence activities

I. Method of Construction After Agency Approval:

1. If the Agency approves the project which is the subject of this application, there are two methods that may be used to construct the project. The applicant can construct the project privately and sell the project to the Agency upon completion. Alternatively, the applicant can request to be appointed as "agent" of the Agency, in which case certain laws applicable to public construction may apply to the project. Does the applicant wish to be designated as "agent" of the Agency for purposes of constructing the project? Yes X\_; No \_\_\_\_.

2. If the answer to question 1 is yes, does the applicant desire such "agent" status prior to the closing date of the financing? Yes \_\_\_\_; No X\_.

III. INFORMATION CONCERNING LEASES OR SUBLEASES OF THE PROJECT. (PLEASE COMPLETE THE FOLLOWING SECTION IF THE COMPANY INTENDS TO LEASE OR SUBLEASE ANY PORTION OF THE PROJECT).

A. Does the Company intend to lease or sublease more than 10% (by area or fair market value) of the Project? Yes X\_; No \_\_\_\_\_. If yes, please complete the following for each existing or proposed tenant or subtenant:

1. Sublessee name: American Tire Distributors, Inc.  
City: Huntersville State: NC Zip: 28070-3145

Employer's ID No.: 59-379-6143

Sublessee is: ☒ Corporation: ☐ Partnership: ☐ Sole Proprietorship

Relationship to Company: N/A

Percentage of Project to be leased or subleased:

Use of Project intended by Sublessee: 100%

Date of lease or sublease to Sublessee: To be determined.

Term of lease or sublease to Sublessee: 10-year, triple net lease with two, five year renewal options.

Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes ☐; No ☒. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

2. Sublessee name: N/A  
 Present Address:  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
 Employer's ID No.: \_\_\_\_\_  
 Sublessee is: \_\_\_\_\_  
 \_\_\_\_\_ Corporation: \_\_\_\_\_ Partnership: \_\_\_\_\_ Sole Proprietorship  
 Relationship to Company: \_\_\_\_\_  
 Percentage of Project to be leased or subleased: \_\_\_\_\_  
 Use of Project intended by Sublessee: \_\_\_\_\_  
 Date of lease or sublease to Sublessee: \_\_\_\_\_  
 Term of lease or sublease to Sublessee: \_\_\_\_\_  
 Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes\_\_\_\_; No\_\_\_\_. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.
3. Sublessee name: N/A  
 Present Address:  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
 Employer's ID No.: \_\_\_\_\_  
 Sublessee is: \_\_\_\_\_ Corporation: \_\_\_\_\_ Partnership: \_\_\_\_\_ Sole Proprietorship  
 Relationship to Company: \_\_\_\_\_  
 Percentage of Project to be leased or subleased: \_\_\_\_\_  
 Use of Project intended by Sublessee: \_\_\_\_\_  
 Date of lease or sublease to Sublessee: \_\_\_\_\_  
 Term of lease or sublease to Sublessee: \_\_\_\_\_  
 Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes\_\_\_\_; No\_\_\_\_. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

B. What percentage of the space intended to be leased or subleased is now subject to a binding written lease or sublease? 0%

#### IV. Employment Impact

A. Indicate below the number of people presently employed at the project site and the number that will be employed at the project site at end of the first and second years after the project has been completed (Do not include construction workers). Also indicate below the number of workers employed at the project site representing newly created positions as opposed to positions relocated from other project sites of the applicant. Such information regarding relocated positions should also indicate whether such positions are relocated from other project sites financed by obligations previously issued by the Agency.



TYPE OF EMPLOYMENT					
	PROFESSIONAL MANAGERIAL	SKILLED	SEMI- SKILLED	UNSKILLED	TOTALS
Present Full Time	0	0	0	0	0
Present Part Time	0	0	0	0	0
Present Seasonal	0	0	0	0	0
First Year Full Time	5	0	20	0	25
First Year Part Time	0	0	0	0	0
First Year Seasonal	0	0	0	0	0
Second Year Full Time	5	0	20	0	25
Second Year Part Time	0	0	0	0	0
Second Year Seasonal	0	0	0	0	0

B. Please prepare a separate attachment describing in detail the types of employment at the project site. Such attachment should describe the activities or work performed for each type of employment. Attached

V. Project Cost

A. Anticipated Project Costs. State the costs reasonably necessary for the acquisition of the project site and the construction of the proposed project including the acquisition and installation of any machinery and equipment necessary or convenient in connection therewith, and including any utilities, access roads or appurtenant facilities, using the following categories:

<u>Description of Cost</u>	<u>Amount</u>
Land	\$1,325,000
Buildings	\$4,250,000
Machinery and equipment costs	\$ _____
Utilities, roads and appurtenant costs	\$1,750,000
Architects and engineering fees	\$150,000
Costs of Bond issue (legal, financial and printing)	\$ _____
Construction loan fees and interest	\$200,000

(if applicable)	\$ _____
Other (specify)	\$ _____
Legal/Closing/Misc	\$ 100,000
_____	\$ _____
_____	\$ _____
 TOTAL PROJECT COST	 \$7,775,000

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

\$10,000 of Architectural/Engineering fees.

V. BENEFITS EXPECTED FROM THE AGENCY

A. Financing

1. Is the applicant requesting that the Agency issue bonds to assist in financing the project? Yes \_\_\_\_; No X. If yes, indicate:
  - a. Amount of loan requested: N/A Dollars;
  - b. Maturity requested: \_\_\_\_\_ Years.
2. Is the interest on such bonds intended to be exempt from federal income taxation? N/A Yes \_\_\_\_; No \_\_\_\_.
3. If the answer to question 2 is yes, will any portion of the Project be used for any of the following purposes:
  - a. retail food and beverage services: Yes \_\_\_\_; No \_\_\_\_
  - b. automobile sales or service: Yes \_\_\_\_; No \_\_\_\_
  - c. recreation or entertainment: Yes \_\_\_\_; No \_\_\_\_
  - d. golf course: Yes \_\_\_\_; No \_\_\_\_
  - e. country club: Yes \_\_\_\_; No \_\_\_\_
  - f. massage parlor: Yes \_\_\_\_; No \_\_\_\_
  - g. tennis club: Yes \_\_\_\_; No \_\_\_\_
  - h. skating facility (including roller
  - i. skating, skateboard and ice skating): Yes \_\_\_\_; No \_\_\_\_
  - j. racquet sports facility (including
  - handball and racquetball court): Yes \_\_\_\_; No \_\_\_\_
  - k. hot tub facility: Yes \_\_\_\_; No \_\_\_\_
  - l. suntan facility: Yes \_\_\_\_; No \_\_\_\_
  - m. racetrack: Yes \_\_\_\_; No \_\_\_\_
4. If the answer to any of the above questions contained in question 3 is yes, please furnish details on a separate attachment. N/A
5. Is the Project located in the City's federally designated Enterprise Zone?  
 Yes \_\_\_\_; No \_\_\_\_\_. N/A

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

B. Tax Benefits

1. Is the applicant requesting any real property tax exemption that would not be available to a project that did not involve the Agency? Yes \_\_X\_\_; No \_\_\_\_.
2. Is the applicant expecting that the financing of the Project will be secured by one or more mortgages? Yes \_\_X\_\_; No \_\_\_\_\_. If yes, what is the approximate amount of financing to be secured by mortgages? \$ 6,800,000.
3. Is the applicant expecting to be appointed agent of the Agency for purposes of avoiding payment of N.Y.S. Sales Tax or Compensating Use Tax? Yes \_\_X\_\_; No \_\_\_\_\_. If yes, what is the approximate amount of purchases which the applicant expects to be exempt from the N.Y.S. Sales and Compensating Use Taxes? \$ 3,000,000.
4. What is the estimated value of each type of tax-exemption being sought in connection with the Project? Please detail the type of tax-exemption and value of the exemption.

a.	N.Y.S. Sales and Compensating Use Taxes:	\$ <u>240,000</u>
b.	Mortgage Recording Taxes:	\$ <u>85,000</u>
c.	Real Property Tax Exemptions:	\$ <u>304,756</u>
d.	Other (please specify):	
	_____	\$ _____
	_____	\$ _____

5. Are any of the tax-exemptions being sought in connection with the Project inconsistent with the Agency's tax-exemption policy contained in its Rules and Regulations? Yes \_\_\_\_; No \_\_X\_\_. If yes, please explain.

6. Is the Project located in the City's state designated Empire Zone? Yes\_\_\_\_; No\_\_\_\_. N/A

C. Project Cost/Benefit Information. Complete the attached Cost/Benefit Analysis so that the Agency can perform a cost/benefit analysis of undertaking the Project. Such information should consist of a list and detailed description of the benefits of the Agency undertaking the Project (e.g., number of jobs created, types of jobs created, economic development in the area, etc.). Such information should also consist of a list and detailed description of the costs of the Agency undertaking the Project (e.g., tax revenues lost, buildings abandoned, etc.).

VI. REPRESENTATIONS BY THE APPLICANT. The applicant understands and agrees with the Agency as follows:

A. Job Listings. Except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOC") and with the administrative

entity (collectively with the DOC, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.

B. First Consideration for Employment: In accordance with Section 858-b(2) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.

C. City Human Rights Law. The Applicant agrees to endeavor to comply with the provisions of Article XI, Division 2 of the City Code, entitled "The Omnibus Human Rights Law". The Applicant understands that it is not subject to the provisions of The Omnibus Human Rights Law.

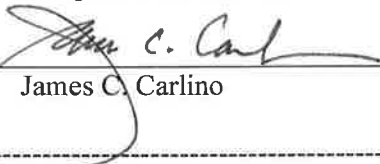
D. Annual Sales Tax Filings. In accordance with Section 874(8) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the applicant and all consultants or subcontractors retained by the applicant.

F. Annual Employment Reports: The applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site.

G. Absence of Conflicts of Interest: The applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

Scannell Properties #145, LLC

BY:

  
James C. Carlino

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NOTE: APPLICANT MUST ALSO COMPLETE THE APPROPRIATE VERIFICATION APPEARING ON PAGES 18 THROUGH 21 HEREOF BEFORE A NOTARY PUBLIC AND MUST SIGN AND ACKNOWLEDGE THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 22

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VERIFICATION

(If Applicant is a Corporation)

STATE OF \_\_\_\_\_ )  
 ) SS.:  
COUNTY OF \_\_\_\_\_ )

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

\_\_\_\_\_ of \_\_\_\_\_,  
(Title) (Company Name)

the corporation named in the attached application; that he has read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. Deponent further says that the reason this verification is made by the deponent and not by said company is because the said company is a corporation. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as an officer of and from the books and papers of said corporation.

\_\_\_\_\_  
(officer of applicant)

Sworn to before me this  
\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
(Notary Public)

## VERIFICATION

(If applicant is sole proprietor)

STATE OF \_\_\_\_\_ )  
 ) SS.:  
COUNTY OF \_\_\_\_\_ )

\_\_\_\_\_, deposes and says  
(Name of Individual)

that he has read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application.

Sworn to before me this  
 \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

(Notary Public)

VERIFICATION

(If applicant is limited liability company)

STATE OF INDIANA )  
 ) SS.:  
COUNTY OF MARION)

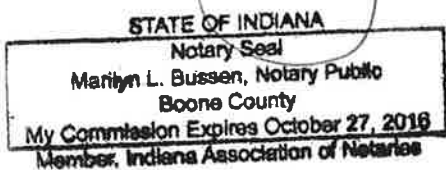
James C. Carlino, deposes and says  
(Name of Individual)

that he is one of the members of the firm of Scannell Properties #145, LLC,  
(Limited Liability Company)

the limited liability company named in the attached application; that he has read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as a member of and from the books and papers of said limited liability company.

James C. Carlino

Sworn to before me this  
24th day of June, 2012



Marilyn L. Bussen  
(Notary Public)

VERIFICATION

(If applicant is a partnership)

STATE OF \_\_\_\_\_ )  
 ) SS.:  
COUNTY OF \_\_\_\_\_ )

\_\_\_\_\_, deposes and says  
(Name of Individual)  
that he is one of the members of the firm of \_\_\_\_\_,  
(Partnership Name)

the partnership named in the attached application; that he has read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as a member of and from the books and papers of said partnership.

Sworn to before me this  
\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
(Notary Public)

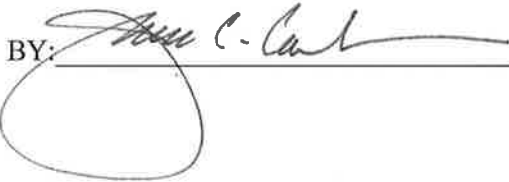
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NOTE: THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS THE HOLD  
HARMLESS AGREEMENT APPEARING ON PAGE 22 IS SIGNED BY THE APPLICANT.  
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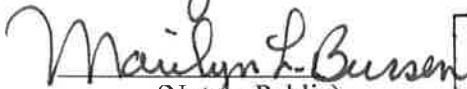
## HOLD HARMLESS AGREEMENT

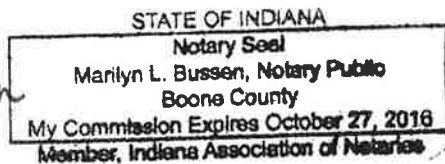
Applicant hereby releases City of Albany Industrial Development Agency and the members, officers, servants, agents and employees thereof (hereinafter collectively referred to as the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (i) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the application or the project described therein or the issue of bonds requested therein are favorably acted upon by the Agency, and (ii) the Agency's financing of the Project described therein; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or the Applicant are unable to find buyers willing to purchase the total bond issue requested, then, and in that event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

(Applicant)

BY:  \_\_\_\_\_

Sworn to before me this  
7<sup>th</sup> day of June, 2012

  
(Notary Public)



TO: Project Applicants  
 FROM: City of Albany Industrial Development Agency  
 RE: Cost/Benefit Analysis

In order for the City of Albany Industrial Development Agency (the "Agency") to prepare a Cost/Benefit Analysis for a proposed project (the "Project"), the Applicant must answer the questions contained in this Project Questionnaire (the "Questionnaire") and complete the attached Schedules. This Questionnaire and the attached Schedule will provide information regarding various aspects of the Project, and the costs and benefits associated therewith.

Since we need this Questionnaire to be completed before we can finalize the Cost/Benefit Analysis, please complete this Questionnaire and forward it to us at your earliest convenience.

### **PROJECT QUESTIONNAIRE**

1. Name of Project Beneficiary ("Company"):	Scannell Properties #145, LLC
2. Brief Identification of the Project:	The proposed project would involve the acquisition of 7.8 acres of land, demolition of the existing Crowley Dairy facility, site preparation, and the construction of a new 125,000 square foot distribution facility and related improvements. It is intended the building will be expandable to 155,000 square feet, would be leased to American Tire Distributors, Inc. pursuant to a 10-year, triple net lease with two five-year renewal options.
3. Estimated Amount of Project Benefits Sought:	
A. Amount of Bonds Sought:	\$ _____
B. Value of Sales Tax Exemption Sought	\$ <u>240,000</u>
C. Value of Real Property Tax Exemption Sought	\$ <u>304,756</u>
D. Value of Mortgage Recording Tax Exemption Sought	\$ <u>85,000</u>

### **PROJECTED PROJECT INVESTMENT**

A. Land-Related Costs	
1. Land acquisition	\$ <u>1,325,000</u>
2. Site preparation	\$ <u>1,175,000</u>
3. Landscaping	\$ <u>50,000</u>
4. Utilities and infrastructure development	\$ <u>250,000</u>
5. Access roads and parking development	\$ <u>200,000</u>
6. Other land-related costs (describe) Demolition	\$ <u>75,000</u>

B.	Building-Related Costs	
1.	Acquisition of existing structures	\$ Inc. in Purchase Price
2.	Renovation of existing structures	\$ 0
3.	New construction costs	\$ 3,500,000
4.	Electrical systems	\$ 300,000
5.	Heating, ventilation and air conditioning	\$ 200,000
6.	Plumbing	\$ 50,000
7.	Other building-related costs (describe) Fire Protection	\$ 200,000
C.	Machinery and Equipment Costs –	
1.	Production and process equipment	\$ N/A
2.	Packaging equipment	\$ N/A
3.	Warehousing equipment	\$ N/A
4.	Installation costs for various equipment	\$ N/A
5.	Other equipment-related costs (describe)	\$ N/A
D.	Furniture and Fixture Costs –	
1.	Office furniture	\$ N/A
2.	Office equipment	\$ N/A
3.	Computers	\$ N/A
4.	Other furniture-related costs (describe)	\$ N/A
E.	Working Capital Costs –	
1.	Operation costs	\$ N/A
2.	Production costs	\$ N/A
3.	Raw materials	\$ N/A
4.	Debt service	\$ N/A
5.	Relocation costs	\$ N/A
6.	Skills training	\$ N/A
7.	Other working capital-related costs (describe)	\$ N/A
F.	Professional Service Costs	
1.	Architecture and engineering	\$ 150,000
2.	Accounting/legal	\$ 25,000
3.	Other service-related costs (describe)	\$
G.	Other Costs	
1.	Closing Costs	\$ 75,000
2.	Financing Costs	\$ 200,000
H.	Summary of Expenditures	
1.	Total Land-Related Costs	\$ 3,075,000
2.	Total Building-Related Costs	\$ 4,250,000
3.	Total Machinery and Equipment Costs	\$
4.	Total Furniture and Fixture Costs	\$ N/A
5.	Total Working Capital Costs	\$ N/A
6.	Total Professional Service Costs	\$ 175,000
7.	Total Other Costs	\$ 275,000



### **PROJECTED PROFIT**

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

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

**“There will be no change as the benefit will pass through to the tenant.”**

### **PROJECTED CONSTRUCTION EMPLOYMENT IMPACT**

- I. Please provide estimates of total construction jobs and the total annual wages and benefits of construction jobs at the Project:

Year	Number of Construction Jobs	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax
Current Year	19	\$ 1,450,000	\$ 93,525
Year 1	21	\$ 1,550,000	\$ 99,975
Year 2		\$	\$
Year 3		\$	\$
Year 4		\$	\$
Year 5		\$	\$

### **PROJECTED PERMANENT EMPLOYMENT IMPACT**

- I. Please provide estimates of total number of existing permanent jobs to be preserved or retained as a result of the Project: N/A

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

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

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year	0	0	0	0
Year 1	5	0	20	0
Year 2	5	0	20	0
Year 3	5	0	20	0
Year 4	5	0	20	0
Year 5	5	0	20	0

III. Please provide estimates for the following:

A. Creation of New Job Skills relating to permanent jobs. Please complete Schedule A.

IV. Provide the projected percentage of employment that would be filled by City of Albany residents: To be determined during hiring. Estimate 50%.

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

### **PROJECTED OPERATING IMPACT**

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

Additional Purchases (1 <sup>st</sup> year following project completion)	\$ _____ Estimate 500,000 _____
Additional Sales Tax Paid on Additional Purchases	\$ _____ Estimate 40,000 _____
Estimated Additional Sales (1 <sup>st</sup> full year following project completion)	\$ _____ TBD _____
Estimated Additional Sales Tax to be collected on additional sales (1 <sup>st</sup> full year following project completion)	\$ _____ TBD _____

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

Year	Existing Real Property Taxes* (Without IDA involvement)	New Pilot Payments (With IDA)	Total (Difference)
Current Year	66,035 (existing taxes)		
Year 1	\$222,698	\$125,105	\$97,593
Year 2	\$229,379	\$148,962	\$80,417
Year 3	\$236,260	\$174,138	\$62,122
Year 4	\$243,348	\$200,691	\$42,657
Year 5	\$250,648	\$228,680	\$21,968
Year 6	\$258,168	\$258,168	\$0

\* It's assumed Year 1 represents the first year of the abatement term. It is assumed that the proposed new improvements would be first assessed as of March 1, 2014. The projected property taxes were based on a building assessment of \$40/SF. The millage rates as follows were used: School District 25.92/1,000, County 3.48/1,000 and City 13.84/1,000.

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

The total impact of the Project is much larger in breadth than the site specific fiscal impacts. The most significant benefit to the community is the increase in earnings and employment positions that the Project will bring to Albany County. The Project is a part of a major nationwide expansion initiative by American Tire Distributors. The additional 25 employment positions created by the Project will translate into an additional 17 indirect and induced opportunities in Albany County totaling approximately \$700,000 in indirect and induced earnings.

In addition to the employment impact, the Project will increase the tax base even with the IDA real estate tax abatement from the current tax rate of \$66,035 to \$125,105 in Year 1. This is a net increase of \$59,070 to the tax roll. Additionally, this will increase annually for the first five years by approximately \$24,000 per year. By Year 6, the taxes will be \$258,168 which is a net increase of \$192,133 per year.

### CERTIFICATION

I certify that I have prepared the responses provided in this Questionnaire and that, to the best of my knowledge, such responses are true, correct and complete.

I understand that the foregoing information and attached documentation will be relied upon, and constitute inducement for, the Agency in providing financial assistance to the Project. I certify that I am familiar with the Project and am authorized by the Company to provide the foregoing information, and such information is true and complete to the best of my knowledge. I further agree that I will advise the Agency of any changes in such information, and will answer any further questions regarding the Project prior to the closing.

Date Signed: June 7, 2002

Name of Person Completing Project Questionnaire on behalf of the Company.

Name: James C. Carlino

Title: Manager

Phone Number: 317-843-5959

Address: 800 E. 96th St, Ste 175  
Indianapolis, IN 46240

Signature: 



## SCHEDULE A

## CREATION OF NEW JOB SKILLS

Please list the projected new job skills for the new permanent jobs to be created at the Project as a result of the undertaking of the Project by the Company.

[illegible]

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

## **Appendix 1**

### **Site Photos**



View from Commerce Avenue



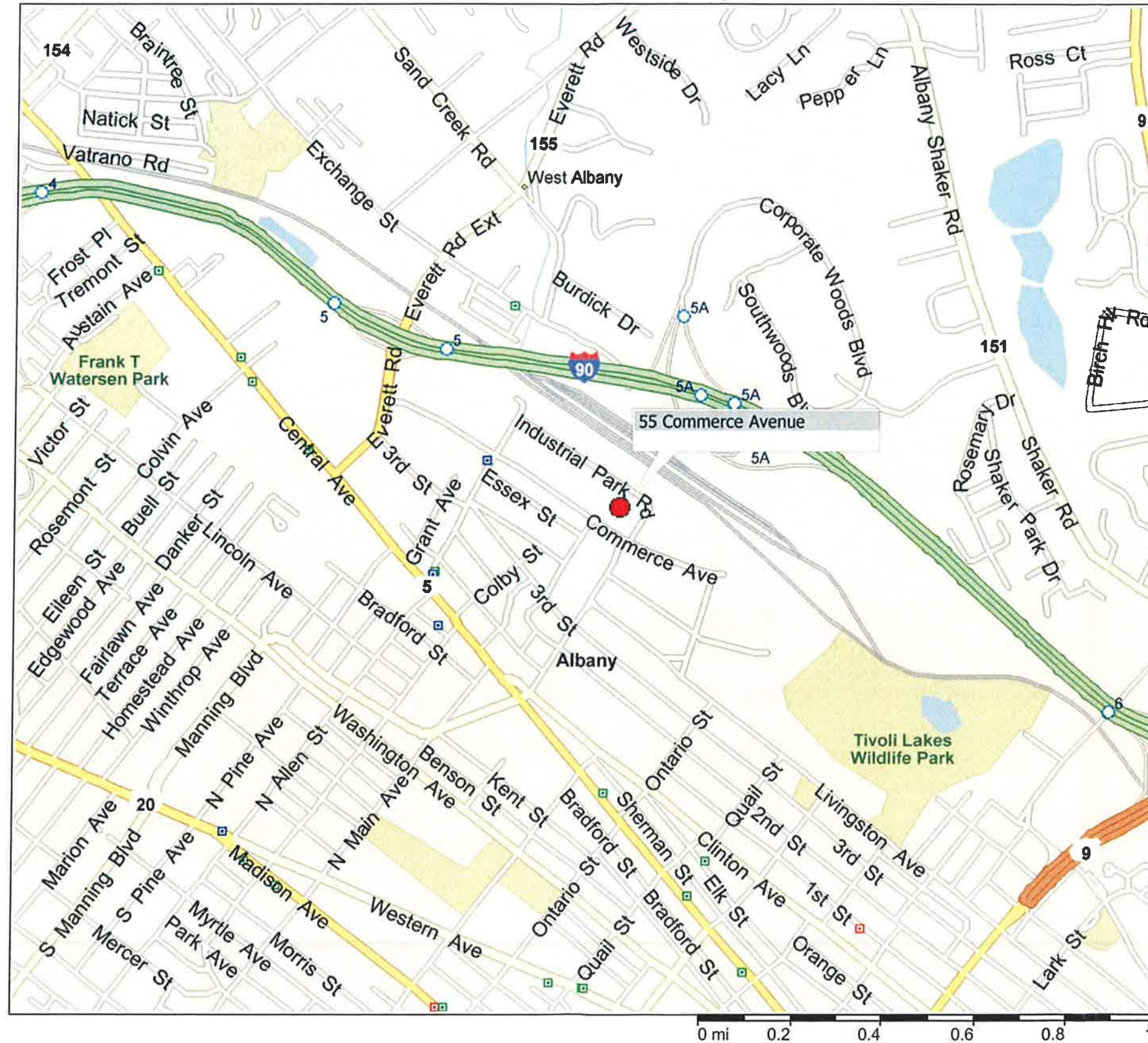
View from Industrial Park Road North of Building



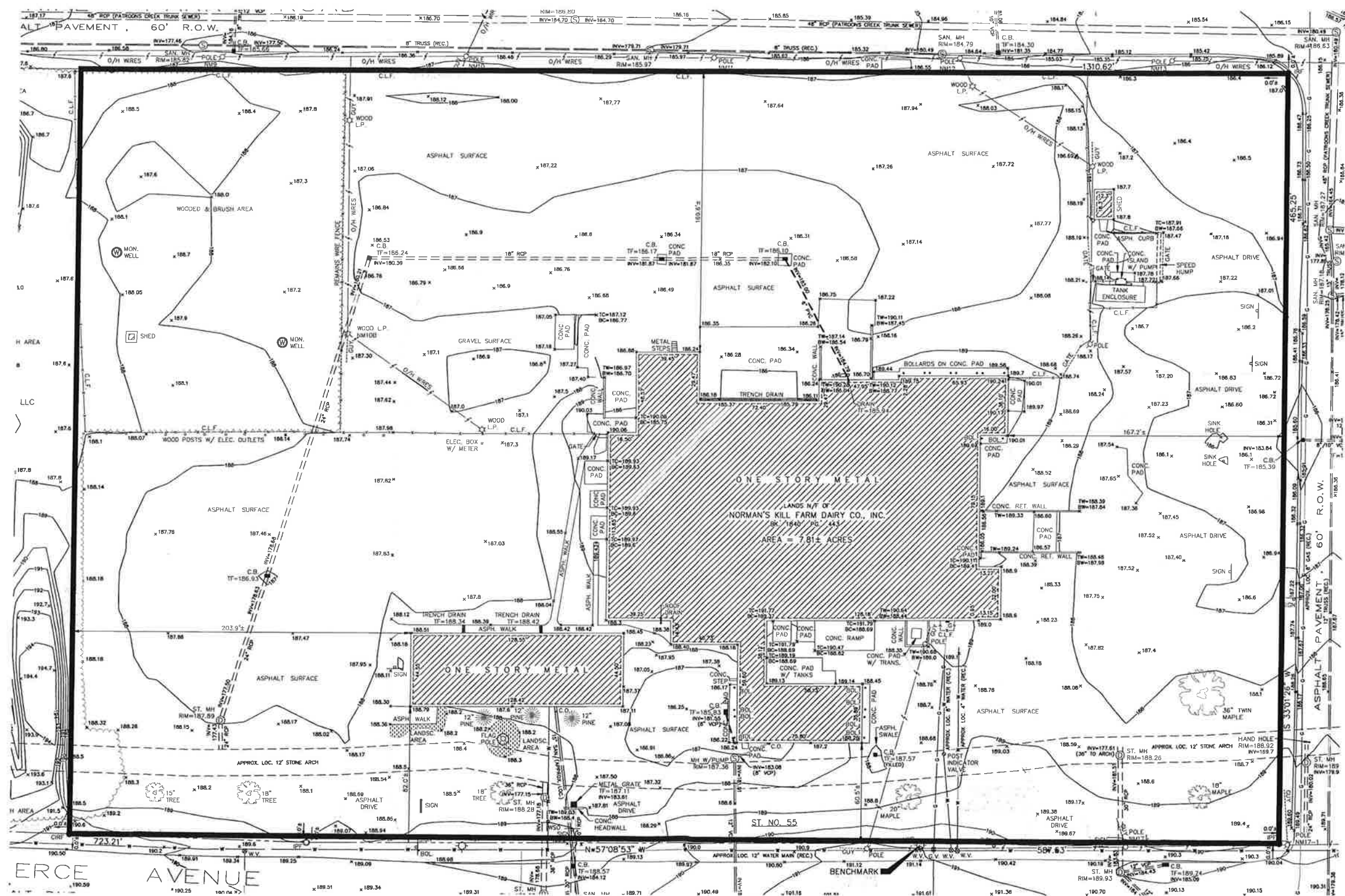
View from Industrial Park Road East of Building



# 55 Commerce Ave, Albany, NY







**Building Solutions that Matter**

**As one of the country's premier build-to-suit developers, Scannell Properties prides itself on developing more than buildings. We build solutions.**

*"With Scannell Properties, we can always count on quality properties to present to prospective buyers. Scannell projects are top-quality, from the construction of the building down to the lease documentation. The Scannell team's commitment to excellence is second to none."*

**JOHN HUGUENARD**  
CAPITAL MARKETS GROUP AT JONES  
LANG LASALLE, MANAGING DIRECTOR,  
HEAD OF INDUSTRIAL INVESTMENT SALES

With expertise in various types and sizes of buildings – along with experience in markets all across the U.S. – Scannell designs solutions to meet your distinct development challenges and, ultimately, provide the most advantageous facility for your project.

Whatever your need, Scannell will develop a solution that is client-focused, customized and cost-effective—a solution that sets you up for future success.

**Scannell Properties. Building Solutions that Matter.**

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[scannellproperties.com](http://scannellproperties.com) | Phone 317.843.5959

## Why Scannell

### Scannell Highlights

- Leading national build-to-suit developer since 1990
- Largest developer of FedEx facilities in the U.S.
- Annual average development volume of \$250 million
- Founding partner, Bob Scannell, was a principal of Duke Realty

## Because we've got your blueprint for success.

While each project is different and requires some level of customization, there are certain components that are integral to every project, regardless of size, type or location:

### Client-focused relationships

We make it a point to know your business—often anticipating needs right along with you. Our focus on clients has proven to be a firm foundation. Approximately 80% of our business comes from repeat clients, such as FedEx, Alcoa, Owens Corning and ITT.

### Experience, expertise and geographic reach

We've developed in 37 states and Canada, including:

- |                                       |                          |
|---------------------------------------|--------------------------|
| • Distribution/Warehousing Centers    | • Call Centers           |
| • Office Buildings                    | • Retail Space           |
| • Transportation/Logistics Facilities | • Fitness Centers        |
| • Government Buildings                | • Educational Facilities |

### Proven best practices

We've crafted a turnkey development approach based on our 20+ years of experience. We've also been around long enough to know we need to remain flexible and adaptable to your unique business needs.

### Fiscal responsibility

Scannell is well capitalized and positioned to develop projects of all sizes. Our aggressive bidding of construction services ensures you receive high-quality construction at a competitive cost. Our in-house architecture, design, legal and finance expertise allows us to offer you the lowest per-square-foot soft costs in the industry.

**When we accept a project, we know we're helping to construct the future livelihood of a company. We take that very seriously.**



## Experience

**For more than 20 years, Scannell has developed facilities all across the U.S. and Canada that provide practical, yet innovative, solutions for clients.**

## Case Studies

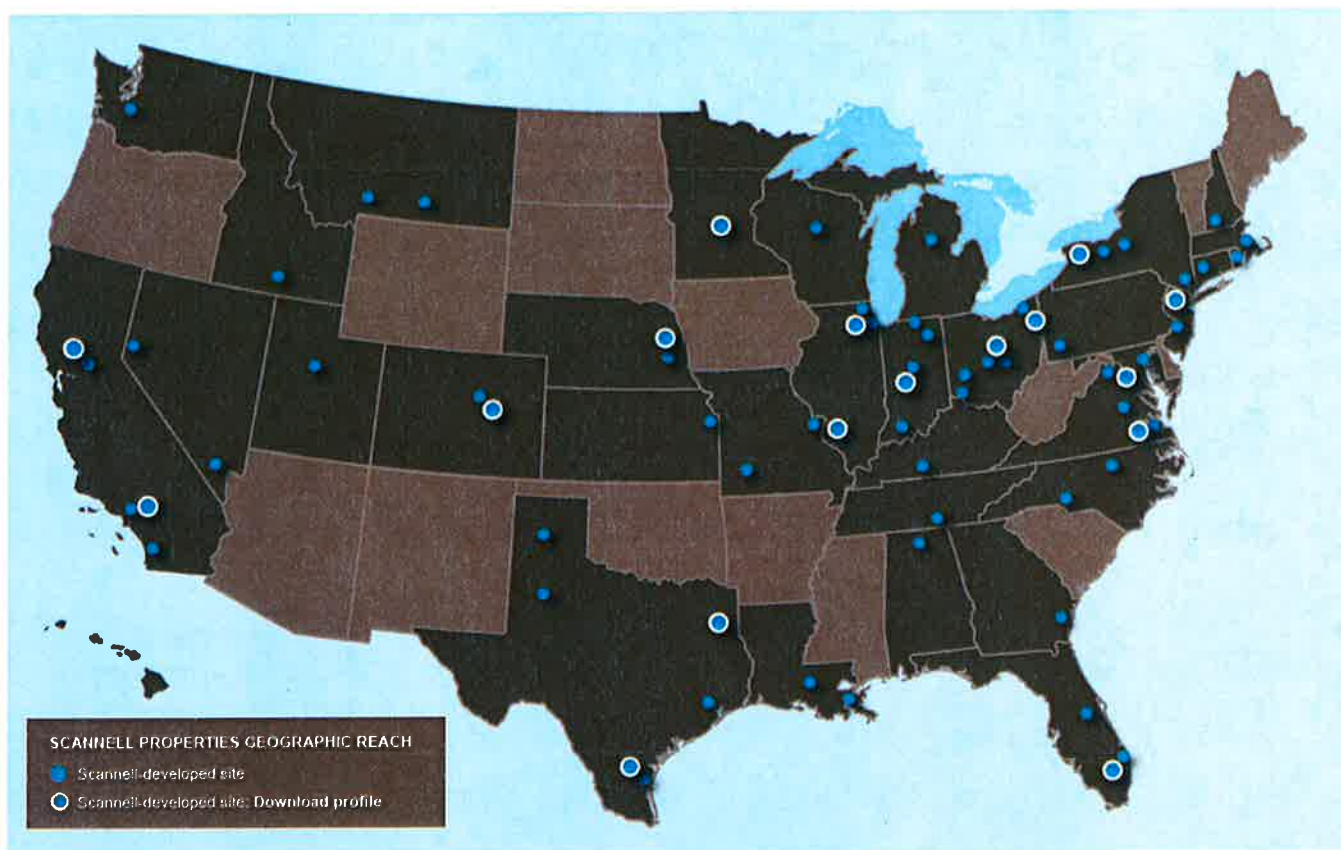
- [Kendall-Jackson in American Canyon, CA](#)
- [FedEx Ground in Newington, VA](#)
- [Chrysler Plant in Twinsburg, OH](#)
- [U.S. District Courthouse in Newport News, VA](#)

Scannell has experience in the development of buildings of all types, sizes and locations. Whether we are developing an office park, education or government facility, we're focused on creating a solution that matters to your business.

If you want a partner who can provide a client-focused, cost-effective and custom approach to your next building project, you want Scannell Properties.

**Click on the links below for profiles from some of our most successful projects.**

Alcoa CSI  
Apria Healthcare  
Chrysler Plant  
Daltille  
FedEx Freight, West Palm Beach  
FedEx Ground, Dover  
FedEx Ground, Newington  
FedEx Ground, North Chicago  
FedEx Ground, Pomona  
FedEx Ground, Shakopee  
General Services Administration, Centennial  
General Services Administration, Lincoln  
Gold's Gym  
Kendall-Jackson  
Owens Corning  
Saint Gobain  
U.S. District Courthouse



## Contact Scannell

*"As a long-term capital partner of Scannell Properties, KeyBank has a great deal of confidence in their financial strength, ability to execute, and the quality of their projects. It is great to work with a company like Scannell."*

**TED LEWIS**  
SENIOR VICE PRESIDENT, KEYBANK

## Headquarters

**Indianapolis, IN**  
800 E. 96th Street, Suite 175  
Indianapolis, IN 46240

Phone: (317) 843-5959  
Fax: (317) 843-5957

## Regional Offices

**Alexandria, VA**  
Phone: (703) 684-4449  
Fax: (703) 548-9446

**San Francisco, CA**  
Phone: (510) 899-8302  
Fax: (510) 899-8300

**Denver, CO**  
Phone: (317) 218-1666  
Fax: (317) 843-5957

**Minneapolis, MN**  
Phone: (317) 670-1015  
Fax: (763) 682-4524

**Let us help you with your next project.**

[Click here to email us.](#)



## Covering Ground

A nationwide build-to-suit scope



## Scannell Properties

**Development Manager**  
Tim Elam

**Location**  
Indianapolis, Indiana

Specializing in build-to-suit developments for single-tenant industrial, office and institutional purposes, Scannell Properties prides itself on its competitiveness, flexibility and quick decision-making.

"We are a privately held development company that averages annual volumes of \$250 million," says Tim Elam, Development Manager. "Our proven track record and national reach create opportunities for us to compete against larger competitors. By virtue of being a private company, we are also able to make quick decisions and take a unique approach to each requirement. We create solutions that vary in size, product type and location where others may shy away."

Headquartered in Indianapolis, Indiana for over 20 years, Scannell has a countrywide scope with four additional regional offices in San Francisco, Denver, Minneapolis and Alexandria. Scannell currently has over twenty projects in progress in fifteen different states. "Our business model enables us to deliver a competitively priced and quality product

anywhere in the U.S.," asserts Elam. He adds, "in part because we competitively bid general contracting services on all projects."

Though Scannell acknowledges there is a benefit to working with a select general contractor on multiple projects for a client, it also recognizes the benefit of working with local, reputable general contractors, especially in smaller markets. Thus, its model of competitively bidding general contracting services, results in a team that is "right-sized" for the project at hand.

If the greatest measure of success is earning a client's repeat business, then Scannell is at the top of its class. "We have worked repeatedly for over a dozen clients. We have the capability and knowledge to be the outsourced development arm for most corporate real estate departments," says Elam. A prime example is with Federal Express, for whom Scannell has completed over 75 projects in the United States.





### BUILDING ON THE PAST

A daunting endeavor for some, Scannell recently purchased a former Chrysler stamping plant in Twinsburg, Ohio originally constructed in the 1950s. The company is now transforming the property into a new business park that has development potential of 2.3 million square feet. "Orchestrating and executing the demolition of this site was a significant undertaking as was planning for the infrastructure and improvements to accommodate future tenants" says Elam. "However, we saw early on that the value of this asset extended far beyond that of a typical commercial property, including salvage rights for scrap materials and mineral rights." Scannell is currently under construction on a 137,000 square foot distribution warehouse and cold storage facility for Performance Food Groups (PFG). As the site's first user of the former Chrysler plant, PFG is expected to migrate to this new location in September, 2012. Scannell is seeing great interest in this project from regional and national users alike.

### PIONEERS AT WORK

Constructed for its most prominent client, Scannell recently developed a 215,000 square-foot FedEx Ground Distribution Center in Grays Lake, Illinois. The \$12 million project sits on previously undeveloped land and was designed around the client's automatic material handling system. "It's the first major user in a 140-acre business park," says Courtney Lehman, also Development Manager with Scannell Properties. "We were the pioneer for the park. We built a road and the entire infrastructure for the park in conjunction with this project.

"In doing so, Scannell had to overcome challenges associated with permitting, wetland mitigation and offsite improvements, but FedEx occupied the site on time and the project was recently nominated for the Commercial Real Estate Development Association's Industrial Build-to-Suit of the Year.

"It was very difficult on the financing side at the time," Lehman says. "It's the first major build-to-suit of that nature for Grays Lake. We worked with the Illinois Department of Transportation for incentives on the roads. All of those things culminated into a special project."

### AMERICA'S MANUFACTURING SPACE

Currently under development, General Electric Aviation in Auburn, Alabama is a 300,000 square-foot office/manufacturing facility. This \$28 million project is in the Auburn Technology Park. The building will have a two story 35,000 square-foot office component with the remainder being set aside for high tech manufacturing. The building will be LEED certified upon completion in November, 2012. "From a development stand point, this project is fairly straightforward. However, in manufacturing facilities there is always a lot of extra coordination during the design process with manufacturing equipment feeds", says Elam.

Scannell Properties will continue to focus on build-to-suits for primarily office and industrial clients. The company's presence throughout the country will allow it to take on a variety of projects in many different locations and its personnel are skilled to tackle even the most challenging requirements. **DDC**



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## WELCOME TO AMERICAN TIRE DISTRIBUTORS

Since 1935 American Tire Distributors has supported the nation's tire dealers, service repair shops, and automotive performance shops with prompt and convenient delivery of the products, tools, and programs they need to service a country on the move.

Today, these same customers rely on us to provide a complete package of tires, custom wheels, service equipment, shop supplies, and a full complement of business resources needed to meet the challenge of an increasingly demanding and competitive retail landscape. We provide a whole lot more than just products. We offer a total package of tires, wheels, and a whole lot more!

- |                 |   |
|-----------------|---|
| <b>5/24/12</b>  | ATD Announced Acquisition of Consolidated Tire & Oil, Inc.  |
| <b>4/30/12</b>  | ATD and Tire Pros Open 5th Tread Town Boundless Playground for Children of All Abilities  |
| <b>2/22/12</b>  | ATD and Tire Pros Open 4th Tread Town Boundless Playground for Children of All Abilities  |
| <b>11/16/11</b> | ATD and Tire Pros Open West Tennessee's First Public Boundless Playground for Children of All Abilities   |
| <b>10/31/11</b> | ATD Announces Marketing Alliance with DUB Magazine  |
| <b>9/14/11</b>  | ATD and Tire Pros Open Second Tread Town, A Boundless Playground for Children of All Abilities, in Pearl, Mississippi   |
| <b>4/18/11</b>  | American Tire Distributors, Inc. ("ATD") announced today that it has executed an agreement to purchase the capital stock of North Central Tire Group ("NCT"). |
| <b>12/10/10</b> | American Tire Distributors, Inc. announces acquisition of Lisac's of Washington, Inc. and Tire Wholesalers, Inc.  |
| <b>6/28/10</b>  | American Tire Distributors Opens First Distribution Center in Ohio  |
| <b>6/25/10</b>  | American Tire Distributors Opens Tread Town, Mecklenburg County's First Boundless Playground for Children of All Abilities                                    |
| <b>5/26/10</b>  | No. 01 TireBuyer.com Chevrolet to Debut at Tech-Net Auto Service 300 at Charlotte Motor Speedway  |
| <b>10/05/09</b> | ATD Announces National Charity Partner, Tops \$1 Million In Corporate Giving During 20th Annual Golf Classic  |
| <b>9/14/09</b>  | American Tire Distributors Named to 2009 Inc. 5000 List of Fastest-Growing Private Companies In America   |
| <b>5/28/09</b>  | ATD Announces Planned Sale of Autotire Car Care Centers Stores  |

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## ABOUT US

### Serving Tire Retailers and Service Shops Nationwide

At American Tire Distributors we have the ability to deliver tire, wheel and automotive service retailers a whole lot more by offering the tools and resources of success: close proximity distribution centers, rapid product delivery, state-of-the-art logistics, top brands, marketing programs, technology, training, and business consulting.

### Our People Make The Difference

We believe excellent service and exceptional value distinguish a good company from a great one. These two values are evident in the people that make up American Tire Distributors. From our drivers to the CEO, a dedication to serving the tire and wheel retailer is priority one. This includes technical expertise from our wheel and equipment specialists, financial management training from our financial services department, and marketing support from account managers and our corporate marketing department. Providing tires and wheels to independent dealers is just the beginning of our commitment. We want to help dealers grow their business, generate more sales, increase their consumer base, and remain profitable. Our commitment is never ending.

#### American Tire Distributors At A Glance

- 99 Regional Warehouses with over 9.9 Million sq. ft
- Three National Mixing Warehouses
- Over 800 Delivery Vehicles
- Over 39.6 Million Annual Delivery Miles
- Over 40,000 SKU's
- Over 60,000 Customers

#### Specialists in Every Field

- Dedicated Equipment Specialists
- Knowledgeable Wheel Specialists
- Experienced CSR's (Customer Service Reps)
- Dedicated Account Managers

#### Marketing Support Programs

- Marketing Programs
- ATDSERVICEBAY®
- TireBuyer.com™
- CO-OP Advertising
- Sales Incentive Programs
- Advertising/Marketing Assistance
- Training
- Financial Business Assistance

### American Tire Distributors History

Since 1935 American Tire Distributors has supported the nation's tire dealers, service repair shops, and automotive performance shops with prompt and convenient delivery of the products, tools, and programs they need to service a country on the move.



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## PRODUCTS

Our customers rely on American Tire Distributors to provide more selection, wider availability, and easy access to a complete package of tires, performance wheels, service equipment, and shop supplies.

We carry tires for passenger vehicles, pick-up trucks, sport utility vehicles, tractor-trailers, buses, commercial applications, farm machinery, and specialty and recreational vehicles.

Our wheel offering to retailers includes performance wheels for passenger vehicles, pick-up trucks, and sport utility vehicles with rim diameters ranging from 13" to 30". Read below to learn more about the products we offer.

**TIRES****WHEELS****SUPPLIES**

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## PROGRAMS

American Tire Distributors offers all dealers a wide variety of services and benefits:

Convenience of 24 hour inventory access and order capability through ATDOnline®, with the dependability of a consistent delivery route. One-stop source for tires, wheels, automotive service equipment, and tire supplies. One call, one truck, and one invoice. Consumer awareness and exposure through exclusive national promotions, and name-brand, exterior identification. Many dealer benefits through ATD ServiceBAY™ including warranties, point-of-sale material, credit cards, ATDOnline® Rewards and TireBuyer™.

<b>5/24/12</b>	ATD Announced Acquisition of Consolidated Tire & Oil, Inc.
<b>4/30/12</b>	ATD and Tire Pros Open 5th Tread Town Boundless Playground for Children of All Abilities
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### Dealer Programs

In addition to all the many benefits American Tire Distributors offers dealers we also administer many

### ATD offers these Dealer Programs:

Alliance (Michelin, BFGoodrich, Uniroyal)  
 TireStarz (Bridgestone, Firestone, Fuzion, Primewell)  
 G3X (Goodyear, Dunlop, Kenda)  
 Kumho Premium Fuel  
 Gold Dealer (Continental, General)  
 Firestone Ag Dealer  
 Wheel Volume Rebate Program  
 DUB Garage Dealer  
 Mickey Thompson Marketing Alliance (MTMA)  
 Mickey Thompson Performance Marketing Alliance (MTPMA)  
 Cooper Medallion  
 Mastercraft Century

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## DISTRIBUTION CENTER

We currently have 99 Distribution Centers located in 40 states across the nation.

### New York (2)



## DISTRIBUTION CENTER INFO

### 215 ROCHESTER

401 PEXLEY ROAD ROCHESTER, NY 14624

**Phone:** 800-728-9229 / 585-465-5443**Fax:** 585-465-5442

### 270 LONG ISLAND

121 WILSHIRE BLVD EDGEWOOD, NY 11717

**Phone:** 855-428-3847 / 631-595-4000**Fax:** 631-242-0107

**RESOLUTION AUTHORIZING CONVEYANCE AND ASSIGNMENT  
SCANNELL PROPERTIES #145, LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on August 15, 2013 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
Susan Pedo	Secretary
Hon. Kathy Sheehan	Treasurer
Martin Daley	Member
Lee Eck	Member
Tracy Metzger	Member
C. Anthony Owens	Member

**ABSENT:**

**THE FOLLOWING PERSONS WERE ALSO PRESENT:**

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
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. \_\_\_\_\_

**RESOLUTION CONSENTING TO AND AUTHORIZING THE EXECUTION AND  
DELIVERY OF CERTAIN DOCUMENTS WITH RESPECT TO THE CONVEYANCE  
OF THE SCANNELL PROPERTIES #145, LLC PROJECT.**

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

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

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

WHEREAS, on or about October 12, 2012, the Agency executed and delivered a lease agreement dated as of October 1, 2012 (the “Lease Agreement”) with Scannell Properties #145, LLC (the “Company”) to assist the Company in undertaking a certain commercial project (the “Project”); and

WHEREAS, the Project consisted of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 7.8 acres and located at 55 Commerce Avenue 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 “Existing Facility”), (2) the demolition of the Existing Facility, (3) the construction on the Land of a new building to contain approximately 125,000 square feet of space (the “Facility”) and (4) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Existing Facility, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company and operated by the Company or a commercial tenant for use as a warehouse, distribution and office 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, in connection with the execution and delivery of the Lease Agreement, the Agency entered into the Basic Documents (as defined in the Lease Agreement), including a payment in lieu of tax agreement that was entered into by and between the Agency and the Company (the “PILOT Agreement”); and

WHEREAS, the Company has advised the Agency that the Company desires to convey the Project Facility to Cole At Albany NY, LLC (the “Purchaser”) and, in connection with such conveyance, provide for the assignment of the Basic Documents from the Company to the Purchaser; and

WHEREAS, the Company has arranged for the delivery by the Purchaser of an executed copy of the Agency’s Application, completed by the Purchaser, and copies of such Application have been made available to the members of the Agency; and

WHEREAS, the Lease Agreement provides that the Company is prohibited from assigning the Lease Agreement or selling, leasing, transferring or otherwise conveying any part of the Project Facility without the prior written consent of the Agency; and

WHEREAS, in connection with the conveyance of the Project Facility, the Company and the Purchaser have requested (the “Request”) that the Agency execute documents providing for the following

(the "Conveyance Documents"): (A) the consent by the Agency of the conveyance of the Project Facility and the assignment and assumption of Basic Documents from the Company to the Purchaser, and (B) the potential granting of an additional mortgage and security interest on the Project Facility; 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 adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations" and collectively with the SEQR Act, "SEQRA"), the Agency must satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the execution and delivery of the Conveyance Documents; and

WHEREAS, pursuant to SEQRA, the Agency has reviewed the Request in order to make a determination as to whether the execution and delivery of the Conveyance Documents is subject to SEQRA, and it appears that the Request is not an "Action" under SEQRA;

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

Section 1. Pursuant to SEQRA, the approval of the Request is not an "Action" under SEQRA and therefore is not subject to SEQRA review by the Agency.

Section 2. The Agency hereby approves the Request and the execution of the Conveyance Documents; provided, however, that such consent is contingent upon (A) the written consent by any holder of any mortgage on the Project Facility, if required, (B) approval by Agency Counsel and Special Agency Counsel to the form of the Conveyance Documents, (C) compliance with the terms and conditions contained in the Basic Documents, (D) evidence satisfactory to the Agency that all payments in lieu of taxes and other local fees and assessments relating to the Project Facility, if any, have been paid by the Company, (E) the payment by the Company or the Purchase, as applicable, of the administrative fee of the Agency, and all other fees and expenses of the Agency in connection with the delivery of the Conveyance Documents, including the fees of Agency Counsel and Special Agency Counsel, and (F) the following additional conditions: \_\_\_\_\_.

Section 3. Subject to the satisfaction of the conditions described in Section 2 hereof, the Chairman (or Vice Chairman) of the Agency is hereby authorized to execute and deliver the Conveyance Documents and the modified Basic Documents to provide for the Request, 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, with terms and conditions 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 Request, 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 Request.

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	_____
Susan Pede	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
Lee Eck	VOTING	_____
Tracy Metzger	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 the City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on August 15, 2013, with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of the Agency and of such Resolution set forth therein and insofar as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 13<sup>th</sup> day of August, 2013.

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(Assistant) Secretary

(S E A L)