

Albany Industrial Development Agency

21 Lodge Street
Albany, New York 12207
Telephone: (518) 434-2532
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Anthony J. Ferrara, *Chairman*
Susan Pedo, *Secretary*
C. Anthony Owens
Tracy Metzger
Lee Eck
Darius Shahinfar

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

To: Susan Pedo
Anthony Owens
Tracy Metzger

Mike Yevoli
Erik Smith
John Reilly
Joe Scott
Sarah Reginelli
Brad Chevalier

Date: January 14, 2014

AGENDA

A meeting of the Finance Committee of the City of Albany Industrial Development Agency will be held on **Thursday, January 16th at 12:15PM** at 21 Lodge Street, Albany, NY 12207 (Conference Room)

Roll Call

Reading of Minutes of the Finance Committee Meeting of December 11th, 2013

Approval of Minutes of the Finance Committee Meeting of December 11th, 2013

Unfinished Business

- 132 State Street Properties LLC
- 136 State Street Properties LLC
- Aeon Nexus Corporation
- 140 State Street Properties LLC
- 144 State Street LLC
- 67 Howard Street LLC
- 40 Steuben LLC
- Albany Medical Center – 391 Myrtle Avenue (MOB)
- Park South Partners LLC

New Business

- 733 Broadway LLC (2014)
- Tricentennial Properties LLC

Other Business

Adjournment

***The next regularly scheduled Board meeting will be held Thursday, January 23rd at 21 Lodge Street, Albany, NY 12207**

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Telephone: (518) 434-2532
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Anthony J. Ferrara, *Chairman*
Susan Pedo, *Secretary*
Kathy Sheehan, *Treasurer*
Martin Daley
C. Anthony Owens
Tracy Metzger
Lee Eck

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

IDA MINUTES OF FINANCE COMMITTEE MEETING Wednesday, December 11th

Attending: Kathy Sheehan, Susan Pedo, C. Anthony Owens and Tracy Metzger

Absent:

Also Present: Michael Yevoli, Erik Smith, Joe Scott, Sarah Reginelli, Brad Chevalier, Amanda Vitullo & Amy Gardner

Acting Chairperson, C. Anthony Owens, called the Finance Committee meeting of the IDA to order at 12:16 PM.

Roll Call

Acting Chairperson, C. Anthony Owens, reported that all Committee members were present.

Reading of Minutes of the Finance Committee Meeting of November 13th, 2013

Since the minutes of the November 13th, 2013 meeting had been distributed to the Committee members in advance for review, acting Chairperson, C. Anthony Owens made a proposal to dispense with the reading of the minutes.

Approval of Minutes of the Finance Committee Meeting of November 13th, 2013

Acting Chairperson C. Anthony Owens made a proposal to approve the minutes of the Finance Committee meeting of November 13th, 2013 as presented. A motion to accept the minutes, as presented, was made by Susan Pedo and seconded by Tracy Metzger. A vote being taken, the minutes were accepted unanimously.

Unfinished Business

132 State Street Properties LLC and 136 State Street Properties LLC

Staff reviewed the project summary that was distributed prior to the meeting with the Committee. Staff reviewed the revised PILOT schedule framework. A motion to make a positive recommendation to the full Board for consideration of 132 State Street Properties LLC and 136 State Street Properties LLC in January was made by Kathy Sheehan. The motion was seconded by Susan Pedo.

Aeon Nexus Corporation

Staff reviewed the project summary that was distributed prior to the meeting with the Committee. Staff noted that no major changes had been made since the last Finance Committee meeting. A motion to make a positive recommendation to the full Board in January for consideration of Aeon Nexus Corporation was made by Tracy Metzger. The motion was seconded by Kathy Sheehan.

140 State Street Properties LLC

Staff reviewed the project summary that was distributed prior to the meeting with the Committee. Staff noted that no major changes had been made since the last Finance Committee meeting. A motion to make a positive recommendation to the full Board for consideration of 140 State Street Properties LLC in January was made by Susan Pedo. The motion was seconded by Kathy Sheehan.

144 State Street LLC

Staff reviewed the revised project summary that was distributed prior to the meeting with the Committee. Staff reviewed the revised PILOT showing a modification in the abatement schedule previously proposed. A motion to make a positive recommendation to the full Board for consideration of 144 State Street LLC in January pending additional conversations between staff and the applicant in regards to the further modification of the proposed PILOT was made by Tracy Metzger. The motion was seconded by Susan Pedo.

67 Howard Street LLC

Staff reviewed the revised project summary that was distributed prior to the meeting with the Committee. Staff reviewed the revised PILOT showing a modification in the abatement previously proposed. A motion to make a positive recommendation to the full Board for consideration of 67 Howard Street LLC in January pending additional conversations between staff and the applicant in regards to the further modification of the proposed PILOT was made by Susan Pedo. The motion was seconded by Tracy Metzger.

488 Broadway Arcade LLC

Staff reviewed the revised project summary that was distributed prior to the meeting with the Committee. The assessment value of the building and the applicant submitted building appraisal was discussed at length by the Committee. The PILOT schedule framework proposed by staff as outlined in the project summary was discussed. The Committee approved the framework of the PILOT schedule as presented by staff with a minor alteration. A motion to make a positive recommendation to the full Board for consideration of 488 Broadway Arcade LLC was made by Tracy Metzger. The motion was seconded by Susan Pedo.

412 Broadway Realty, LLC

Staff reviewed the project summary that was distributed prior to the meeting with the Committee. The Applicant is seeking financial assistance from the Agency in the form of a sales and use tax exemption; mortgage recording tax exemption; and real property tax abatement. Staff reviewed changes that had been made since initial submittal of the application. Staff stated that a public hearing would be held prior to the December Board meeting. The similarities between the downtown residential projects and potentially providing universal PILOTs to similar projects were discussed. A motion to make a positive recommendation to the full Board for consideration of 488 Broadway Arcade LLC for project approvals was made by Tracy Metzger. The motion was seconded by Susan Pedo.

40 Stueben LLC

Staff reviewed the project summary that was distributed prior to the meeting with the Committee. The Applicant is seeking financial assistance from the Agency in the form of a sales and use tax exemption; mortgage recording tax exemption; and real property tax abatement. Staff reviewed changes that had been made since initial submittal of the application. Staff stated that a public hearing would be held

prior to the December Board meeting. The demand for and supply of downtown residential was discussed by the Committee.

New Business

Other Business

True North Albany Extended Stay, LLC

Staff advised the Committee that this project would be discussed at the upcoming Board meeting.

None

There being no further business, Acting Chairperson C. Anthony Owens adjourned the meeting at 1:55PM.

Respectfully submitted,

(Assistant) Secretary

TO: City of Albany Industrial Development Finance Committee

FROM: City of Albany Industrial Development Agency Staff

RE: 132 State Street Properties LLC – Final Project Summary

DATE: January 10, 2014

Staff Notes:

This project summary is the result of the work staff has performed per the direction of the Finance Committee at the September 19th and November 11th meetings. As a result of the September 19th meeting the Applicant submitted a revised PILOT request for Committee review. The revised PILOT request included the reduction of the duration of the PILOT to 12 years and modified the percentage abatement amounts. Per comments made by the Finance Committee at the November 11th meeting staff has worked towards amending the PILOT request to ensure that, based upon the potential tenants, the project receive the appropriate financial assistance. The modified general framework of the PILOT is provided in the Project Summary below. A positive recommendation was given by the Committee at the December 11th meeting for project approvals at the January Board meeting. Please note this project summary will continue to be updated as the project progresses through staff review and Agency consideration.

Applicant: 132 State Street Properties LLC

Managing Members (% of Ownership): Joseph R. Nicolla (51%) and Richard A. Rosen (49%)

Project Location: 132 State Street

Project Description: Proposed acquisition of a parcel of land along with the acquisition of and renovation of an existing 5 story, 9,450 SF +/- building into commercial office space with retail on the first floor. The project includes the installation of tenant finishes, personal property, fixtures, furniture and equipment.

Estimated Project Cost: \$2,351,500

Type of Financing: Straight Lease

Amount of Bonds Requested: None

Estimated Total Purchases Exempt from Sales Tax: \$2,008,000

Estimated Total Mortgage Amount: \$2,162,500

Current Total Assessment: \$100,000 (per Commissioner of Department of Assessment & Taxation)

Estimated Improved Total Assessment: \$945,000 (per Commissioner of Department of Assessment & Taxation)

PILOT: The proposal entails the Applicant entering into a 12 Year PILOT agreement with the IDA. Generally, the PILOT agreement will include two PILOT scenarios. The general framework for process and procedures will be discussed at the meeting.

- Scenario #1: Annual payments in lieu of taxes will be calculated by adding A) an amount equal to one hundred percent (100%) of the Normal Tax due with respect to the current total assessment (i.e. the “base” assessment) and B) an amount equal to a percentage of the Normal Tax due with respect to the additional improved assessment from completion of the project.
- Scenario #2: Annual payments in lieu of taxes will be calculated by adding A) an amount equal to one hundred percent (100%) of the Normal Tax due with respect to the current total assessment (i.e. the “base” assessment) and B) an amount equal to a percentage of the Normal Tax due with respect to the additional improved assessment from completion of the project.

Please see attached Revised PILOT Analysis and Special Counsel Memo for specifics.

Estimated Value of Total PILOT Payments:

- Total PILOT Payments:
 - Scenario #1: \$177,686
 - Scenario #2: Greater than Scenario #1

Estimated Value of Tax Exemptions:

- NYS Sales and Compensating Use Tax: \$160,640
- Mortgage Recording Taxes: \$27,032
- Real Property Taxes:
 - Scenario #1: \$467,874 (*Not a Net Present Value*)
 - Scenario #2: Less than Scenario #2
- Other: N/A

Employment Impact:

- Projected Permanent: (3) new jobs and (17) retained jobs
- Projected Construction: (25) jobs

Other Economic Impacts:

- Increases retail options
- Increases local and state sales tax revenues
- Increases Downtown BID revenues that will be used to further the betterment of the district

Strategic Initiatives:

- Albany 2030
 - Increase job opportunities for all residents.
 - Encourage investment in urban land and buildings for employment and housing through development, redevelopment, rehabilitation and adaptive reuse.

Planning Board Actions:

- Issued a Negative Declaration for this Type I Action as per the provisions of SEQR on 10/17/13.
- Approved the site plan on 11/21/13 with conditions.

Estimated IDA Fee

- Fee amount: \$23,515

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.

132 State Street Properties LLC: Staff Amended PILOT Analysis

PILOT Year	City and County Tax Year	School Tax Year	Tax Rate ⁽⁵⁾	Status Quo		Normal Tax		Proposed Project					
								Applicable PILOT Scenario per Future Tenants ⁽¹⁰⁾					
								Scenario #1			Scenario #2		
				Estimated Total Assessment ⁽⁶⁾	Estimated Total Taxes ⁽⁷⁾	Estimated Total Improved Assessment ⁽⁸⁾	Estimated Total Taxes w/o PILOT ⁽⁹⁾	Estimated PILOT Payments ⁽¹¹⁾	Estimated Abatement Savings ⁽¹²⁾	% of Abatement on Improved Assessment ⁽¹³⁾	Estimated PILOT Payments ⁽¹⁴⁾	Estimated Abatement Savings ⁽¹⁵⁾	% of Abatement on Improved Assessment ⁽¹⁶⁾
Interim ⁽¹⁾	2014	2013/2014	\$46.73	\$100,000	\$4,673	-	-	-	-	-	-	-	-
1 ⁽²⁾	2015	2014/2015	\$48.13	\$100,000	\$4,813	\$945,000	\$45,487	\$4,813	\$40,674	100%	\$25,150	\$20,337	50%
2	2016	2015/2016	\$49.58	\$100,000	\$4,958	\$945,000	\$46,852	\$4,958	\$41,894	100%	\$28,000	\$18,852	45%
3	2017	2016/2017	\$51.07	\$100,000	\$5,107	\$945,000	\$48,258	\$5,107	\$43,151	100%	\$30,997	\$17,260	40%
4	2018	2017/2018	\$52.60	\$100,000	\$5,260	\$945,000	\$49,705	\$5,260	\$44,446	100%	\$34,149	\$15,556	35%
5	2019	2018/2019	\$54.18	\$100,000	\$5,418	\$945,000	\$51,197	\$5,418	\$45,779	100%	\$37,463	\$13,734	30%
6	2020	2019/2020	\$55.80	\$100,000	\$5,580	\$945,000	\$52,732	\$5,580	\$47,152	100%	\$40,944	\$11,788	25%
7	2021	2020/2021	\$57.48	\$100,000	\$5,748	\$945,000	\$54,314	\$5,748	\$48,567	100%	\$44,601	\$9,713	20%
8	2022	2021/2022	\$59.20	\$100,000	\$5,920	\$945,000	\$55,944	\$5,920	\$50,024	100%	\$48,440	\$7,504	15%
9	2023	2022/2023	\$60.98	\$100,000	\$6,098	\$945,000	\$57,622	\$16,403	\$41,220	80%	\$52,470	\$5,152	10%
10	2024	2023/2024	\$62.81	\$100,000	\$6,281	\$945,000	\$59,351	\$27,509	\$31,842	60%	\$56,697	\$2,654	5%
11	2025	2024/2025	\$64.69	\$100,000	\$6,469	\$945,000	\$61,131	\$39,266	\$21,865	40%	\$61,131	\$0	0%
12 ⁽³⁾	2026	2025/2026	\$66.63	\$100,000	\$6,663	\$945,000	\$62,965	\$51,705	\$11,260	20%	\$62,965	\$0	0%
Permanent ⁽⁴⁾	2027	2026/2027	\$68.63	\$100,000	\$6,863	\$945,000	\$64,854	-	-	-	-	-	-
Estimated Total ⁽¹⁷⁾					\$68,313		\$645,560	\$177,686	\$467,874		\$523,009	\$122,550	

Notes:

(1) Property will likely be taxable until March 1st, 2014. Project would likely close with Agency in January or February of 2014.

(2) Estimated start of PILOT payments.

(3) Estimated end of PILOT payments assuming Scenario #1 PILOT.

(4) Property returns to taxable status assuming Scenario #1 PILOT.

(5) Estimated tax rate (does not include any special ad valorem taxes that are still payable under PILOT) based on City and County 2013 tax year plus a 4% escalator and School 2013/2014 tax with estimated escalation of 3% thereafter. DOES NOT INCLUDE BID OR

(6) Per Commissioner of Department of Assessment & Taxation based on 2013 tax roll.

(7) Estimated taxes if proposed project did not occur (i.e. left status quo). DOES NOT INCLUDE BID OR LIBRARY TAXES THAT ARE STILL PAYABLE.

(8) Per Commissioner of Department of Assessment & Taxation based on estimate of \$100 per square foot (Inc. land and improvement assessment value). Assessment value is not fixed.

(9) Estimated taxes if proposed project occurred without PILOT assistance. DOES NOT INCLUDE BID OR LIBRARY TAXES THAT ARE STILL PAYABLE.

(10) PILOT Scenario, which is dependent on future tenants and whether they meet or do not meet certain qualifying requirements as provided in the Project Summary.

(11) Estimated PILOT Payments assuming Scenario #1 PILOT. DOES NOT INCLUDE BID OR LIBRARY TAXES THAT ARE STILL PAYABLE.

(12) Difference of Estimated PILOT Payments from Estimated Total Taxes w/o PILOT assuming Scenario #1 PILOT.

(13) Percent abatement on increased assessment via PILOT assuming Scenario #1 PILOT.

(14) Estimated PILOT Payments assuming Scenario #2 PILOT.

(15) Difference of Estimated PILOT Payments from Estimated Total Taxes w/o PILOT assuming Scenario #2 PILOT. DOES NOT INCLUDE BID OR LIBRARY TAXES THAT ARE STILL PAYABLE.

(16) Percent abatement on increased assessment via PILOT assuming Scenario #2 PILOT.

(17) Totals for comparison and analysis during PILOT agreement period only.

Analysis is ONLY an estimate

TO: City of Albany Industrial Development Finance Committee

FROM: City of Albany Industrial Development Agency Staff

RE: 136 State Street Properties LLC – Final Project Summary

DATE: January 10, 2014

Staff Notes:

This project summary is the result of the work staff has performed per the direction of the Finance Committee at the September 19th and November 11th meetings. As a result of the September 19th meeting the Applicant submitted a revised PILOT request for Committee review. The revised PILOT request included the reduction of the duration of the PILOT to 12 years and modified the percentage abatement amounts. Per comments made by the Finance Committee at the November 11th meeting staff has worked towards amending the PILOT request to ensure that, based upon the potential tenants, the project receive the appropriate financial assistance. The modified general framework of the PILOT is provided in the Project Summary below. A positive recommendation was given by the Committee at the December 11th meeting for project approvals at the January Board meeting. Please note this project summary will continue to be updated as the project progresses through staff review and Agency consideration.

Applicant: 136 State Street Properties LLC

Managing Members (% of Ownership): Joseph R. Nicolla (51%) and Richard A. Rosen (49%)

Project Location: 134-136 State Street

Project Description: Proposed acquisition of two parcels of land along with the acquisition of and renovation of (2) existing 5 story buildings into 18,000 SF +/- of commercial office space. The project includes the installation of tenant finishes, personal property, fixtures, furniture and equipment.

Estimated Project Cost: \$3,590,500

Type of Financing: Straight Lease

Amount of Bonds Requested: None

Estimated Total Purchases Exempt from Sales Tax: \$3,200,000

Estimated Total Mortgage Amount: \$3,390,500

Current Total Assessment: \$100,000 (per Commissioner of Department of Assessment & Taxation)

Estimated Improved Total Assessment: \$1,800,000 (per Commissioner of Department of Assessment & Taxation)

PILOT: The proposal entails the Applicant entering into a 12 Year PILOT agreement with the IDA. Generally, the PILOT agreement will include two PILOT scenarios. The general framework for process and procedures will be discussed at the meeting.

- Scenario #1: Annual payments in lieu of taxes will be calculated by adding A) an amount equal to one hundred percent (100%) of the Normal Tax due with respect to the current total assessment (i.e. the “base” assessment) and B) an amount equal to a percentage of the Normal Tax due with respect to the additional improved assessment from completion of the project.
- Scenario #2: Annual payments in lieu of taxes will be calculated by adding A) an amount equal to one hundred percent (100%) of the Normal Tax due with respect to the current total assessment (i.e. the “base” assessment) and B) an amount equal to a percentage of the Normal Tax due with respect to the additional improved assessment from completion of the project.

Please see attached Revised PILOT Analysis and Memo from Special Counsel for specifics.

Estimated Value of Total PILOT Payments:

- Total PILOT Payments:
 - Scenario #1: \$343,722
 - Scenario #2: Greater than Scenario #1

Estimated Value of Tax Exemptions:

- NYS Sales and Compensating Use Tax: \$256,000
- Mortgage Recording Taxes: \$42,382
- Real Property Taxes:
 - Scenario #1: \$885,916 (*Not a Net Present Value*)
 - Scenario #2: Less than Scenario #1

Employment Impact:

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

Other Economic Impacts:

- Increases local and state sales tax revenues
- Increases Downtown BID revenues that will be used to further the betterment of the district

Strategic Initiatives:

- Albany 2030
 - Increase job opportunities for all residents.
 - Encourage investment in urban land and buildings for employment and housing through development, redevelopment, rehabilitation and adaptive reuse.

Planning Board Actions:

- Issued a Negative Declaration for this Type I Action as per the provisions of SEQR on 10/17/13.
- Approved the site plan on 11/21/13 with conditions.

Estimated IDA Fee

- Fee amount: \$35,905

Mission

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136 State Street Properties LLC: Staff Amended PILOT Analysis													
PILOT Year	City and County Tax Year	School Tax Year	Tax Rate ⁽⁵⁾	Status Quo		Normal Tax		Proposed Project					
								Applicable PILOT Scenario per Future Tenants ⁽¹⁰⁾					
								Scenario #1			Scenario #2		
				Estimated Total Assessment ⁽⁶⁾	Estimated Total Taxes ⁽⁷⁾	Estimated Total Improved Assessment ⁽⁸⁾	Estimated Total Taxes w/o PILOT ⁽⁹⁾	Estimated PILOT Payments ⁽¹¹⁾	Estimated Abatement Savings ⁽¹²⁾	% of Abatement on Improved Assessment ⁽¹³⁾	Estimated PILOT Payments ⁽¹⁴⁾	Estimated Abatement Savings ⁽¹⁵⁾	% of Abatement on Improved Assessment ⁽¹⁶⁾
Interim ⁽¹⁾	2014	2013/2014	\$46.73	\$200,000	\$9,347	-	-	-	-	-	-	-	-
1 ⁽²⁾	2015	2014/2015	\$48.13	\$200,000	\$9,627	\$1,800,000	\$86,643	\$9,627	\$77,016	100%	\$48,135	\$38,508	50%
2	2016	2015/2016	\$49.58	\$200,000	\$9,916	\$1,800,000	\$89,242	\$9,916	\$79,326	100%	\$53,545	\$35,697	45%
3	2017	2016/2017	\$51.07	\$200,000	\$10,213	\$1,800,000	\$91,919	\$10,213	\$81,706	100%	\$59,237	\$32,682	40%
4	2018	2017/2018	\$52.60	\$200,000	\$10,520	\$1,800,000	\$94,677	\$10,520	\$84,157	100%	\$65,222	\$29,455	35%
5	2019	2018/2019	\$54.18	\$200,000	\$10,835	\$1,800,000	\$97,517	\$10,835	\$86,682	100%	\$71,513	\$26,005	30%
6	2020	2019/2020	\$55.80	\$200,000	\$11,160	\$1,800,000	\$100,443	\$11,160	\$89,282	100%	\$78,122	\$22,321	25%
7	2021	2020/2021	\$57.48	\$200,000	\$11,495	\$1,800,000	\$103,456	\$11,495	\$91,961	100%	\$85,064	\$18,392	20%
8	2022	2021/2022	\$59.20	\$200,000	\$11,840	\$1,800,000	\$106,560	\$11,840	\$94,720	100%	\$92,352	\$14,208	15%
9	2023	2022/2023	\$60.98	\$200,000	\$12,195	\$1,800,000	\$109,757	\$31,707	\$78,049	80%	\$100,000	\$9,756	10%
10	2024	2023/2024	\$62.81	\$200,000	\$12,561	\$1,800,000	\$113,049	\$52,756	\$60,293	60%	\$108,025	\$5,024	5%
11	2025	2024/2025	\$64.69	\$200,000	\$12,938	\$1,800,000	\$116,441	\$75,040	\$41,401	40%	\$116,441	\$0	0%
12 ⁽³⁾	2026	2025/2026	\$66.63	\$200,000	\$13,326	\$1,800,000	\$119,934	\$98,612	\$21,322	20%	\$119,934	\$0	0%
Permanent ⁽⁴⁾	2027	2026/2027	\$68.63	\$200,000	\$13,726	\$1,800,000	\$123,532	-	-	-	-	-	-
Estimated Total ⁽¹⁷⁾					\$136,626		\$1,229,638	\$343,722	\$885,916		\$997,590	\$232,048	
Notes: (1) Property will likely be taxable until March 1st, 2014. Project would likely close with Agency in January or February of 2014. (2) Estimated start of PILOT payments. (3) Estimated end of PILOT payments assuming Proposed PILOT. (4) Property returns to taxable status assuming Proposed PILOT. (5) Estimated tax rate (does not include any special ad valorem taxes that are still payable under PILOT) based on City and County 2013 tax year plus a 4% escalator and School 2013/2014 tax with estimated escalation of 3% thereafter. DOES NOT INCLUDE BID OR (6) Per Commissioner of Department of Assessment & Taxation based on 2013 tax roll. (7) Estimated taxes if proposed project did not occur (i.e. left status quo). DOES NOT INCLUDE BID OR LIBRARY TAXES THAT ARE STILL PAYABLE. (8) Per Commissioner of Department of Assessment & Taxation based on estimate of \$100 per square foot (inc. land and improvement assessment value). Assessment value is <u>not</u> fixed. (9) Estimated taxes if proposed project occurred without PILOT assistance. DOES NOT INCLUDE BID OR LIBRARY TAXES THAT ARE STILL PAYABLE. (10) PILOT Scenario, which is dependent on future tenants and whether they meet or do not meet certain qualifying requirements as provided in the Project Summary and Memo from Special Counsel. (11) Estimated PILOT Payments assuming Scenario #1 PILOT. DOES NOT INCLUDE BID OR LIBRARY TAXES THAT ARE STILL PAYABLE. (12) Difference of Estimated PILOT Payments from Estimated Total Taxes w/o PILOT assuming Scenario #1 PILOT. (13) Percent abatement on increased assessment via PILOT assuming Scenario #1 PILOT. (14) Estimated PILOT Payments assuming Scenario #2 PILOT. DOES NOT INCLUDE BID OR LIBRARY TAXES THAT ARE STILL PAYABLE. (15) Difference of Estimated PILOT Payments from Estimated Total Taxes w/o PILOT assuming Scenario #2 PILOT. (16) Percent abatement on increased assessment via PILOT assuming Scenario #2 PILOT. (17) Totals for comparison and analysis during PILOT agreement period only.													

Analysis is ONLY an estimate

MEMORANDUM FROM



A. Joseph Scott III
Direct Dial: 518.433.2419
Facsimile: 518.465.1567

To: Members of the City Albany Industrial Development Agency

Date: January 14, 2014

Subject: City of Albany Industrial Development Agency
IDA PILOT Agreements - Bifurcation

The purpose of the guidelines shown below is to eliminate the cycling of tenants in the City of Albany as it pertains to projects being considered by 132 State Street Properties LLC and 136 State Street Properties LLC.

1. A bifurcated PILOT abatement schedule would be offered to both projects: Abatement Schedule Option #1 (Labeled "Scenario #1" in Staff provided PILOT Analysis) and Abatement Schedule Option #2 (Labeled "Scenario #2" in Staff provided PILOT Analysis).

2. The default PILOT abatement schedule upon execution of the PILOT Agreement is Abatement Schedule Option #1.

3. Prior to execution of a lease agreement with a tenant for occupancy in the project, the company shall deliver affidavits from such tenant evidencing satisfaction of at least one of the following conditions:

- i. tenant would otherwise move outside the City of Albany
- ii. tenant is moving into the City of Albany (need IDA anti-pirating certification)
- iii. tenant is increasing the amount of square feet leased and creating jobs
- iv. tenant is simply moving within the City of Albany, but the vacated space is being back-filled (and back-filled tenant meets the tests in i., ii., or iii)

4. During the term of the PILOT Agreement, the company would need to provide certificates on September 1 of each year confirming that: (i) there is no change in tenants, or (ii) if there is a change in tenants in the project, the new tenant meets the conditions described in paragraph 3. above as evidenced by submittal of affidavits as described in paragraph 3. above. As part of the annual certificate the company shall include, among other things, (i) the total leasable building space and (ii) the total leasable space occupied by and associated with each tenant.

5. The company would have to show that at least 75% of the total leasable square feet of the building is leased to tenants that meet at least one of the conditions as described in paragraph 3. above in order to maintain the benefits associated with Abatement Schedule Option #1 (Note: vacancy of leasable building space does not disqualify company from Abatement Schedule Option #1).

6. Failure to provide the certificates (or failure to maintain the conditions) and the PILOT will default to Abatement Schedule Option #2.

TO: City of Albany Industrial Development Finance Committee

FROM: City of Albany Industrial Development Agency Staff

RE: Aeon Nexus Corporation – Final Project Summary

DATE: January 10, 2014

Staff Notes:

This project summary is the result of the work staff has performed per the direction of the Finance Committee at the September 19th meeting. As a result of the September 19th meeting the Applicant submitted a revised PILOT request for Committee review. The revised PILOT request included the reduction of the duration of the PILOT to 12 years and modified the percentage abatement amounts. No changes have been made to the modified PILOT request. A positive recommendation was given by the Committee at the December 11th meeting for project approvals at the January Board meeting. Please note this project summary will continue to be updated as the project progresses through staff review and Agency consideration.

Applicant: Aeon Nexus Corporation

Managing Members (% of Ownership): Omar Usmani (100%)

Project Location: 138 State Street

Project Description: Proposed acquisition of a parcel of land along with the acquisition of and renovation of an existing 8,750 SF +/- building – consisting of 3 stories, a mezzanine and basement – into commercial office space. The project includes the installation of tenant finishes, personal property, fixtures, furniture and equipment.

Estimated Project Cost: \$1,833,500

Type of Financing: Straight Lease

Amount of Bonds Requested: None

Estimated Total Purchases Exempt from Sales Tax: \$1,650,000

Estimated Total Mortgage Amount: \$1,608,500

Current Total Assessment: \$100,000 (per Commissioner of Department of Assessment & Taxation)

Estimated Improved Total Assessment: \$875,000 (per Commissioner of Department of Assessment & Taxation)

Requested PILOT: Applicant proposes entering into a 12 year PILOT agreement with the IDA in which annual payments in lieu of taxes will be calculated by adding A) an amount equal to one hundred percent (100%) of the Normal Tax due with respect to the current total assessment

(i.e. the “base” assessment) and B) an amount equal to a percentage of the Normal Tax due with respect to the additional improved assessment from completion of the project. Please see attached Revised PILOT Analysis for specifics.

Estimated Value of Total PILOT Payments:

- Total PILOT Payments: \$168,625

Estimated Value of Tax Exemptions:

- NYS Sales and Compensating Use Tax: \$132,000
- Mortgage Recording Taxes: \$20,107
- Real Property Taxes: \$429,115 (*Not a Net Present Value*)
- Other: N/A

Employment Impact:

- Projected Permanent: (12) new jobs
- Projected Construction: (25) jobs

Other Economic Impacts:

- Increases local and state sales tax revenues
- Increases Downtown BID revenues that will be used to further the betterment of the district

Strategic Initiatives:

- Albany 2030
 - Increase job opportunities for all residents.
 - Encourage investment in urban land and buildings for employment and housing through development, redevelopment, rehabilitation and adaptive reuse.

Planning Board Actions:

- Issued a Negative Declaration for this Type I Action as per the provisions of SEQR on 10/17/13.
- Approved the site plan on 11/21/13 with conditions.

Estimated IDA Fee

- Fee amount: \$18,335

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.

Aeon Nexus Corporation: Revised PILOT Analysis										
PILOT Year	City and County Tax Year	School Tax Year	Tax Rate ⁽⁵⁾	Status Quo		Proposed Project				
				Estimated Total Assessment ⁽⁶⁾	Estimated Total Taxes ⁽⁷⁾	Normal Tax		Applicant Requested PILOT		
						Estimated Total Improved Assessment ⁽⁸⁾	Estimated Total Taxes w/o PILOT ⁽⁹⁾	Estimated PILOT Payments ⁽¹⁰⁾	Estimated Abatement Savings ⁽¹¹⁾	% of Abatement on Improved Assessment ⁽¹²⁾
Interim ⁽¹⁾	2014	2013/2014	\$46.73	\$100,000	\$4,673	-	-	-	-	-
1 ⁽²⁾	2015	2014/2015	\$48.13	\$100,000	\$4,813	\$875,000	\$42,118	\$4,813	\$37,305	100%
2	2016	2015/2016	\$49.58	\$100,000	\$4,958	\$875,000	\$43,382	\$4,958	\$38,424	100%
3	2017	2016/2017	\$51.07	\$100,000	\$5,107	\$875,000	\$44,683	\$5,107	\$39,576	100%
4	2018	2017/2018	\$52.60	\$100,000	\$5,260	\$875,000	\$46,024	\$5,260	\$40,764	100%
5	2019	2018/2019	\$54.18	\$100,000	\$5,418	\$875,000	\$47,404	\$5,418	\$41,987	100%
6	2020	2019/2020	\$55.80	\$100,000	\$5,580	\$875,000	\$48,826	\$5,580	\$43,246	100%
7	2021	2020/2021	\$57.48	\$100,000	\$5,748	\$875,000	\$50,291	\$5,748	\$44,544	100%
8	2022	2021/2022	\$59.20	\$100,000	\$5,920	\$875,000	\$51,800	\$5,920	\$45,880	100%
9	2023	2022/2023	\$60.98	\$100,000	\$6,098	\$875,000	\$53,354	\$15,549	\$37,805	80%
10	2024	2023/2024	\$62.81	\$100,000	\$6,281	\$875,000	\$54,955	\$25,750	\$29,204	60%
11	2025	2024/2025	\$64.69	\$100,000	\$6,469	\$875,000	\$56,603	\$36,549	\$20,054	40%
12 ⁽³⁾	2026	2025/2026	\$66.63	\$100,000	\$6,663	\$875,000	\$58,301	\$47,974	\$10,328	20%
Permanent ⁽⁴⁾	2027	2026/2027	\$68.63	\$100,000	\$6,863	\$875,000	\$60,050	-	-	-
Estimated Total ⁽¹³⁾					\$68,313		\$597,741	\$168,625	\$429,115	

Notes:

(1) Property will likely be taxable until March 1st, 2014. Project would likely close with Agency in January or February of 2014.

(2) Estimated start of PILOT payments.

(3) Estimated end of PILOT payments assuming Applicant Requested PILOT.

(4) Property returns to taxable status.

(5) Estimated tax rate (does not include any special ad valorem taxes that are still payable under PILOT) based on City and County 2013 tax year plus a 4% escalator and School 2013/2014 tax with estimated escalation of 3% thereafter. DOES NOT INCLUDE BID OR LIBRARY TAX RATES THAT ARE STILL PAYABLE.

(6) Per Commissioner of Department of Assessment & Taxation based on 2013 tax roll.

(7) Estimated taxes if proposed project did not occur (i.e. left status quo). DOES NOT INCLUDE BID OR LIBRARY TAXES THAT ARE STILL PAYABLE.

(8) Per Commissioner of Department of Assessment & Taxation based on estimate of \$100 per square foot (Inc. land and improvement assessment value). Assessment value is not fixed.

(9) Estimated taxes if proposed project occurred without PILOT assistance. DOES NOT INCLUDE BID OR LIBRARY TAXES THAT ARE STILL PAYABLE.

(10) Estimated PILOT Payments assuming Applicant Requested PILOT. DOES NOT INCLUDE UNABATED BID OR LIBRARY TAXES THAT ARE STILL PAYABLE.

(11) Difference of Estimated PILOT Payments from Estimated Total Taxes w/o PILOT assuming Applicant Requested PILOT

(12) Percent abatement on increased assessment via PILOT assuming Applicant Requested PILOT

(13) Totals for comparison and analysis during PILOT agreement period only.

Analysis is ONLY an estimate

TO: City of Albany Industrial Development Finance Committee

FROM: City of Albany Industrial Development Agency Staff

RE: 140 State Street Properties LLC – Final Project Summary

DATE: January 10, 2014

Staff Notes:

This project summary is the result of the work staff has performed per the direction of the Finance Committee at the September 19th meeting. As a result of the September 19th meeting the Applicant submitted a revised PILOT request for Committee review. The revised PILOT request included the reduction of the duration of the PILOT to 12 years and modified the percentage abatement amounts. No changes have been made to the modified PILOT request. A positive recommendation was given by the Committee at the December 11th meeting for project approvals at the January Board meeting. Please note this project summary will continue to be updated as the project progresses through staff review and Agency consideration.

Applicant: 140 State Street Properties LLC

Managing Members (% of Ownership): Joseph R. Nicolla (51%) and Richard A. Rosen (49%)

Project Location: 140 State Street

Project Description: Proposed acquisition of a parcel of land along with the acquisition of and renovation of an existing 5 story, 5,500 SF building +/- into mixed-use building with retail on the first floor and approximately (4) four residential units on the upper floors. The project includes the installation of tenant finishes, personal property, fixtures, furniture and equipment.

Estimated Project Cost: \$1,305,500

Type of Financing: Straight Lease

Amount of Bonds Requested: None

Estimated Total Purchases Exempt from Sales Tax: \$1,070,000

Estimated Total Mortgage Amount: \$1,195,500

Current Total Assessment: \$100,000 (per Commissioner of Department of Assessment & Taxation)

Estimated Improved Total Assessment: \$400,000 (per Commissioner of Department of Assessment & Taxation)

Requested PILOT: Applicant proposes entering into a 12 year PILOT agreement with the IDA in which annual payments in lieu of taxes will be calculated by adding A) an amount equal to one hundred percent (100%) of the Normal Tax due with respect to the current total assessment

(i.e. the “base” assessment) and B) an amount equal to a percentage of the Normal Tax due with respect to the additional improved assessment from completion of the project. Please see attached Revised PILOT Analysis for specifics.

Estimated Value of Total PILOT Payments:

- Total PILOT Payments: \$107,144

Estimated Value of Tax Exemptions:

- NYS Sales and Compensating Use Tax: \$85,600
- Mortgage Recording Taxes: \$14,944
- Real Property Taxes: \$166,109 (*Not a Net Present Value*)
 - 485a Real Property Tax Abatement Program Real Property Taxes: \$166,109 (*Not a Net Present Value*)
- Other: N/A

Employment Impact:

- Projected Permanent: (5) new jobs
- Projected Construction: (25) jobs

Other Economic Impacts:

- Adds to the supply of downtown residential to help meet the demand for such living options (as stated in Zimmerman/Volk Associates downtown residential market study)
- Increases retail options
- Increases consumer base to support downtown businesses
- Increases local and state sales tax revenues
- Increases Downtown BID revenues that will be used to further the betterment of the district

Strategic Initiatives:

- Albany 2030
 - Increase job opportunities for all residents.
 - Encourage investment in urban land and buildings for employment and housing through development, redevelopment, rehabilitation and adaptive reuse.
 - Provide a variety of housing types to meet the varied needs of Albany’s households, including market, moderate and low income housing.
 - Encourage diverse intergenerational housing. Diverse housing includes options for residents throughout different stages of life (e.g. students, couples, families with children, seniors) in the same neighborhood.
- Revitalization and diversification of downtown - adaptive reuse of underutilized or vacant buildings
 - Eligible for the 485a Real Property Tax Abatement Program

Planning Board Actions:

- Issued a Negative Declaration for this Type I Action as per the provisions of SEQR on 10/17/13.
- Approved the site plan on 11/21/13 with conditions.

Estimated IDA Fee

- Fee amount: \$13,055

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.

140 State Street Properties LLC: Revised PILOT Analysis

PILOT Year	City and County Tax Year	School Tax Year	Tax Rate ⁽⁶⁾	Status Quo		Proposed Project							
				Estimated Total Assessment ⁽⁷⁾	Estimated Total Taxes ⁽⁸⁾	Normal Tax		485a Tax Abatement (For Comparison Purposes)			Applicant Requested PILOT		
						Estimated Total Improved Assessment ⁽⁹⁾	Estimated Total Taxes w/o PILOT ⁽¹⁰⁾	Estimated PILOT Payments and Normal Taxes ⁽¹¹⁾	Estimated Abatement Savings ⁽¹²⁾	% of Abatement on Improved Assessment ⁽¹³⁾	Estimated PILOT Payments ⁽¹⁴⁾	Estimated Abatement Savings ⁽¹⁵⁾	% of Abatement on Improved Assessment ⁽¹⁶⁾
Interim ⁽¹⁾	2014	2013/2014	\$46.73	\$100,000	\$4,673	-	-	-	-	-	-	-	-
1 ⁽²⁾	2015	2014/2015	\$48.13	\$100,000	\$4,813	\$400,000	\$19,254	\$4,813	\$14,440	100%	\$4,813	\$14,440	100%
2	2016	2015/2016	\$49.58	\$100,000	\$4,958	\$400,000	\$19,832	\$4,958	\$14,874	100%	\$4,958	\$14,874	100%
3	2017	2016/2017	\$51.07	\$100,000	\$5,107	\$400,000	\$20,427	\$5,107	\$15,320	100%	\$5,107	\$15,320	100%
4	2018	2017/2018	\$52.60	\$100,000	\$5,260	\$400,000	\$21,039	\$5,260	\$15,779	100%	\$5,260	\$15,779	100%
5	2019	2018/2019	\$54.18	\$100,000	\$5,418	\$400,000	\$21,671	\$5,418	\$16,253	100%	\$5,418	\$16,253	100%
6	2020	2019/2020	\$55.80	\$100,000	\$5,580	\$400,000	\$22,321	\$5,580	\$16,740	100%	\$5,580	\$16,740	100%
7	2021	2020/2021	\$57.48	\$100,000	\$5,748	\$400,000	\$22,990	\$5,748	\$17,243	100%	\$5,748	\$17,243	100%
8	2022	2021/2022	\$59.20	\$100,000	\$5,920	\$400,000	\$23,680	\$5,920	\$17,760	100%	\$5,920	\$17,760	100%
9	2023	2022/2023	\$60.98	\$100,000	\$6,098	\$400,000	\$24,390	\$9,756	\$14,634	80%	\$9,756	\$14,634	80%
10	2024	2023/2024	\$62.81	\$100,000	\$6,281	\$400,000	\$25,122	\$13,817	\$11,305	60%	\$13,817	\$11,305	60%
11	2025	2024/2025	\$64.69	\$100,000	\$6,469	\$400,000	\$25,876	\$18,113	\$7,763	40%	\$18,113	\$7,763	40%
12 ⁽⁴⁾	2026	2025/2026	\$66.63	\$100,000	\$6,663	\$400,000	\$26,652	\$22,654	\$3,998	20%	\$22,654	\$3,998	20%
Permanent ⁽⁵⁾	2027	2026/2027	\$68.63	\$100,000	\$6,863	\$400,000	\$27,452	-	-	-	-	-	-
Estimated Total⁽¹⁷⁾					\$68,313		\$273,253	\$107,144	\$166,109		\$107,144	\$166,109	

Notes:

(1) Property will likely be taxable until March 1st, 2014. Project would likely close with Agency in January or February of 2014.

(2) Estimated start of PILOT payments.

(3) Estimated end of 485a Tax Abatement (shown for comparison reasons)

(4) Estimated end of PILOT payments assuming Applicant Requested PILOT.

(5) Property returns to taxable status.

(6) Estimated tax rate (does not include any special ad valorem taxes that are still payable under PILOT) based on City and County 2013 tax year plus a 4% escalator and School 2013/2014 tax with estimated escalation of 3% thereafter. DOES NOT INCLUDE BID OR LIBRARY TAX RATES THAT ARE STILL PAYABLE.

(7) Per Commissioner of Department of Assessment & Taxation based on 2013 tax roll.

(8) Estimated taxes if proposed project did not occur (i.e. left status quo). DOES NOT INCLUDE BID OR LIBRARY TAXES THAT ARE STILL PAYABLE.

(9) Per Commissioner of Department of Assessment & Taxation based on estimate of \$100,000 per unit (inc. land and improvement assessment value). Assessment value is not fixed.

(10) Estimated taxes if proposed project occurred without PILOT assistance. DOES NOT INCLUDE BID OR LIBRARY TAXES THAT ARE STILL PAYABLE.

(11) Estimated PILOT Payments and Normal Taxes for Years 13-20 assuming 485a Tax Abatement (shown for comparison reasons. DOES NOT INCLUDE UNABATED BID OR LIBRARY TAXES THAT ARE STILL PAYABLE.

(12) Difference of Estimated PILOT Payments from Estimated Total Taxes w/o PILOT assuming 485a Tax Abatement (shown for comparison reasons)

(13) Percent abatement on increased assessment via PILOT assuming 485a Tax Abatement (shown for comparison reasons)

(14) Estimated PILOT Payments assuming Applicant Requested PILOT. DOES NOT INCLUDE UNABATED BID OR LIBRARY TAXES THAT ARE STILL PAYABLE.

(15) Difference of Estimated PILOT Payments from Estimated Total Taxes w/o PILOT assuming Applicant Requested PILOT

(16) Percent abatement on increased assessment via PILOT assuming Applicant Requested PILOT

(17) Totals for comparison and analysis during PILOT agreement period only.

Analysis is ONLY an estimate

TO: City of Albany Industrial Development Finance Committee

FROM: City of Albany Industrial Development Agency Staff

RE: 144 State Street LLC – Revised Project Summary

DATE: January 10, 2014

Staff Notes:

This project summary is in response to the request for financial assistance by the Applicant which was introduced at the September 19th Finance Committee meeting. The project was subsequently discussed at the October 9th Finance Committee. As the result of the October 9th Finance Committee the Applicant submitted a revised PILOT request for consideration at the November, 13th Finance Committee meeting. The revised PILOT request included the reduction of the duration of the PILOT from 20 to 15 years and modified the percentage abatement amounts. The project was subsequently discussed at the November 13th Finance Committee meeting. As the result of the November 13th Finance Committee meeting the Applicant submitted a revised PILOT request that modified the percentage abatement amounts for consideration at the December, 11th Finance Committee meeting. The project was discussed at the December 11th Finance Committee meeting. This project summary is the result of the work staff has performed per the direction of the Finance Committee at the December 11th meeting. The Applicant has submitted a revised PILOT request for Finance Committee review. Staff sought to further modify the revised PILOT request. The result of this work can be found within the Project Summary below. Staff seeks feedback from the Committee. The Applicant respectfully requests that the Finance Committee make a positive recommendation for consideration by the Board for project approvals at the January Board meeting. Please note this project summary will continue to be updated as the project progresses through staff review and Agency consideration.

Applicant: 144 State Street LLC

Managing Members (% of Ownership): Joseph R. Nicolla (51%) and Richard A. Rosen (49%)

Project Location: 142 State Street

Project Description: Proposed acquisition of a parcel of land along with the acquisition of and renovation of a historic, existing 180,000 SF +/- building into a 204 +/- hotel with banquet/event space. The project includes the installation of tenant finishes, personal property, fixtures, furniture and equipment.

Estimated Project Cost: \$46,960,257

Type of Financing: Straight Lease

Amount of Bonds Requested: None

Estimated Total Purchases Exempt from Sales Tax: \$17,450,000

Estimated Total Mortgage Amount: \$32,000,000

Current Total Assessment: \$1,000,000 (per Commissioner of Department of Assessment & Taxation)

Estimated Improved Total Assessment: \$20,400,000 (per Commissioner of Department of Assessment & Taxation)

PILOT: The proposal entails the Applicant entering into a 15 year PILOT agreement with the IDA. The PILOT will include two scenarios, Scenario #1 and Scenario #2.

- For Years 1-10, annual payments in lieu of taxes will be calculated by:
 - For Scenario #1 and Scenario #2, adding A) an amount equal to one hundred percent (100%) of the Normal Tax due with respect to the current total assessment (i.e. the “base” assessment) of \$1,000,000 and B) an amount equal to a percentage of the Normal Tax due with respect to the additional improved assessment from completion of the project.
- For Years 10-15, annual payments in lieu of taxes will be calculated by the greater of:
 - For Scenario #1, adding A) an amount equal to one hundred percent (100%) of the Normal Tax due with respect to the current total assessment (i.e. the “base” assessment) of \$1,000,000 and B) an amount equal to a percentage of the Normal Tax due with respect to the additional improved assessment from completion of the project.
 - For Scenario #2, multiplying five percent (5.0%) of gross sales/revenues (percentage to be finalized based on Special Counsel research).

Please see attached Revised PILOT Analysis for specifics.

Below is a comparison of original proposed percent of abatement schedule versus the first, second, and third revised proposed percent of abatement schedule.

% of Abatement Comparison Chart				
PILOT Year	<u>Original Proposed</u> % of Abatement on Improved Assessment	<u>First Revised</u> Proposed % of Abatement on Improved Assessment	<u>Second Revised</u> Proposed % of Abatement on Improved Assessment	<u>Third Revised</u> Proposed % of Abatement on Improved Assessment
1	100%	100%	100%	100%
2	100%	100%	100%	100%
3	100%	100%	100%	100%
4	100%	100%	100%	100%
5	100%	100%	100%	100%
6	100%	100%	100%	75%
7	100%	100%	100%	50%
8	85.71%	100%	100%	50%
9	85.71%	100%	87.50%	50%
10	71.43%	100%	75.00%	50%
11	71.43%	83.33%	62.50%	50%
12	57.14%	66.67%	50.00%	50%
13	57.14%	50.00%	37.50%	50%
14	42.86%	33.33%	25.00%	50%
15	42.86%	16.67%	12.00%	50%
16	28.57%	Taxable Status	Taxable Status	Taxable Status
17	28.57%	Taxable Status	Taxable Status	Taxable Status
18	14.29%	Taxable Status	Taxable Status	Taxable Status
19	14.29%	Taxable Status	Taxable Status	Taxable Status
20	7.14%	Taxable Status	Taxable Status	Taxable Status

Estimated Value of Total PILOT Payments:

- Total PILOT Payments: \$6,829,733
 - As compared to \$4,650,397 over first 15 years of the original proposed 20 year PILOT (difference of +\$2,179,336). If a comparison is made over 20 years, where the original proposed 20 year PILOT is compared to the proposed third revised 15 year PILOT and an additional 5 years of full taxes, the total estimated PILOT payments during the original proposed 20 year PILOT would be \$11,364,151 while the total estimated PILOT payments and taxes during the proposed second revised 15 year PILOT and an additional 5 years of full taxes would be \$14,951,913 (difference of +\$3,587,762 with the project listed as taxable 5 years earlier).

Estimated Value of Tax Exemptions:

- NYS Sales and Compensating Use Tax: \$1,396,000
- Mortgage Recording Taxes: \$400,000
- Real Property Taxes: \$11,433,514 (*Not a Net Present Value*)
- Other: N/A

Employment Impact:

- Projected Permanent: (162) new jobs
- Projected Construction: (200) jobs

Other Economic Impacts:

- Increases local and state sales tax revenues
- Increase in hotel occupancy tax revenues
- Increases Downtown BID revenues that will be used to further the betterment of the district

Strategic Initiatives:

- Albany 2030
 - Increase job opportunities for all residents.
 - Encourage investment in urban land and buildings for employment and housing through development, redevelopment, rehabilitation and adaptive reuse.

Planning Board Actions:

- Issued a Negative Declaration for this Unlisted Action as per the provisions of SEQR on 10/17/13.
- Approved the site plan on 10/17/13 with the following conditions:
 - The applicant shall obtain final approval from the Department of Water & Water Supply.
 - Miscellaneous plan notes shall be more clearly delineated on site plan drawings, as required by Divisions of Engineering and Planning.
 - Removal of metered parking spaces shall be subject to agreement with the Albany Parking Authority.

Estimated IDA Fee

- Fee amount: \$469,603

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.

144 State Street LLC: Revised PILOT Analysis

PILOT Year	City and County Tax Year	School Tax Year	Tax Rate ⁽⁵⁾	Status Quo		Normal Tax		Proposed Project			
				Estimated Total Assessment ⁽⁶⁾	Estimated Total Taxes ⁽⁷⁾	Estimated Total Improved Assessment ⁽⁸⁾	Estimated Total Non Homestead Taxes w/o PILOT ⁽⁹⁾	Proposed PILOT			
								PILOT Payments to be the Greater of ⁽¹⁰⁾		Estimated Abatement Savings ⁽¹³⁾	% of Abatement on Improved Assessment ⁽¹⁴⁾
								Estimated PILOT Payments ⁽¹¹⁾	Estimated PILOT Payments ⁽¹²⁾		
Interim ⁽¹⁾	2014	2013/2014	\$46.73	\$1,000,000	\$46,733	-	-	-	-	-	-
1 ⁽²⁾	2015	2014/2015	\$48.13	\$1,000,000	\$48,135	\$20,400,000	\$981,952	\$48,135	Not Applicable	\$933,817	100.00%
2	2016	2015/2016	\$49.58	\$1,000,000	\$49,579	\$20,400,000	\$1,011,411	\$49,579	Not Applicable	\$961,832	100.00%
3	2017	2016/2017	\$51.07	\$1,000,000	\$51,066	\$20,400,000	\$1,041,753	\$51,066	Not Applicable	\$990,687	100.00%
4	2018	2017/2018	\$52.60	\$1,000,000	\$52,598	\$20,400,000	\$1,073,006	\$52,598	Not Applicable	\$1,020,407	100.00%
5	2019	2018/2019	\$54.18	\$1,000,000	\$54,176	\$20,400,000	\$1,105,196	\$54,176	Not Applicable	\$1,051,020	100.00%
6	2020	2019/2020	\$55.80	\$1,000,000	\$55,802	\$20,400,000	\$1,138,352	\$326,439	Not Applicable	\$811,913	75.00%
7	2021	2020/2021	\$57.48	\$1,000,000	\$57,476	\$20,400,000	\$1,172,502	\$614,989	Not Applicable	\$557,513	50.00%
8	2022	2021/2022	\$59.20	\$1,000,000	\$59,200	\$20,400,000	\$1,207,677	\$633,439	Not Applicable	\$574,239	50.00%
9	2023	2022/2023	\$60.98	\$1,000,000	\$60,976	\$20,400,000	\$1,243,908	\$652,442	Not Applicable	\$591,466	50.00%
10	2024	2023/2024	\$62.81	\$1,000,000	\$62,805	\$20,400,000	\$1,281,225	\$672,015	Not Applicable	\$609,210	50.00%
11	2025	2024/2025	\$64.69	\$1,000,000	\$64,689	\$20,400,000	\$1,319,662	\$692,176	5.0%* of Project Gross Sales/Revenue	\$627,486	50.00%
12	2026	2025/2026	\$66.63	\$1,000,000	\$66,630	\$20,400,000	\$1,359,252	\$712,941	5.0%* of Project Gross Sales/Revenue	\$646,311	50.00%
13	2027	2026/2027	\$68.63	\$1,000,000	\$68,629	\$20,400,000	\$1,400,029	\$734,329	5.0%* of Project Gross Sales/Revenue	\$665,700	50.00%
14	2028	2027/2028	\$70.69	\$1,000,000	\$70,688	\$20,400,000	\$1,442,030	\$756,359	5.0%* of Project Gross Sales/Revenue	\$685,671	50.00%
15 ⁽³⁾	2029	2028/2029	\$72.81	\$1,000,000	\$72,808	\$20,400,000	\$1,485,291	\$779,050	5.0%* of Project Gross Sales/Revenue	\$706,241	50.00%
Permanent ⁽⁴⁾	2030	2030/2031	\$74.99	\$1,000,000	\$74,993	\$20,400,000	\$1,529,850	-	-	-	-
Estimated Total ⁽¹⁵⁾					\$895,257		\$18,263,247	\$6,829,733		\$11,433,514	

Notes:

(1) Property will likely be taxable until March 1st, 2014. Project would likely close with Agency in January or February of 2014.

(2) Estimated start of PILOT payments.

(3) Estimated end of PILOT payments assuming Proposed PILOT.

(4) Property returns to taxable status.

(5) Estimated tax rate (does not include any special ad valorem taxes that are still payable under PILOT) based on City and County 2013 tax year plus a 4% escalator and School 2013/2014 tax with estimated escalation of 3% thereafter. DOES NOT INCLUDE BID OR LIBRARY TAX RATES THAT ARE STILL PAYABLE.

(6) Per Commissioner of Department of Assessment & Taxation based on 2013 tax roll. PLEASE NOTE THAT THE ASSUMPTION IS CONSERVATIVE AS IT DOES NOT TAKE INTO ACCOUNT THAT THE VALUE OF THE PROPERTY WILL LIKELY CONTINUE TO DECLINE.

(7) Estimated taxes if proposed project did not occur (i.e. left status quo). DOES NOT INCLUDE BID OR LIBRARY TAXES THAT ARE STILL PAYABLE.

(8) Per Commissioner of Department of Assessment & Taxation based on estimate of \$100,000 per room (Inc. land and improvement assessment value). Assessment value is not fixed.

(9) Estimated taxes if proposed project occurred without PILOT assistance. DOES NOT INCLUDE BID OR LIBRARY TAXES THAT ARE STILL PAYABLE.

(10) PILOT Payments in Years 1-12 will be calculated by the schedule listed for Percent Abatement on Improved Assessment. Starting in Year 13 the PILOT Payments will be calculated as the greater of the Percent Abatement on Improved Assessment or 5.0% of Gross Sales/Revenue (*needs to be finalized).

(11) Estimated PILOT Payments assuming Proposed PILOT. DOES NOT INCLUDE UNABATED BID OR LIBRARY TAXES THAT ARE STILL PAYABLE.

(12) Estimated PILOT Payments assuming Proposed PILOT. DOES NOT INCLUDE UNABATED BID OR LIBRARY TAXES THAT ARE STILL PAYABLE.

(13) Difference of Estimated PILOT Payments from Estimated Total Taxes w/o PILOT assuming Proposed PILOT.

(14) Percent abatement on increased assessment via PILOT assuming Proposed PILOT.

(15) Totals for comparison and analysis during PILOT agreement period only.

Analysis is ONLY an estimate

TO: City of Albany Industrial Development Finance Committee

FROM: City of Albany Industrial Development Agency Staff

RE: 67 Howard Street LLC – Revised Project Summary

DATE: January 10, 2014

Staff Notes:

This project summary is in response to the request for financial assistance by the Applicant which was introduced at the September 19th Finance Committee meeting. The project was subsequently discussed at the October 9th and November 13th Finance Committee meetings. As the result of the November 13th Finance Committee meeting the Applicant submitted a revised PILOT request for consideration at the December, 11th Finance Committee meeting. The revised PILOT request included the reduction of the duration of the PILOT from 20 to 15 years and modified the percentage abatement amounts. The project was subsequently discussed at the December 11th Finance Committee meeting. This project summary is the result of the work staff has performed per the direction of the Finance Committee at the December 11th meeting. The Applicant has submitted a revised PILOT request for Finance Committee review. Staff sought to further modify the revised PILOT request. The result of this work can be found within the Project Summary below. Staff seeks feedback from the Committee. The Applicant respectfully requests that the Finance Committee make a positive recommendation for consideration by the Board for project approvals at the January Board meeting. Please note this project summary will continue to be updated as the project progresses through staff review and Agency consideration.

Applicant: 67 Howard Street LLC

Managing Members (% of Ownership): Joseph R. Nicolla (51%) and Richard A. Rosen (49%)

Project Location: 67 Howard Street

Project Description: Proposed acquisition of a parcel of land along with the construction of a 200 space parking garage with the potential for expansion of the garage by an additional 100 spaces. The project includes the installation personal property, fixtures, machinery and equipment. Construction of the project is associated with the hotel being proposed at 142 State Street.

Estimated Project Cost: \$6,503,500

Type of Financing: Straight Lease

Amount of Bonds Requested: None

Estimated Total Purchases Exempt from Sales Tax: \$5,250,000

Estimated Total Mortgage Amount: \$5,500,000

Current Total Assessment: \$250,000 (per Commissioner of Department of Assessment & Taxation)

Estimated Improved Total Assessment: \$2,550,000 (per Commissioner of Department of Assessment & Taxation)

PILOT: The proposal entails the Applicant entering into a 15 year PILOT agreement with the IDA. The PILOT will include two scenarios, Scenario #1 and Scenario #2.

- For Years 1-10, annual payments in lieu of taxes will be calculated by:
 - For Scenario #1 and Scenario #2, adding A) an amount equal to one hundred percent (100%) of the Normal Tax due with respect to the proposed total land assessment (i.e. the “base” assessment) of approximately \$250,000 and B) an amount equal to a percentage of the Normal Tax due with respect to the additional improved assessment from completion of the project.
- For Years 11-15, annual payments in lieu of taxes will be calculated by the greater of:
 - For Scenario #1, adding A) an amount equal to one hundred percent (100%) of the Normal Tax due with respect to the proposed total land assessment (i.e. the “base” assessment) of approximately \$250,000 and B) an amount equal to a percentage of the Normal Tax due with respect to the additional improved assessment from completion of the project.
 - For Scenario #2, multiplying fifteen percent (15%) of gross sales/revenues.

Please see attached Revised PILOT Analysis for specifics.

Below is a comparison of original proposed percent of abatement schedule versus the revised proposed percent of abatement schedule.

% of Abatement Comparison Chart			
PILOT Year	Original Proposed % of Abatement on Improved Assessment	First Revised Proposed % of Abatement on Improved Assessment	Second Revised Proposed % of Abatement on Improved Assessment
1	100%	100%	100%
2	100%	100%	100%
3	100%	100%	100%
4	100%	100%	100%
5	100%	100%	100%
6	100%	100%	75%
7	100%	100%	50%
8	85.71%	100%	50%
9	85.71%	87.50%	50%
10	71.43%	75.00%	50%
11	71.43%	62.50%	50%
12	57.14%	50.00%	50%
13	57.14%	37.50%	50%
14	42.86%	25.00%	50%
15	42.86%	12.50%	50%
16	28.57%	Taxable Status	Taxable Status
17	28.57%	Taxable Status	Taxable Status
18	14.29%	Taxable Status	Taxable Status
19	14.29%	Taxable Status	Taxable Status
20	7.14%	Taxable Status	Taxable Status

Estimated Value of Total PILOT Payments:

- Total PILOT Payments: \$927,386
 - As compared to \$415,790 over first 15 years of previously proposed 20 year PILOT (difference of +\$511,596). If a comparison is made over 20 years, where the original proposed 20 year PILOT is compared to the proposed revised 15 year PILOT and an additional 5 years of full taxes, the total estimated PILOT payments during the original proposed 20 year PILOT would be \$1,144,505 while the total estimated PILOT payments and taxes during the proposed revised 15 year PILOT and an additional 5 years of full taxes would be \$1,942,659 (difference of +\$798,154 with the project listed as taxable 5 years earlier).

Estimated Value of Tax Exemptions:

- NYS Sales and Compensating Use Tax: \$420,000
- Mortgage Recording Taxes: \$68,750

- Real Property Taxes: \$1,335,520 (*Not a Net Present Value*)
- Other: N/A

Employment Impact:

- Projected Permanent: (2) new jobs
- Projected Construction: (25) jobs

Other Economic Impacts:

- Increases parking options
- Increases Downtown BID revenues that will be used to further the betterment of the district

Strategic Initiatives:

- Albany 2030
 - Increase job opportunities for all residents.
 - Encourage investment in urban land and buildings for employment and housing through development, redevelopment, rehabilitation and adaptive reuse.

Planning Board Actions:

- Issued a Negative Declaration for this Type I Action as per the provisions of SEQR on 11/21/13.
- Approved the site plan on 11/21/13.

Estimated IDA Fee

- Fee amount: \$65,035

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.

67 Howard Street LLC: Revised PILOT Analysis

PILOT Year	City and County Tax Year	School Tax Year	Tax Rate ⁽⁵⁾	Status Quo		Normal Tax		Proposed Project			
				Estimated Total Assessment ⁽⁶⁾	Estimated Total Taxes ⁽⁷⁾	Estimated Total Improved Assessment ⁽⁸⁾	Estimated Total Non Homestead Taxes w/o PILOT ⁽⁹⁾	Proposed PILOT			
								PILOT Payments to be the Greater of ⁽¹⁰⁾		Estimated Abatement Savings ⁽¹³⁾	% of Abatement on Improved Assessment ⁽¹⁴⁾
								Estimated PILOT Payments ⁽¹¹⁾	Estimated PILOT Payments ⁽¹²⁾		
Interim ⁽¹⁾	2014	2013/2014	\$46.73	\$250,000	\$11,683	-	-	-	-	-	-
1 ⁽²⁾	2015	2014/2015	\$48.13	\$250,000	\$12,034	\$2,550,000	\$122,744	\$12,034	Not Applicable	\$110,710	100.00%
2	2016	2015/2016	\$49.58	\$250,000	\$12,395	\$2,550,000	\$126,426	\$12,395	Not Applicable	\$114,032	100.00%
3	2017	2016/2017	\$51.07	\$250,000	\$12,767	\$2,550,000	\$130,219	\$12,767	Not Applicable	\$117,453	100.00%
4	2018	2017/2018	\$52.60	\$250,000	\$13,150	\$2,550,000	\$134,126	\$13,150	Not Applicable	\$120,976	100.00%
5	2019	2018/2019	\$54.18	\$250,000	\$13,544	\$2,550,000	\$138,149	\$13,544	Not Applicable	\$124,605	100.00%
6	2020	2019/2020	\$55.80	\$250,000	\$13,950	\$2,550,000	\$142,294	\$14,294	Not Applicable	\$96,258	75.00%
7	2021	2020/2021	\$57.48	\$250,000	\$14,369	\$2,550,000	\$146,563	\$80,466	Not Applicable	\$66,097	50.00%
8	2022	2021/2022	\$59.20	\$250,000	\$14,800	\$2,550,000	\$150,960	\$82,880	Not Applicable	\$68,080	50.00%
9	2023	2022/2023	\$60.98	\$250,000	\$15,244	\$2,550,000	\$155,488	\$85,366	Not Applicable	\$70,122	50.00%
10	2024	2023/2024	\$62.81	\$250,000	\$15,701	\$2,550,000	\$160,153	\$87,927	Not Applicable	\$72,226	50.00%
11	2025	2024/2025	\$64.69	\$250,000	\$16,172	\$2,550,000	\$164,958	\$90,565	15.0% of Project Gross Sales/Revenue	\$74,393	50.00%
12	2026	2025/2026	\$66.63	\$250,000	\$16,657	\$2,550,000	\$169,906	\$93,282	15.0% of Project Gross Sales/Revenue	\$76,624	50.00%
13	2027	2026/2027	\$68.63	\$250,000	\$17,157	\$2,550,000	\$175,004	\$96,080	15.0% of Project Gross Sales/Revenue	\$78,923	50.00%
14	2028	2027/2028	\$70.69	\$250,000	\$17,672	\$2,550,000	\$180,254	\$98,963	15.0% of Project Gross Sales/Revenue	\$81,291	50.00%
15 ⁽³⁾	2029	2028/2029	\$72.81	\$250,000	\$18,202	\$2,550,000	\$185,661	\$101,932	15.0% of Project Gross Sales/Revenue	\$83,730	50.00%
Permanent ⁽⁴⁾	2030	2030/2031	\$74.99	\$250,000	\$18,748	\$2,550,000	\$191,231	-	-	-	-
Estimated Total ⁽¹⁵⁾					\$223,814		\$2,282,906	\$927,386		\$1,355,520	

Notes:

(1) Property will likely be taxable until March 1st, 2014. Project would likely close with Agency in January or February of 2014.

(2) Estimated start of PILOT payments.

(3) Estimated end of PILOT payments assuming Proposed PILOT.

(4) Property returns to taxable status.

(5) Estimated tax rate (does not include any special ad valorem taxes that are still payable under PILOT) based on City and County 2013 tax year plus a 4% escalator and School 2013/2014 tax with estimated escalation of 3% thereafter. DOES NOT INCLUDE BID OR LIBRARY TAX RATES THAT ARE STILL PAYABLE.

(6) Per Commissioner of Department of Assessment & Taxation based on his estimated value of the newly subdivided parcel associated with this project.

(7) Estimated taxes if proposed project did not occur (i.e. left status quo). DOES NOT INCLUDE BID OR LIBRARY TAXES THAT ARE STILL PAYABLE.

(8) Per Commissioner of Department of Assessment & Taxation based on estimate of \$8,500 per structured parking space (Inc. land and improvement assessment value). Assessment value is not fixed.

(9) Estimated taxes if proposed project occurred without PILOT assistance. DOES NOT INCLUDE BID OR LIBRARY TAXES THAT ARE STILL PAYABLE.

(10) PILOT Payments in Years 1-12 will be calculated by the schedule listed for Percent Abatement on Improved Assessment. Starting in Year 13 the PILOT Payments will be calculated as the greater of the Percent Abatement on Improved Assessment or 15.0% of Gross Sales/Revenue (*needs to be finalized).

(11) Estimated PILOT Payments assuming Proposed PILOT. DOES NOT INCLUDE UNABATED BID OR LIBRARY TAXES THAT ARE STILL PAYABLE.

(12) Estimated PILOT Payments assuming Proposed PILOT. DOES NOT INCLUDE UNABATED BID OR LIBRARY TAXES THAT ARE STILL PAYABLE.

(13) Difference of Estimated PILOT Payments from Estimated Total Taxes w/o PILOT assuming Proposed PILOT.

(14) Percent abatement on increased assessment via PILOT assuming Proposed PILOT.

(15) Totals for comparison and analysis during PILOT agreement period only.

Analysis is ONLY an estimate

TO: City of Albany Industrial Development Finance Committee

FROM: City of Albany Industrial Development Agency Staff

RE: 40 Stueben LLC – Revised Project Summary

DATE: January 10, 2014

Staff Notes:

This project summary is in response to the request for financial assistance by the Applicant which was introduced at the November 13th Finance Committee meeting. Per the direction of the Finance Committee at the December 11th meeting, Staff sought to tweak the PILOT request. The result of this work can be found within the Project Summary below and the attached PILOT analysis. The Applicant respectfully requests that the Finance Committee make a positive recommendation for consideration by the Board for project approvals at the January Board meeting. Please note this project summary will continue to be updated as the project progresses through staff review and Agency consideration.

Applicant: 40 Stueben LLC

Managing Members (% of Ownership): Mark Rosen (50%), I. David Swawite (35%), and Mark L. Aronowitz (15%)

Project Location: 58 North Pearl Street

Project Description: Proposed conversion of a vacant 6 story, 47,300 sq.ft. mixed-use retail and commercial office building into mixed-use retail and residential. The Applicant is proposing 26 residential rental units (floors 2 - 5) with one and two bedroom units. The residential units will be serviced by an elevator with parking located off-site. Each residential unit will be finished with pre-engineered wood and tile floors, granite countertops, stainless steel appliances, etc.. The first floor will include over 2,600 sq.ft. of rentable commercial space that could accommodate up to two potential commercial tenants. The project will require the removal and replacement of many of the existing partition walls, plumbing, electrical wiring, HVAC, windows, etc..

Estimated Project Cost: \$4,953,565 (estimated amount spent to date \$50,000)

Type of Financing: Straight Lease

Amount of Bonds Requested: None

Estimated Total Purchases Exempt from Sales Tax: \$1,800,000

Estimated Total Mortgage Amount: \$3,712,500

Current Total Assessment: \$850,000 (Based on estimated reduction in assessment)

Estimated Improved Total Assessment: \$2,800,000 (per discussion with Commissioner of Assessment & Taxation)

Requested PILOT: The proposal entails the Applicant entering into a 20 year PILOT agreement with the IDA. The PILOT will include two scenarios, Scenario #1 and Scenario #2.

- For Years 1-12, annual payments in lieu of taxes will be calculated by:
 - For Scenario #1 and Scenario #2, adding A) an amount equal to one hundred percent (100%) of the Normal Tax due with respect to the current total assessment (i.e. the “base” assessment) of \$850,000 and B) an amount equal to a percentage of the Normal Tax due with respect to the additional improved assessment from completion of the project.
- For Years 13-20, annual payments in lieu of taxes will be calculated by the greater of:
 - For Scenario #1, adding A) an amount equal to one hundred percent (100%) of the Normal Tax due with respect to the current total assessment (i.e. the “base” assessment) of \$850,000 and B) an amount equal to a percentage of the Normal Tax due with respect to the additional improved assessment from completion of the project.
 - For Scenario #2, multiplying eleven and a half (11.5%) of gross rental revenue.

Please see attached Revised PILOT Analysis for specifics.

Estimated Value of Total PILOT Payments:

- Total PILOT Payments:
 - Scenario: #1: \$1,248,146
 - Scenario: #2: Greater than Scenario #1

Estimated Value of Tax Exemptions:

- NYS Sales and Compensating Use Tax: \$144,000
- Mortgage Recording Taxes: \$46,406
- Real Property Taxes:
 - Scenario #1: \$2,373,383 (*Not a Net Present Value*)
 - Scenario #2: Less than Scenario #1
- Other: N/A

Employment Impact:

- Projected Permanent: (5) new jobs
- Projected Construction: (15) jobs

Other Economic Impacts:

- Decreases the overall commercial vacancy rate downtown
- Adds to the supply of downtown residential to help meet the demand for such living options (as stated in Zimmerman/Volk Associates downtown residential market study)
- Increases retail options
- Increases consumer base to support downtown businesses
- Increases local sales tax revenues

- Increases Downtown BID revenues that will be used to further the betterment of the district

Strategic Initiatives:

- Albany 2030
 - Increase job opportunities for all residents.
 - Encourage investment in urban land and buildings for employment and housing.
 - Provide a variety of housing types to meet the varied needs of Albany's households, including market, moderate and low income housing.
 - Encourage diverse intergenerational housing. Diverse housing includes options for residents throughout different stages of life (e.g. students, couples, families with children, seniors) in the same neighborhood.
- Revitalization and diversification of downtown - adaptive reuse of underutilized or vacant buildings
 - Eligible for the 485a Real Property Tax Abatement Program
 - Part of NYS Main Street Grant CFA application sponsored by Capitalize Albany Corporation

Planning Board Actions:

- Currently seeking necessary approvals. Expected approvals at January 16th Planning Board meeting.

Estimated IDA Fee

- Fee amount: \$49,536

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.

TO: City of Albany Industrial Development/ Capital Resource Corporation Finance Committees

FROM: City of Albany Industrial Development/ Capital Resource Corporation Agency Staff

RE: Albany Medical Center - 391 Myrtle Avenue (MOB) – Preliminary Application Summary

DATE: January 10, 2014

Staff Notes:

This is a preliminary project summary that will be updated as the project progresses through staff review and Agency consideration.

Applicant: Albany Medical Center

Managing Members: Board of Directors (See Applicant's "Attachment B")

Project Location: 391 Myrtle Avenue

Project Description: The proposed redevelopment of approximately .81 acres of land that will include the demolition of existing buildings and the construction thereon of an approximately 5 story, 135,000 square foot medical office building. The building will be occupied 50% by Albany Medical College physicians and 50% by private physicians. The project includes the installation of related tenant finishes, personal property, fixtures, furniture and machinery/equipment.

Estimated Project Cost: \$32,121,146

Type of Financing: Straight Lease (PILOT) as well as Tax-Exempt and Taxable Bonds

Amount of Bonds Requested (CRC as vehicle for transaction): \$28,521,000 (not to exceed \$30,000,000)

Estimated Total Purchases Exempt from Sales Tax: N/A

Estimated Total Mortgage Amount (CRC as vehicle for transaction): \$28,521,000 (not to exceed \$30,000,000)

Current Total Assessment: *Staff is working to complete this task.*

Estimated Improved Total Assessment: \$16,875,000 (per discussion with Commissioner of Assessment & Taxation)

Requested PILOT (IDA as vehicle for transaction): Applicant proposes entering into a 20 year PILOT with the IDA. *Please see attached Applicant provided PILOT schedule for initial discussion.*

Estimated Value of Total PILOT Payments:

- Total PILOT Payments: *Please see attached Applicant provided PILOT schedule for initial discussion.*

Estimated Value of Tax Exemptions:

- NYS Sales and Compensating Use Tax: N/A
- Mortgage Recording Taxes (CRC as vehicle for transaction): \$356,513 (not to exceed \$375,000)
- Real Property Taxes (IDA as vehicle for transaction): *Please see attached Applicant provided PILOT schedule for initial discussion.*
- Other: N/A

Employment Impact:

- Projected Permanent: (6) jobs
- Projected Construction: (200) jobs

Other Economic Impacts:

- Increases consumer base to support Park South and Center Square businesses
- Infrastructure improvements at no cost to the taxpayer (i.e. burying of utilities)

Strategic Initiatives:

- Albany 2030
 - Increase job opportunities for all residents.
 - Encourage investment in urban land and buildings for employment and housing.
- Park South Urban Renewal Plan

Planning Board Actions:

- Currently seeking necessary approvals.

Estimated IDA/CRC Fee

- Fee amount: \$321,212
 - Fee split between IDA and CRC to be determined

Mission(s)

- Assist in the enhancement and diversity of the economy of the City of Albany (the “City”) by acting in support of projects in the City that create and/or retain jobs and/or promote private sector investment utilizing the statutory powers of the Agency as set forth under the provisions of the laws of the State of New York.

PILOT Projection

11/4/2013 4:09 PM

20 YEAR PILOT								
							Square Foot	67,500
							(1/2 of Bldg)	
						Proj Increase 3.00%		
Year	Land	Building	Total Value	Abatement Savings	Taxable Value	Rate per \$1,000	Taxes	psf
Year 1	Current Taxes only					\$ 47.96	\$ 94,200	\$ 1.40
Year 2	Current Taxes only					\$ 49.39	\$ 94,200	\$ 1.40
Year 3	Current Taxes only					\$ 50.88	\$ 94,200	\$ 1.40
Year 4	Current Taxes only					\$ 52.40	\$ 94,200	\$ 1.40
Year 5	Current Taxes only					\$ 53.97	\$ 94,200	\$ 1.40
Year 6	Current Taxes only					\$ 55.59	\$ 94,200	\$ 1.40
Year 7	Current Taxes only					\$ 57.26	\$ 94,200	\$ 1.40
Year 8	\$ 269,913	\$ 8,160,157	\$ 8,430,069	85.71%	\$ 1,435,649	\$ 58.98	\$ 94,200	\$ 1.40
Year 9	\$ 269,913	\$ 8,160,157	\$ 8,430,069	85.71%	\$ 1,435,649	\$ 60.75	\$ 94,200	\$ 1.40
Year 10	\$ 269,913	\$ 8,160,157	\$ 8,430,069	71.43%	\$ 2,601,386	\$ 62.57	\$ 162,771	\$ 2.41
Year 11	\$ 269,913	\$ 8,160,157	\$ 8,430,069	71.43%	\$ 2,601,386	\$ 64.45	\$ 167,654	\$ 2.48
Year 12	\$ 269,913	\$ 8,160,157	\$ 8,430,069	57.14%	\$ 3,767,123	\$ 66.38	\$ 250,067	\$ 3.70
Year 13	\$ 269,913	\$ 8,160,157	\$ 8,430,069	57.14%	\$ 3,767,123	\$ 68.37	\$ 257,569	\$ 3.82
Year 14	\$ 269,913	\$ 8,160,157	\$ 8,430,069	42.86%	\$ 4,932,859	\$ 70.42	\$ 347,392	\$ 5.15
Year 15	\$ 269,913	\$ 8,160,157	\$ 8,430,069	42.86%	\$ 4,932,859	\$ 72.54	\$ 357,814	\$ 5.30
Year 16	\$ 269,913	\$ 8,160,157	\$ 8,430,069	28.57%	\$ 6,098,596	\$ 74.71	\$ 455,644	\$ 6.75
Year 17	\$ 269,913	\$ 8,160,157	\$ 8,430,069	28.57%	\$ 6,098,596	\$ 76.95	\$ 469,313	\$ 6.95
Year 18	\$ 269,913	\$ 8,160,157	\$ 8,430,069	14.29%	\$ 7,264,333	\$ 79.26	\$ 575,799	\$ 8.53
Year 19	\$ 269,913	\$ 8,160,157	\$ 8,430,069	14.29%	\$ 7,264,333	\$ 81.64	\$ 593,066	\$ 8.79
Year 20	\$ 269,913	\$ 8,160,157	\$ 8,430,069	7.14%	\$ 7,847,201	\$ 84.09	\$ 659,872	\$ 9.78
							\$ 5,144,756	

Taxes without savings

	Land	Building		Abatement Savings	Taxable Value	Rate per \$1,000	Taxes	psf
Year 1	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 47.96	\$ 404,267	\$ 5.99
Year 2	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 49.39	\$ 416,395	\$ 6.17
Year 3	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 50.88	\$ 428,887	\$ 6.35
Year 4	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 52.40	\$ 441,754	\$ 6.54
Year 5	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 53.97	\$ 455,006	\$ 6.74
Year 6	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 55.59	\$ 468,657	\$ 6.94
Year 7	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 57.26	\$ 482,716	\$ 7.15
Year 8	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 58.98	\$ 497,198	\$ 7.37
Year 9	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 60.75	\$ 512,114	\$ 7.59
Year 10	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 62.57	\$ 527,477	\$ 7.81
Year 11	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 64.45	\$ 543,301	\$ 8.05
Year 12	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 66.38	\$ 559,601	\$ 8.29
Year 13	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 68.37	\$ 576,389	\$ 8.54
Year 14	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 70.42	\$ 593,680	\$ 8.80
Year 15	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 72.54	\$ 611,491	\$ 9.06
Year 16	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 74.71	\$ 629,835	\$ 9.33
Year 17	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 76.95	\$ 648,730	\$ 9.61
Year 18	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 79.26	\$ 668,192	\$ 9.90
Year 19	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 81.64	\$ 688,238	\$ 10.20
Year 20	\$ 269,913	\$ 8,160,157	\$ 8,430,069	0.00%	\$ 8,430,069	\$ 84.09	\$ 708,883	\$ 10.50
							\$ 10,862,815	

Projected Savings \$ 5,718,058

Assumptions

- Assumed Value for Land and Building, as per comparative medical buildings on New Scotland Ave

	Land			Building		
	Sq Ft	Assessed Value	Land psf	Assessed Value	Building psf	
16 NSA	53,299	\$ 375,000	\$ 7.04	\$ 6,425,000	\$ 121	
22 NSA	77,730	\$ 159,200	\$ 1.05	\$ 9,497,050	\$ 122	
50 NSA	68,676	\$ 200,000	\$ 2.91	\$ 8,237,500	\$ 120	
Average of 3			\$ 4.00		\$ 121	

- Assumed Tax Rate/\$1,000

County Tax	3.78
City Tax	14.17
School	28.61
Library	-
	46.56
one year escalation	1.03
	\$ 47.96

- No Library tax considered in the above.

TO: City of Albany Industrial Development Finance Committee

FROM: City of Albany Industrial Development Agency Staff

RE: Park South Partners LLC – Preliminary Project Summary

DATE: January 10, 2014

Staff Notes:

This is a preliminary project summary that will be updated as the project progresses through staff review and Agency consideration.

Applicant: Park South Partners LLC

Managing Members (% of Ownership): Norman Massry (49.5%), Morris Massry (49.5%), MRP Associates LLC (1.0%)

Project Location: Land encompassed by New Scotland Avenue, Dana Avenue, Robin Street, and Morris Street as well as a portion of land encompassed by New Scotland Avenue, Morris Street, Robin Street, and Myrtle Avenue.

Project Description: The Applicant proposes acquiring a leasehold interest in land encompassed by New Scotland Avenue, Dana Avenue, Robin Street, and Morris Street as well as a portion of land encompassed by New Scotland Avenue, Morris Street, Robin Street, and Myrtle Avenue. The Applicant will demolish existing buildings and construct approximately 268 market rate apartments, 21,000 square feet of retail space, 103 surface parking spaces, and tenant amenities as well as make appropriate public infrastructure and site improvements. The project will include 6 buildings, of which the two buildings along New Scotland Avenue will be mixed-use. The unit mix will include approximately 20 studio apartments, 80 one bedroom apartments, 24 one bedroom apartments with den, 94 two bedroom apartments, and 50 two bedroom apartments with den.

Estimated Project Cost: \$52,583,536

Type of Financing: Straight Lease

Amount of Bonds Requested: None

Estimated Total Purchases Exempt from Sales Tax: \$19,739,014

Estimated Total Mortgage Amount: \$40,000,000

Current Total Assessment: *Staff is working to complete this task.*

Estimated Improved Total Assessment: \$27,600,000 (per discussion with Commissioner of Assessment & Taxation)

Requested PILOT: Applicant proposes entering into a 22 year PILOT agreement with the IDA.
Please see attached Applicant PILOT Schedule for initial discussion.

Estimated Value of Total PILOT Payments:

- Total PILOT Payments: *Please see attached Applicant provided PILOT Schedule for initial discussion.*

Estimated Value of Tax Exemptions:

- NYS Sales and Compensating Use Tax: \$1,579,121
- Mortgage Recording Taxes: \$500,000
- Real Property Taxes: *Please see attached Applicant provided PILOT Schedule for initial discussion.*
- Other: N/A

Employment Impact:

- Projected Permanent: (11) new jobs
- Projected Construction: (200) jobs

Other Economic Impacts:

- Increases retail options
- Increases consumer base to support Park South and Center Square businesses
- Increases local sales tax revenues
- Infrastructure improvements at no cost to the City

Strategic Initiatives:

- Albany 2030
 - Increase job opportunities for all residents.
 - Encourage investment in urban land and buildings for employment and housing.
 - Provide a variety of housing types to meet the varied needs of Albany's households, including market, moderate and low income housing.
 - Encourage diverse intergenerational housing. Diverse housing includes options for residents throughout different stages of life (e.g. students, couples, families with children, seniors) in the same neighborhood.

Planning Board Actions:

- Currently seeking necessary approvals.

Estimated IDA Fee

- Fee amount: \$525,835

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.

of Apartments 268Taxes with savings

		Assessment	Assessment	Exemption	Value after	Proj Increase 2.00%	Projected	Taxes
Year	Floor	Celling	Factor	Exemption	per \$1,000		Taxes	Per Apt
CP	2014	15,374,239	\$ 18,569,040	Fixed at Current	\$ 46.45	\$ 163,000	\$ 608	
CP	2015	15,374,239	\$ 18,569,040	Fixed at Current	\$ 47.37	\$ 163,000	\$ 608	
Year 1	2016	15,374,239	\$ 18,569,040	Fixed at Current	\$ 48.32	\$ 163,000	\$ 608	
Year 2	2017	15,374,239	\$ 18,569,040	Fixed at Current	\$ 49.29	\$ 163,000	\$ 608	
Year 3	2018	15,374,239	\$ 18,569,040	Fixed at Current	\$ 50.27	\$ 163,000	\$ 608	
Year 4	2019	15,374,239	\$ 18,569,040	Fixed at Current	\$ 51.28	\$ 163,000	\$ 608	
Year 5	2020	15,374,239	\$ 18,569,040	Fixed at Current	\$ 52.31	\$ 163,000	\$ 608	
Year 6	2021	15,374,239	\$ 18,569,040	Fixed at Current	\$ 53.35	\$ 163,000	\$ 608	
Year 7	2022	15,374,239	\$ 18,569,040	Fixed at Current	\$ 54.42	\$ 163,000	\$ 608	
Year 8	2023	15,374,239	\$ 18,569,040	Fixed at Current	\$ 55.51	\$ 163,000	\$ 608	
Year 9	2024	15,374,239	\$ 18,569,040	Fixed at Current	\$ 56.62	\$ 163,000	\$ 608	
Year 10	2025	15,374,239	\$ 18,569,040	Fixed at Current	\$ 57.75	\$ 163,000	\$ 608	
Year 11	2026	15,374,239	\$ 18,569,040	75.00%	\$ 4,642,260	\$ 58.90	\$ 273,450	\$ 1,020
Year 12	2027	15,374,239	\$ 18,569,040	75.00%	\$ 4,642,260	\$ 60.08	\$ 278,919	\$ 1,041
Year 13	2028	15,374,239	\$ 18,569,040	75.00%	\$ 4,642,260	\$ 61.28	\$ 284,497	\$ 1,062
Year 14	2029	15,374,239	\$ 18,569,040	75.00%	\$ 4,642,260	\$ 62.51	\$ 290,187	\$ 1,083
Year 15	2030	15,374,239	\$ 18,569,040	65.00%	\$ 6,499,164	\$ 63.76	\$ 414,387	\$ 1,546
Year 16	2031	15,374,239	\$ 18,569,040	65.00%	\$ 6,499,164	\$ 65.04	\$ 422,675	\$ 1,577
Year 17	2032	15,374,239	\$ 18,569,040	60.00%	\$ 7,427,616	\$ 66.34	\$ 492,718	\$ 1,839
Year 18	2033	15,374,239	\$ 18,569,040	60.00%	\$ 7,427,616	\$ 67.66	\$ 502,573	\$ 1,875
Year 19	2034	15,374,239	\$ 18,569,040	55.00%	\$ 8,356,068	\$ 69.02	\$ 576,702	\$ 2,152
Year 20	2035	15,374,239	\$ 18,569,040	55.00%	\$ 8,356,068	\$ 70.40	\$ 588,236	\$ 2,195
Total Estimated Taxes with abatement							\$ 6,080,345	

Taxes with savings

		Projected	Taxes	Projected	Taxes	Projected	Taxes
Year		Taxes	Per Apt	Taxes	Per Apt	Taxes	Per Apt
Year 1	2014	Construction period - current taxes		\$ 46.45	\$ 163,000	\$ 608	
Year 2	2015	Construction period - current taxes		\$ 47.37	\$ 163,000	\$ 608	
Year 3	2016	\$ 18,569,040	0%	\$ 48.32	\$ 897,296	\$ 3,348	
Year 4	2017	\$ 18,569,040	0%	\$ 49.29	\$ 915,242	\$ 3,415	
Year 5	2018	\$ 18,569,040	0%	\$ 50.27	\$ 933,547	\$ 3,483	
Year 6	2019	\$ 18,569,040	0%	\$ 51.28	\$ 952,218	\$ 3,553	
Year 7	2020	\$ 18,569,040	0%	\$ 52.31	\$ 971,263	\$ 3,624	
Year 8	2021	\$ 18,569,040	0%	\$ 53.35	\$ 990,688	\$ 3,697	
Year 9	2022	\$ 18,569,040	0%	\$ 54.42	\$ 1,010,502	\$ 3,771	
Year 10	2023	\$ 18,569,040	0%	\$ 55.51	\$ 1,030,712	\$ 3,846	
Year 11	2024	\$ 18,569,040	0%	\$ 56.62	\$ 1,051,326	\$ 3,923	
Year 12	2025	\$ 18,569,040	0%	\$ 57.75	\$ 1,072,352	\$ 4,001	
Year 13	2026	\$ 18,569,040	0%	\$ 58.90	\$ 1,093,799	\$ 4,081	
Year 14	2027	\$ 18,569,040	0%	\$ 60.08	\$ 1,115,675	\$ 4,163	
Year 15	2028	\$ 18,569,040	0%	\$ 61.28	\$ 1,137,989	\$ 4,246	
Year 16	2029	\$ 18,569,040	0%	\$ 62.51	\$ 1,160,749	\$ 4,331	
Year 17	2030	\$ 18,569,040	0%	\$ 63.76	\$ 1,183,964	\$ 4,418	
Year 18	2031	\$ 18,569,040	0%	\$ 65.04	\$ 1,207,643	\$ 4,506	
Year 19	2032	\$ 18,569,040	0%	\$ 66.34	\$ 1,231,796	\$ 4,596	
Year 20	2033	\$ 18,569,040	0%	\$ 67.66	\$ 1,256,432	\$ 4,688	
Year 21	2034	\$ 18,569,040	0%	\$ 69.02	\$ 1,281,560	\$ 4,782	
Year 22	2035	\$ 18,569,040	0%	\$ 70.40	\$ 1,307,192	\$ 4,878	
Total Estimated Taxes without abatement							\$ 22,127,944

Projected Savings \$ 16,047,599

IDA Application

CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY

APPLICATION

IMPORTANT NOTICE: The answers to the questions contained in this application are necessary to determine your firm's eligibility for financing and other assistance from the City of Albany Industrial Development Agency. These answers will also be used in the preparation of papers in this transaction. Accordingly, all questions should be answered accurately and completely by an officer or other employee of your firm who is thoroughly familiar with the business and affairs of your firm and who is also thoroughly familiar with the proposed project. This application is subject to acceptance by the Agency.

TO: CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY
c/o Department of Economic Development
21 Lodge Street
Albany, New York 12207

This application by applicant respectfully states:

APPLICANT: 733 Broadway LLC

APPLICANT'S ADDRESS: 733 Broadway

CITY: Albany STATE: NY ZIP CODE: 12207

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

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

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

NAME OF ATTORNEY: Geoff Cannon

ATTORNEY'S ADDRESS: 54 State Street

CITY: Albany STATE: NY ZIP CODE: 12207

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

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

INSTRUCTIONS

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

FOR AGENCY USE ONLY

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

SUMMARY OF PROJECT

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

Approximate Size of Project Site: 1.3 acres

Description of Project:

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

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

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

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

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

Project Cost: \$ 5,141,667

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

Amount of Bonds Requested: \$ N/A

Estimated Value of Tax-Exemptions:

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

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

A. Identity of Company:

1. Company Name: 733 Broadway, LLC

Present Address: 733 Broadway, Albany

Zip Code: 12207

Employer's ID No.: 80-0124131

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

3. Indicate type of business organization of Company:

a. _____ Corporation (If so, incorporated in what country?

What State? Date Incorporated? Type of Corporation? _____

Authorized to do business in New York? (Yes ____; No ____).

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

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

d. _____ Sole proprietorship

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

B. Management of Company:

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

NAME (First, Middle, Last) HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
Norstar Investment USA, Inc.	Managing member with 80% interest in LLC	Real estate investment
Black Locust	Non-managing member with 20% in LLC	Real estate investment

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

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

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

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

C. Principal Owners of Company:

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

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

NAME	ADDRESS	PERCENTAGE OF HOLDING
Neil Brown	50% owner of managing member	Real estate
Gary Silver	50% owner of managing member	Real estate
Richard L. Higgins	Owner of non-managing member	Real estate

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

Bank of America

II. DATA REGARDING PROPOSED PROJECT

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

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

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

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

B. Location of Proposed Project:

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

C. Project Site:

1. Approximate size (in acres or square feet) of Project site: 1.3 acres
2. Is a map, survey or sketch of the project site attached? Yes ☒; No ____.
2. Are there existing buildings on project site? Yes ☒; No ____.
- a. If yes, indicate number and approximate size (in square feet) of each existing building:

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

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

Offices of Norstar Development USA, L.P.

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

- d. Attach photograph of present buildings. Attached.

3. Utilities serving project site:

Water-Municipal: Yes

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

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

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

b. If Company does not own the Project site, does Company have option signed with owner to purchase the Project site? Yes ____; No _____. If yes, indicate date option signed with owner: _____, 20____; and the date the option expires: _____, 20____.

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

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

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

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

D. Buildings:

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

2. Does part of the project consist of additions and/or renovations to the existing buildings? Yes x; No _____. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation: The building will be adaptively reused as an office and thirty (30) residential rental units.

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

E. Description of the Equipment:

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

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

2. With respect to the Equipment to be acquired, will any of the Equipment be equipment which has previously been used? Yes ____; No x. If yes, please provided detail:
3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed: For use in the operation of the rental apartments.

F. Project Use:

1. What are the principal products to be produced at the Project? Office and Residential rental apartments.
2. What are the principal activities to be conducted at the Project? Office and Residential use.
3. Does the Project include facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities? Yes x; No _____. If yes, please provide detail:
4. If the answer to question 3 is yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project? 100 %
5. If the answer to question 3 is yes, and the answer to question 4 is more than 33.33%, indicate whether any of the following apply to the Project:
- a. Will the Project be operated by a not-for-profit corporation? Yes ____; No x. If yes, please explain:
- b. Is the Project likely to attract a significant number of visitors from outside the economic development region in which the Project will be located? Yes ____; No x. If yes, please explain:

- c. Would the Project occupant, but for the contemplated financial assistance from the Agency, locate the related jobs outside the State of New York? Yes ____; No x. If yes, please explain:
- d. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonable accessible to the residents of the city, town or village within which the Project will be located, because of a lack of reasonably accessible retail trade facilities offering such goods or services? Yes ____; No x. If yes, please provide detail:
- e. Will the Project be located in one of the following: (i) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (ii) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most recent census data, has (x) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? Yes x; No _____. If yes, please explain: The project is located in a qualified census tract (no. 36001001100).
6. If the answers to any of subdivisions c. through e. of question 5 is yes, will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York? Yes x; No _____. If yes, please explain:
New Construction Related Jobs = 27 job years (equivalent of 27 jobs for one year);
Retained Jobs = 5 FTE currently located at site.
7. Will the completion of the Project result in the removal of a plant or facility of the Company or another proposed occupant of the Project (a "Project Occupant") from one area of the State of New York to another area of the State of New York? Yes ____; No x. If yes, please explain:
8. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Company located in the State of New York? Yes ____; No x. If yes, please provide detail:

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

- a. Is the Project reasonably necessary to preserve the competitive position of the Company on such Project Occupant in its industry? Yes ____; No x. If yes, please provide detail:
- b. Is the Project reasonably necessary to discourage the Company or such Project Occupant from removing such other plant or facility to a location outside the State of New York? Yes ____; No x. If yes, please provide detail:

G. Other Involved Agencies:

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

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

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

H. Construction Status:

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

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

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

Land purchase \$1,475,000

I. Method of Construction After Agency Approval:

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

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

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

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

1. Sublessee name: future residential tenants

Present Address:

City: _____ State: _____ Zip: _____

Employer's ID No.:

Sublessee is: _____ Corporation: _____ Partnership: _____ Sole Proprietorship

Relationship to Company:

Percentage of Project to be leased or subleased:

Use of Project intended by Sublessee:

Date of lease or sublease to Sublessee:

Term of lease or sublease to Sublessee:

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

2. Sublessee name: Norstar Development USA, L.P.
Present Address: 733 Broadway
City: Albany State: New York Zip: 12207
Employer's ID No.:
Sublessee is:
____ Corporation: x Partnership: _____ Sole Proprietorship
Relationship to Company: affiliate
Percentage of Project to be leased or subleased: 6.6% approximately
Use of Project intended by Sublessee: office
Date of lease or sublease to Sublessee: upon completion of rehab;
Term of lease or sublease to Sublessee: annual
Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes _____; No x . If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.
3. Sublessee name:
Present Address:
City: _____ State: _____ Zip: _____
Employer's ID No.:
Sublessee is: _____ Corporation: _____ Partnership: _____ Sole Proprietorship
Relationship to Company:
Percentage of Project to be leased or subleased:
Use of Project intended by Sublessee:
Date of lease or sublease to Sublessee:
Term of lease or sublease to Sublessee:
Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes _____; No _____. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

B. What percentage of the space intended to be leased or subleased is now subject to a binding written lease or sublease? none.

IV. Employment Impact

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

TYPE OF EMPLOYMENT					
	PROFESSIONAL MANAGERIAL	SKILLED	SEMI- SKILLED	UNSKILLED	TOTALS
Present Full Time	5	0	0	0	5
Present Part Time	0	0	0	0	0
Present Seasonal	0	0	0	0	0
First Year Full Time	5	0	1	0	5
First Year Part Time	0	0	1	0	1
First Year Seasonal	0	0	0	0	0
Second Year Full Time	6	0	0	0	6
Second Year Part Time	0	0	1	0	1
Second Year Seasonal	0	0	0	0	0

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

V. Project Cost

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

<u>Description of Cost</u>	<u>Amount</u>
Land	\$ 1,475,000
Buildings	\$ 2,880,000
Demolition	\$ _____
Working Capital	\$ _____
Soft Costs/Architects and engineering fees	\$ 400,000
Financing Costs (Includes fees/interest)	\$ 316,667

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

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

land acquisition = \$1,475,000

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

Economic Impact analysis = \$8,000

V. BENEFITS EXPECTED FROM THE AGENCY

A. Financing

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

5. Is the Project located in the City's federally designated Enterprise Zone? Yes ____; No x.

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

B. Tax Benefits

1. Is the applicant requesting any real property tax exemption that would not be available to a project that did not involve the Agency? Yes ____; No x.

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

3. Is the applicant expecting to be appointed agent of the Agency for purposes of avoiding payment of N.Y.S. Sales Tax or Compensating Use Tax? Yes x; No _____. If yes, what is the approximate amount of purchases which the applicant expects to be exempt from the N.Y.S. Sales and Compensating Use Taxes? \$ 1,250,000.

4. What is the estimated value of each type of tax-exemption being sought in connection with the Project? Please detail the type of tax-exemption and value of the exemption.

a.	N.Y.S. Sales and Compensating Use Taxes:	\$ <u>100,000</u>
b.	Mortgage Recording Taxes:	\$ <u>50,000</u>
c.	Real Property Tax Exemptions:	<u>see PILOT request</u>
d.	Other (please specify):	
	_____	\$ _____
	_____	\$ _____

5. Are any of the tax-exemptions being sought in connection with the Project inconsistent with the Agency's tax-exemption policy contained in its Rules and Regulations? Yes x; No _____. If yes, please explain.
The project is seeking a deviation from the Policy.

6. Is the Project located in the City's state designated Empire Zone? Yes ____; No x.

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

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

A. Job Listings. Except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State

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

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

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

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

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

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

(Applicant)

BY: _____



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

VERIFICATION

(If Applicant is a Corporation)

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

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

_____ of _____,
(Title) (Company Name)

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

(officer of applicant)

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

(Notary Public)

(If applicant is sole proprietor)

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

(Name of Individual)

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

20

VERIFICATION

(If applicant is partnership)

STATE OF New York)

COUNTY OF Albany)

Lori Harris, deposes and says

(Name of Individual)

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

(Limited Liability Company)

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

Lori Harris

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

Georgia Rella
(Notary Public)

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

VERIFICATION

(If applicant is limited liability company)

STATE OF New York) SS.:
COUNTY OF Albany

Lori Harris

_____, deposes and says

(Name of Individual)

that he is one of the members of the firm of 733 Broadway LLC,
the partnership named in the attached application; that he has read the foregoing application and knows
the contents thereof; and that the same is true and complete and accurate to the best of his knowledge.
The grounds of deponent's belief relative to all matters in the said application which are not stated upon
his own personal knowledge are investigations which deponent has caused to be made concerning the
subject matter of this application as well as information acquired by deponent in the course of his duties
as a member of and from the books and papers of said partnership.

Lori Harris

Sworn to before me this
8 day of Jan, 2014

Georgia Rella
(Notary Public)

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

Commission Expires July 19, 2015
NOTE: THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS THE HOLD
HARMLESS AGREEMENT APPEARING ON PAGE 22 IS SIGNED BY THE APPLICANT.

HOLD HARMLESS AGREEMENT

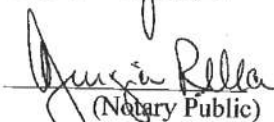
Applicant hereby releases City of Albany Industrial Development Agency and the members, officers, servants, agents and employees thereof (hereinafter collectively referred to as the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless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

(Applicant)

BY: _____



Sworn to before me this
5th day of Jan, 2014


(Notary Public)

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

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

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

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

PROJECT QUESTIONNAIRE

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

PROJECTED PROJECT INVESTMENT

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

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

PROJECTED PROFIT

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

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

PROJECTED CONSTRUCTION EMPLOYMENT IMPACT

- I. Please provide estimates of total construction jobs and the total annual wages and benefits of construction jobs at the Project: **ALSO, See Economic Benefits Summary**

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

PROJECTED PERMANENT EMPLOYMENT IMPACT

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

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

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

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

III. Please provide estimates for the following:

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

IV. Provide the projected percentage of employment that would be filled by City of Albany residents:
100%

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

PROJECTED OPERATING IMPACT

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

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

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

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

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

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

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

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

CERTIFICATION

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

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

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

CREATION OF NEW JOB SKILLS

[illegible]

30

Milestones

MILESTONES SCHEDULE

733 Broadway

Planning Board Approval

CPC Firm Commitment

January, 2014

CPC Loan Closing

April, 2014

Construction Start

May, 2014

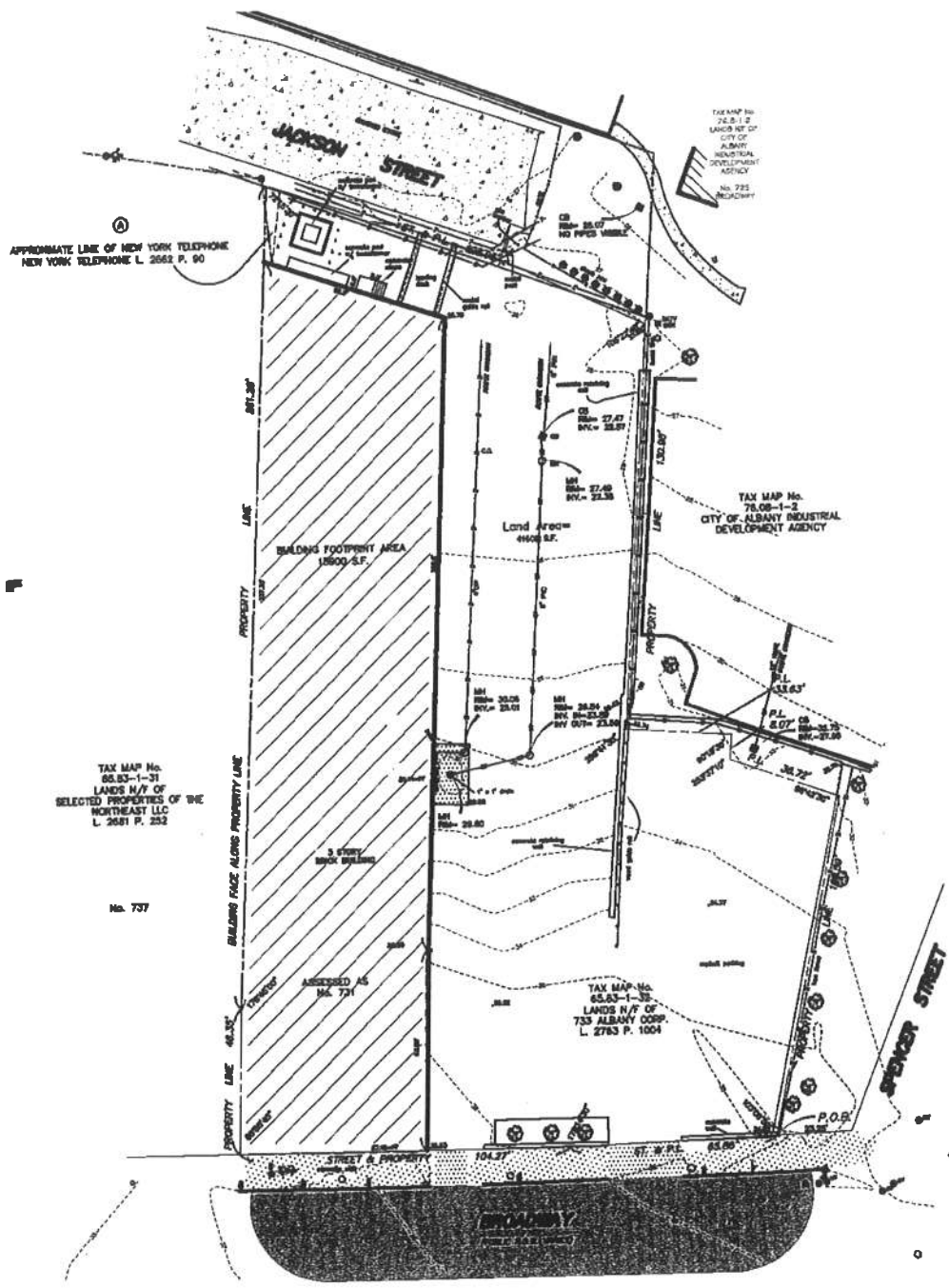
Construction Completion

May, 2015

Lease Up

May – September, 2015

Site and Survey



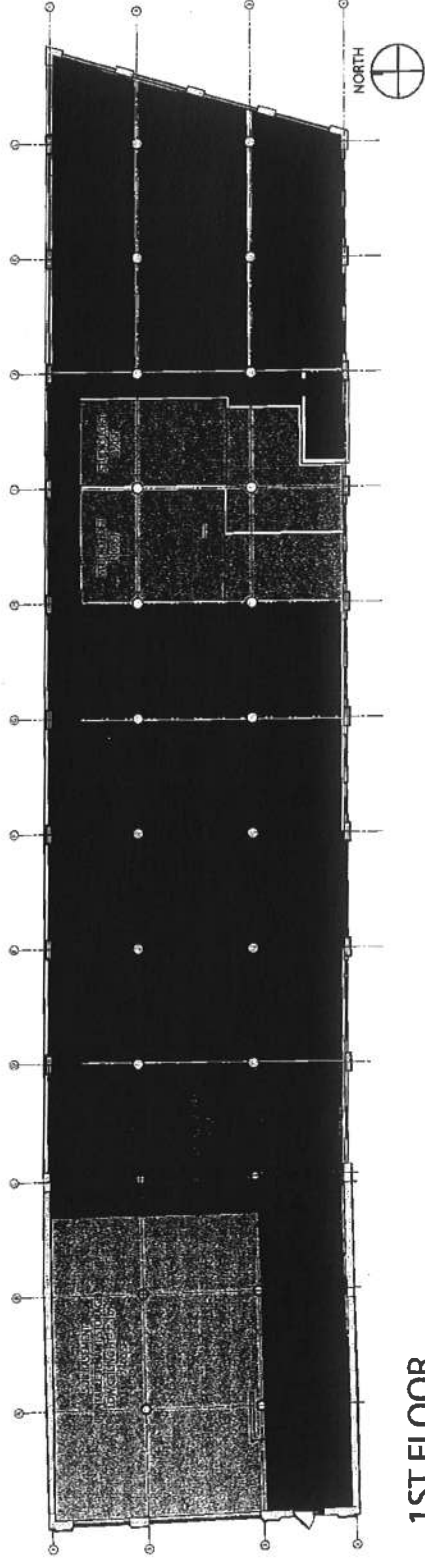
733 BROADWAY

existing site survey



3larchitects.com

PROGRAM STUDY- 733 BROADWAY, ALBANY, NY

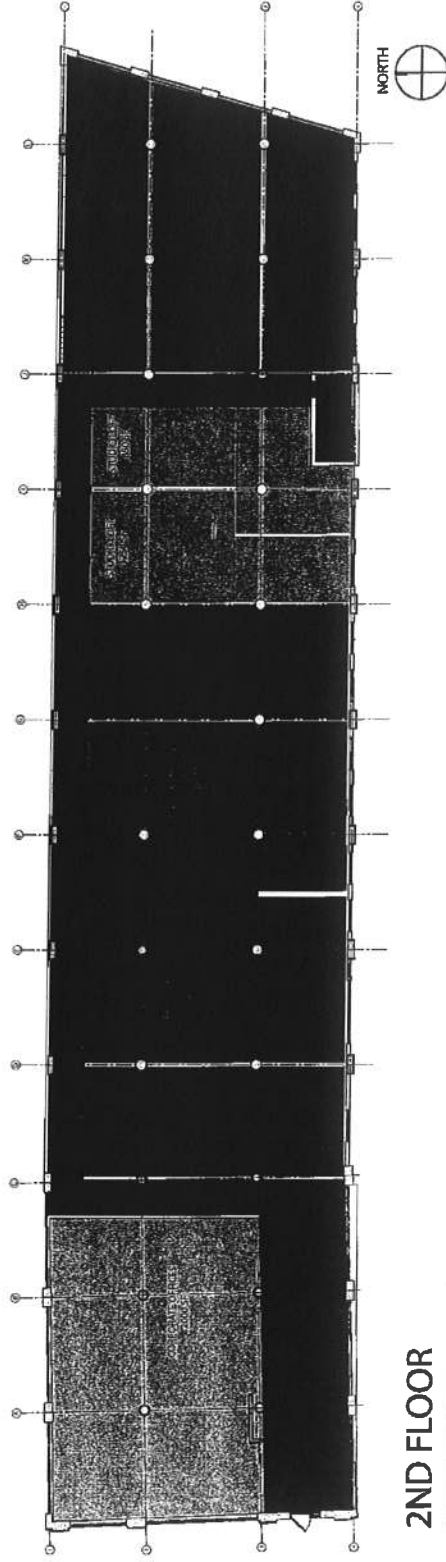


1ST FLOOR

PROGRAM STUDY FOR 733 BROADWAY

KEY	FLOOR 1	QTY.	Unit Type	Sq. Avg. each	Sub Totals	Total sq. per floor	Total available off this floor
CIRCULATION	6	One bedroom Loft Apartments*	1100	6600			
ONE BEDROOM LOFT	2	Studio Lofts	925	1850			
TWO BEDROOM LOFT	1	Sub Basement (rentable instant storage) low CH	2000	2000			
STUDIO LOFT	1	Gymnasium - workout	1700	1700			
RENTABLE TENANT STORAGE	1	Circulation	3150	3150	15300	15300	16000
CORPORATE OFFICE WITH SUPPORT SPACE							
GYMNASIUM AREA							

PROGRAM STUDY- 733 BROADWAY, ALBANY, NY



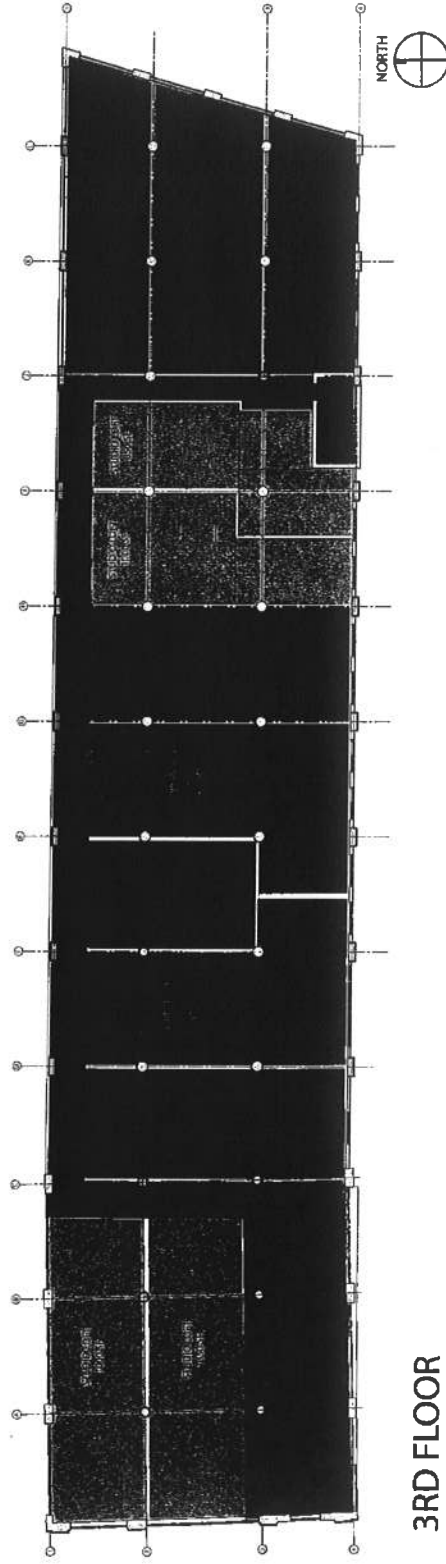
2ND FLOOR

KEY

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

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

PROGRAM STUDY- 733 BROADWAY, ALBANY, NY



3RD FLOOR

KEY

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

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

Proposed Pilot

**Proposed 20 Year PILOT -
733 Broadway**

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

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

302 Washington Avenue Extension
Albany, New York 12203

Office: (518) 862-9133
Fax: (518) 862-9443

Debra J. Lambek
Counsel
(518) 862-9133 Ext. 4225
dlambek@columbiadev.com

January 7, 2014

Via UPS Express and
Via Email to yevolim@ci.albany.ny.us

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

Re: Tricentennial Properties LLC with City of Albany Industrial Development Agency
CNSE Campus off Fuller Road and Tricentennial Drive

Dear Michael:


Enclosed please find our application for the above project and a check payable to the City of Albany IDA in the amount of \$1,500.00 representing the application fee.

For this project we request an exemption from sales tax, mortgage recording tax and real property taxes by way of a payment in lieu of tax agreement. With respect to the real property tax, the land on which the project is located is currently tax exempt. The application requests the property remain tax exempt for 5 years. Regarding the sales tax, the tenant desires the project to be ready prior the 2014/2015 school year so time is of the essence. If the Agency would approve a sales tax exemption up to \$99,000.00 until there is an opportunity for a public hearing, it would be greatly appreciated.

Please let me know what other information we can provide in order to proceed. Thank you.

Very truly yours,

COLUMBIA DEVELOPMENT COMPANIES


Debra J. Lambek
Counsel

DJL:mmml

Enc.

cc: A. Joseph Scott, Esq. (Via Email to ascott@hodgsonruss.com)
Bradley Chevalier, Capitalize Albany (Via Email to bchevalier@capitalizealbany.com)

CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY

APPLICATION

IMPORTANT NOTICE: The answers to the questions contained in this application are necessary to determine your firm's eligibility for financing and other assistance from the City of Albany Industrial Development Agency. These answers will also be used in the preparation of papers in this transaction. Accordingly, all questions should be answered accurately and completely by an officer or other employee of your firm who is thoroughly familiar with the business and affairs of your firm and who is also thoroughly familiar with the proposed project. This application is subject to acceptance by the Agency.

TO: CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY
c/o Department of Economic Development
21 Lodge Street
Albany, New York 12207

This application by applicant respectfully states:

APPLICANT: Tricentennial Properties LLC

APPLICANT'S ADDRESS: 302 Washington Avenue Extension

CITY: Albany STATE: New York ZIP CODE: 12203

PHONE NO.: 862-9133 FAX NO.: 862-9443 E-MAIL: jnicolla@aol.com

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

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

NAME OF ATTORNEY: Debra J. Lambek, Esq.

ATTORNEY'S ADDRESS: 302 Washington Avenue Extension

CITY: Albany STATE: NY ZIP CODE: 12203

PHONE NO.: 862-9133 FAX NO.: 862-9443 E-MAIL: dlambek@columbiadev.com

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

INSTRUCTIONS

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

ACCEPTED BY THE AGENCY UNLESS ACCOMPANIED BY THE
APPLICATION FEE.

FOR AGENCY USE ONLY

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

SUMMARY OF PROJECT

Applicant: Tricentennial Properties LLC

Contact Person: Joseph R. Nicolla

Phone Number: 518-862-9133

Occupant: Tricentennial Properties LLC

Project Location: CNSE Campus off Fuller Road and Tricentennial Drive

Approximate Size of Project Site: 0.36 acres

Description of Project: acquisition of .036 acre parcel of land located on the CNSE Campus off Fuller Road and Tricentennial Drive, City of Albany, County of Albany, NY, construction of an approximately 25,000 sq. ft. facility, installation*

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

Employment Impact: Existing Jobs 0

New Jobs 15

Project Cost: \$ 8,523,000

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

Amount of Bonds Requested: \$ n/a

Estimated Value of Tax-Exemptions:

N.Y.S. Sales and Compensating Use Tax:	\$ 325,000
Mortgage Recording Taxes:	\$ 94,037.50
Real Property Tax Exemptions:	\$ **
Other (please specify):	\$

* of tenant finishes, personal property, fixtures, furniture and equipment for an interdisciplinary academic facility.

** The property is tax exempt. The Applicant is seeking a 5 year payment in lieu of tax agreement to continue the tax exemption.

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

A. Identity of Company:

1. Company Name: Tricentennial Properties LLC

Present Address: 302 Washington Ave Ext, Albany, NY

Zip Code: 12203

Employer's ID No.: applied for

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. ☒ Limited liability company,
Date created? in process.

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 members of the Company are members of many other development projects in the Capital Region.

B. Management of Company:

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

Joseph R. Nicolla

NAME (First, Middle, Last) HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
Joseph R. Nicolla 435 Ridge Hill Rd Schenectady NY 12303	Member	n/a

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. n/a

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
Joseph R. Nicolla	435 Ridge Hill Rd. Schenectady NY 12303	100%

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

II. DATA REGARDING PROPOSED PROJECT

A. Summary: (Please provide a brief narrative description of the Project.) Acquisition of an interest in a .036 acre parcel of land located on the CNSE Campus off Fuller Road and Tricentennial Drive, City of Albany, County of Albany, NY; construction of an approx. 25,000 sq. ft. facility; and installation thereon of various tenant finishes, fixtures, equipment,

B. Location of Proposed Project: machinery and personal property for an interdisciplinary academic facility.

1.	Street Address	Tricentennial Drive
2.	City of	Albany
3.	Town of	
4.	Village of	
5.	County of	Albany

C. Project Site:

1. Approximate size (in acres or square feet) of Project site: 0.36 acres
- Is a map, survey or sketch of the project site attached? Yes x; No ____.
2. Are there existing buildings on project site? Yes ____; No x.
 - a. If yes, indicate number and approximate size (in square feet) of each existing building: n/a

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

c. Are existing buildings abandoned? Yes ____; No ____ About to be abandoned? Yes ____; No ____ If yes, describe: n/a

d. Attach photograph of present buildings. n/a

3. Utilities serving project site:
 - Water-Municipal: City of Albany
 - Other (describe)
 - Sewer-Municipal: City of Albany
 - Other (describe)
 - Electric-Utility: National Grid
 - Other (describe)
 - Heat-Utility: National Grid
 - Other (describe)
4. Present legal owner of project site: State University of New York, fee owner and *
 - 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: _____, 20___; and the date the option expires: _____, 20___. Lease dated _____, 2014
 - 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: R-1A
 - b. Are there any variances or special permits affecting the site? Yes ____; No x. If yes, list below and attach copies of all such variances or special permits:

D. Buildings:

1. Does part of the project consist of a new building or buildings? Yes x; No _____. If yes, indicate number and size of new buildings:
1 approximately 25,000 sq. ft. facility
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: n/a
3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed or expanded: interdisciplinary academic facility

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: fixtures and equipment for facility
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: tenant equipment, furniture and fixtures

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? academic facility
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: n/a

a. Is the Project reasonably necessary to preserve the competitive position of the Company on such Project Occupant in its industry? Yes____; No____. If yes, please provide detail:

n/a

b. Is the Project reasonably necessary to discourage the Company or such Project Occupant from removing such other plant or facility to a location outside the State of New York? Yes____; No____. If yes, please provide detail: n/a

G. Other Involved Agencies:

1. Please indicate all other local agencies, boards, authorities, districts, commissions or governing bodies (including any city, county and other political subdivision of the State of New York and all state departments, agencies, boards, public benefit corporations, public authorities or commissions) involved in approving or funding or directly undertaking action with respect to the Project. For example, do you need a municipal building permit to undertake the Project? Do you need a zoning approval to undertake the Project? If so, you would list the appropriate municipal building department or planning or zoning commission which would give said approvals. 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 ____; 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: 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 x; No ____.

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

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

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

1. Sublessee name:
Present Address:
City: _____ State: _____ Zip: _____
Employer's ID No.: _____
Sublessee is: _____ Corporation: _____ Partnership: _____ Sole Proprietorship
Relationship to Company: _____
Percentage of Project to be leased or subleased: _____
Use of Project intended by Sublessee: _____
Date of lease or sublease to Sublessee: _____

Term of lease or sublease to Sublessee:

Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes____; No____. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

2. Sublessee name: 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	10	5	0	0	15
First Year Part Time	0	0	0	0	0
First Year Seasonal	0	0	0	0	0
Second Year Full Time	10	5	0	0	15
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.

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	\$ _____
Buildings	\$ 8,125,000
Machinery and equipment costs	\$ _____
Utilities, roads and appurtenant costs	\$ _____
Architects and engineering fees	\$ 25,000
Costs of Bond issue (legal, financial	

and printing)	\$211,000
Construction loan fees and interest	
(if applicable)	\$112,000
Other (specify)	\$
Miscellaneous	\$50,000
	\$
	\$
TOTAL PROJECT COST	\$8,523,000

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

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: n/a Years.
2. Is the interest on such bonds intended to be exempt from federal income taxation? Yes ____; No _____. n/a
3. If the answer to question 2 is yes, will any portion of the Project be used for any of the following purposes: n/a
 - a. retail food and beverage services: Yes ____; No ____
 - b. automobile sales or service: Yes ____; No ____
 - c. recreation or entertainment: Yes ____; No ____
 - d. golf course: Yes ____; No ____
 - e. country club: Yes ____; No ____
 - f. massage parlor: Yes ____; No ____
 - g. tennis club: Yes ____; No ____
 - h. skating facility (including roller
 - i. skating, skateboard and ice skating): Yes ____; No ____
 - j. racquet sports facility (including
 - handball and racquetball court): Yes ____; No ____
 - k. hot tub facility: Yes ____; No ____
 - l. suntan facility: Yes ____; No ____
 - m. racetrack: Yes ____; No ____
4. If the answer to any of the above questions contained in question 3 is yes, please furnish details on a separate attachment. n/a

5. Is the Project located in the City's federally designated Enterprise Zone? Yes ____; No x.
6. Is the applicant requesting the Agency to issue federally tax-exempt Enterprise Zone bonds? Yes ____; No x.

B. Tax Benefits

1. Is the applicant requesting any real property tax exemption that would not be available to a project that did not involve the Agency? Yes x; No ____.
2. Is the applicant expecting that the financing of the Project will be secured by one or more mortgages? Yes x; No _____. If yes, what is the approximate amount of financing to be secured by mortgages? \$ 7,523,000.
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? \$ 4,062,500.
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>325,000</u>
b.	Mortgage Recording Taxes:	\$ <u>94,037.50</u>
c.	Real Property Tax Exemptions:	\$ <u>**</u>
d.	Other (please specify):	\$ _____
	_____	\$ _____
	_____	\$ _____

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

6. Is the Project located in the City's state designated Empire Zone? Yes ____; No x.

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

** The land is currently tax exempt. The Applicant is seeking a 5 year payment in lieu of tax agreement whereby the Project would continue to be tax exempt.

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:

TRICENTENNIAL PROPERTIES LLC
(Applicant)

BY: 
Joseph R. Nicolla, Authorized Rep.

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

VERIFICATION

(If Applicant is a Corporation)

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

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

_____ of _____,
(Title) (Company Name)

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

(officer of applicant)

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

(Notary Public)

VERIFICATION

(If applicant is sole proprietor)

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

_____, deposes and says
(Name of Individual)

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

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

(Notary Public)

VERIFICATION

(If applicant is partnership)

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

_____, deposes and says

(Name of Individual)

that he is one of the members of the firm of _____,
(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.

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

(Notary Public)

VERIFICATION

(If applicant is limited liability company)

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

Joseph R. Nicolla, deposes and says
(Name of Individual)
that he is one of the members of the firm of Tricentennial Properties LLC,
(Partnership Name)

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

Joseph R. Nicolla

Sworn to before me this
8th day of January, 2014

Margaret M. Lanni
(Notary Public)

MARGARET M. LANNI - Saratoga
Notary Public, State of New York
Qualified in Schoenectady County
No. 4930641
Commission Expires February 16, 2018

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.

TRICENTENNIAL PROPERTIES LLC
(Applicant)

BY: 
Joseph R. Nicolla, Authorized Rep.

Sworn to before me this
8th day of January, 2014


(Notary Public)

MARGARET M. LANNI
Notary Public, State of New York *Saratoga*
Qualified in ~~Schenectady~~ County
No. 4930641
Commission Expires February 16, 2018

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"):	Tricentennial Properties LLC
2. Brief Identification of the Project:	Acquisition of 0.36 acre parcel at the CNSE Campus at Fuller Road and Tricentennial Drive, construction of +/- 25,000 sf building;
3. Estimated Amount of Project Benefits Sought:	
A. Amount of Bonds Sought:	\$ n/a
B. Value of Sales Tax Exemption Sought	\$ 325,000
C. Value of Real Property Tax Exemption Sought	\$ 0
D. Value of Mortgage Recording Tax Exemption Sought	\$ 94,037.50

PROJECTED PROJECT INVESTMENT

A. Land-Related Costs	
1. Land acquisition	\$
2. Site preparation	\$
3. Landscaping	\$
4. Utilities and infrastructure development	\$
5. Access roads and parking development	\$
6. Other land-related costs (describe)	\$
B. Building-Related Costs	
1. Acquisition of existing structures	\$
2. Renovation of existing structures	\$
3. New construction costs	\$ 8,125,000
4. Electrical systems	\$
5. Heating, ventilation and air conditioning	\$
6. Plumbing	\$
7. Other building-related costs (describe)	\$

* and installation thereon of various tenant finishes, equipment, machinery and personal property for interdisciplinary academic facility.

C.	Machinery and Equipment Costs	
1.	Production and process equipment	\$
2.	Packaging equipment	\$
3.	Wharehousing equipment	\$
4.	Installation costs for various equipment	\$
5.	Other equipment-related costs (describe)	\$
D.	Furniture and Fixture Costs	
1.	Office furniture	\$
2.	Office equipment	\$
3.	Computers	\$
4.	Other furniture-related costs (describe)	\$
E.	Working Capital Costs	
1.	Operation costs	\$
2.	Production costs	\$
3.	Raw materials	\$
4.	Debt service	\$
5.	Relocation costs	\$
6.	Skills training	\$
7.	Other working capital-related costs (describe)	\$
F.	Professional Service Costs	
1.	Architecture and engineering	\$ 25,000
2.	Accounting/legal	\$ 211,000
3.	Other service-related costs (describe) (construction loan fees, CPI)	\$112,000
G.	Other Costs	
1.	Miscellaneous (developer fees)	\$ 50,000
2.		\$
H.	Summary of Expenditures	
1.	Total Land-Related Costs	\$
2.	Total Building-Related Costs	\$ 8,125,000
3.	Total Machinery and Equipment Costs	\$
4.	Total Furniture and Fixture Costs	\$
5.	Total Working Capital Costs	\$
6.	Total Professional Service Costs	\$ 398,000
7.	Total Other Costs	\$

PROJECTED PROFIT

- I. Please provide projected profit as defined by earnings after income tax but before depreciation and amortization: It is anticipated there will be no difference because the

Agency benefits are passed directly to the tenant.

YEAR	Without IDA benefits	With IDA benefits
1	\$	\$
2	\$	\$
3	\$	\$
4	\$	\$
5	\$	\$

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	0	\$ 0	\$ 0
Year 1	25	\$ 819,393	\$ 122,909
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	0	0	0	0
Year 1	0	0	0	0
Year 2	0	0	0	0
Year 3	0	0	0	0
Year 4	0	0	0	0
Year 5	0	0	0	0

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

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year	0	0	0	0
Year 1	10	5	0	0
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:

20% We anticipate job openings will be listed with the local

Job Development Authority office which will provide a
A. Provide a brief description of how the project expects to meet this percentage: source of local applicants for employment.

PROJECTED OPERATING IMPACT

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

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

II. Please provide estimates for the impact of Project on existing real property taxes and new payments in lieu of taxes ("Pilot Payments"): 0, currently tax exempt.

Year	Existing Real Property Taxes (Without IDA involvement)	New Pilot Payments (With IDA)	Total (Difference)
Current Year	0	0	0
Year 1	0	0	0
Year 2	0	0	0
Year 3	0	0	0
Year 4	0	0	0
Year 5	0	0	0
Year 6	0	0	0
Year 7	0	0	0
Year 8	0	0	0
Year 9	0	0	0
Year 10	0	0	0

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

Local retail and service industries will benefit from the new people living in the City of Albany. Albany will benefit from the increase in workers during the work day.

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: January 8¹⁴, 2008.

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

Name: Joseph R. Nicolla

Title: Authorized Rep.

Phone Number: 862-9133

Address: 302 Washington Ave. Ext.
Albany NY 12203

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.

ATTACHMENT

Survey and Site Plan (page 8, Item II. C.)

