

Albany Industrial Development Agency

21 Lodge Street
Albany, New York 12207
Telephone: (518) 434-2532
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Tracy Metzger, *Chair*
Darius Shahinfar, *Treasurer*
Susan Pedo, *Vice Chair*
C. Anthony Owens, *Secretary*
Lee Eck
Dominick Calsolaro
Robert Schofield

Sarah Reginelli, *Chief Executive Officer*
Mark Opalka, *Chief Financial Officer*
John Reilly, *Agency Counsel*

To: Tracy Metzger
Darius Shahinfar
Susan Pedo
Anthony Owens
Lee Eck
Dominick Calsolaro
Robert Schofield

Sarah Reginelli
John Reilly
Joe Scott
Mark Opalka
Brad Chevalier
Andy Corcione
Chantel Burnash

Date: August 7, 2015

AGENDA

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

Roll Call

Reading of Minutes of the Finance Committee Meeting of July 8, 2015

Approval of Minutes of the Finance Committee Meeting of July 8, 2015

Unfinished Business

- 760 Broadway LLC
 - Project Update & Discussion

New Business

- Review Adequacy of Finance Committee Charter

Other Business

Adjournment

***The next regularly scheduled Finance Committee meeting will be held
Wednesday, September 9th at 21 Lodge Street, Albany, NY**

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IDA MINUTES OF FINANCE COMMITTEE MEETING Wednesday, July 8, 2015

Attending: C. Anthony Owens, Tracy Metzger, Susan Pedo and Darius Shahinfar

Absent: Lee Eck, John Reilly

Also Present: Dominick Calsolaro, Joseph Scott, Sarah Reginelli, Brad Chevalier, Mark Opalka, Sabina Mora, Andy Corcione, Mike Bohne and Chantel Burnash

Chair C. Anthony Owens called the Finance Committee meeting of the IDA to order at 12:15 PM.

Roll Call

Chair C. Anthony Owens reported that all Committee members were present, except Lee Eck.

Reading of Minutes of the June 10, 2015 Finance Committee Meeting

Since the minutes of the previous meeting had been distributed to Committee members in advance for review, Chair C. Anthony Owens made a proposal to dispense with the reading of the minutes.

Approval of Minutes of the June 10, 2015 Finance Committee Meeting

Chair C. Anthony Owens proposed to approve the minutes of the Finance Committee meeting of June 10, 2015. Tracy Metzger moved, seconded by Susan Pedo, to accept the minutes as presented. The Members voted unanimously in favor and the motion carried.

Unfinished Business

760 Broadway LLC – Project Update & Discussion

David and Harris Sarraf from 760 Broadway LLC were present to give an update of their potential project at 776 (aka 760) Broadway and to respond to the Committee's previous concerns. David shared renderings of the project with the Committee. He stated there would now be four complete floors comprised of apartments above the ground floor, as opposed to the 3.5 floors originally planned. The ground floor will include 1 retail space and approximately 125 parking spaces. The design requires the use of structural steel and concrete, which are reflected in project construction costs.

The Applicant has been working with the Community Preservation Corporation (CPC) for the financing of a construction loan. Matthew Nelson, from CPC, was present to answer any questions from the Committee. Matthew indicated that CPC would not provide the Applicant with the financing, without the receipt of definitive tax abatement details.

Staff advised the Committee that the Applicant was made aware of the Committee's questions and request for a revised application, but that the Applicant maintained their need for the assistance detailed in the original application. The Committee discussed the Applicant's PILOT request and asked Staff to work through an alternative draft PILOT schedule based on the Committee's discussion and recommendation. The Committee would like the Board to review and discuss the alternative draft PILOT schedule at the next Board meeting.

No formal action was taken.

New Business

None

Other Business

Mark Opalka informed the Committee that he received a letter from Keybank stating the bank would start charging a collateral fee to the Agency, which would be roughly \$470 per month. This new fee originated because the federal government is now charging Keybank a collateral fee. Mark advised the Committee that he will explore other banks institutions that might not charge a collateral fee and have a higher interest rate than Keybank. Mark will report his analysis at the next Finance Committee meeting. Counsel will determine if an RFP needs to be generated for this activity.

There being no further business, Chair C. Anthony Owens adjourned the meeting at 1:15 PM.

Respectfully submitted,

C. Anthony Owens, Secretary

TO: City of Albany Industrial Development Finance Committee

FROM: City of Albany Industrial Development Agency Staff

RE: 760 Broadway, LLC - IDA Application Summary

DATE: August 7, 2015

Staff Notes:

This project summary is in response to the request for financial assistance by the Applicant which was formally introduced to the IDA Finance Committee on May 12, 2015. The project was further discussed at the June 10th 2015 Finance Committee meeting, the July 8th 2015 Finance Committee and the July 16th regular Board meeting.

This project summary will continue to be updated as the project progresses through staff review and Agency consideration.

Applicant: 760 Broadway, LLC

Managing Members (% of Ownership): David Sarraf, (50.00%) and Harris Sarraf, (50.00%)

Project Location: 766 Broadway

Project Description: The project consists of the acquisition of a 1.4-acre parking lot at 766 Broadway and the construction of an approx. 5-story 100,000 SF market rate apartment building. The building will be comprised of 100 rental units with 125 interior garage parking spaces (approx. 34,000 SF) on the ground floor. The anticipated unit breakdown is as follows: 20 studio apartments (600 to 650 SF per unit), 65 one-bedroom apartments (850 SF per unit) and 15 two-bedroom apartments (1,100 to 1,200 SF per unit). Additionally, there will be one (1) 2,000 SF retail space on the ground floor with frontage on Broadway.

Estimated Project Cost: \$15,000,000

Type of Financing: Straight Lease

Amount of Bonds Requested: None

Estimated Total Purchases Exempt from Sales Tax: \$4,437,500

Estimated Total Mortgage Amount: \$12,000,000

Current Total Assessment: \$300,000

Estimated Improved Total Assessment: \$6,173,100

Requested PILOT: Please see attached.

Estimated Value of Total PILOT Payments: Please see attached.

Estimated Value of Tax Exemptions:

- NYS Sales and Compensating Use Tax: \$355,000
- Mortgage Recording Taxes: \$150,000
- Real Property Taxes: Please see attached.
- Other: N/A

Employment Impact:

- Projected Permanent: (3) new FTEs
- Projected Construction: (100) jobs

Strategic Initiatives:

- Albany 2030
 - Increase job opportunities for all residents.
 - Encourage investment in urban land and historic buildings for employment and housing.
 - Provide a foundation for economic activity and increase economic diversity.

Planning Board Actions:

- Applicant has not appeared before the Planning/Zoning Board

Estimated IDA Fee

- Fee amount: \$150,000

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.

MEMO

TO: City of Albany Industrial Development Agency Board

FROM: City of Albany Industrial Development Agency Staff

RE: 760 Broadway LLC Update

DATE: August 12, 2015

Per the direction of the Finance Committee following the July 2015 Finance Committee meeting, staff provided a revised draft abatement schedule for 760 Broadway LLC project to the applicant for review. The abatement schedule provided to the applicant included the following revisions recommended by the Finance Committee (see Attachment 1):

- Reduction of 100% abatement of improved assessment value to years 1-5.
- Reduction of percent abatement of improved assessment value in years 6-12.
- Modification of percent abatement of improved assessment value in order to align abatement schedule to agree with applicant's stated intent to pay based on 11.5% of project gross revenues in years 13-20.

The applicant has provided a revised abatement schedule for further review by the Finance Committee (see Attachment 2). The following are some of the differences between the Applicant's revised request and the Finance Committee's draft proposal:

- Applicant's proposal included an additional four years of 100% abatement of improved assessment - years 1-9 compared to years 1-5 (Applicant's original request was 12 years at 100%).
- Applicant's proposal included a ramp down of percent abatement in years 10-20 beginning in year 10 at 95% abatement and ending in year 20 at 70% abatement. The Finance Committee's proposal included a ramp down of percent abatement in years 10-20 beginning in year 10 at 90% abatement and ending in year 20 at 48% abatement.
- The difference in estimated PILOT payments total \$1,358,081 with the applicant's proposal generating an estimated \$1,603,172 in PILOT payments for the term of the PILOT and the Finance Committee's proposal generating an estimated \$2,961,253 in PILOT payments for the term of the PILOT.
- The difference in estimated abatement totals \$1,358,081 with the applicant's estimated abatement totaling \$6,025,879 for the term of the PILOT and the Finance Committee's estimated abatement totaling \$4,667,798 for the term of the PILOT.

Attachment 3 compares the original request from the applicant, the draft PILOT structure outlined by the Finance Committee as well as the applicant's revised proposed PILOT structure across several indicators including: PILOT payments; PILOT payments per unit; and abatement schedule on improved assessment value.

DRAFT

Attachment 1

DRAFT PILOT Analysis 760 Broadway LLC - Revised Per Finance Committee Direction to Staff																
PILOT Year	School Tax Year	City & County Tax Year	Tax Rate ⁽⁶⁾	Status Quo		Proposed Project										
				Current Taxable Assessment ⁽⁷⁾	Estimated Allocated Total Taxes ⁽⁸⁾	PILOT Base Assessment ⁽⁹⁾	Normal Tax			Revised PILOT						
							Estimated Total Improved Assessment ⁽¹⁰⁾	Estimated Total Taxes w/o PILOT ⁽¹¹⁾	Estimated Total Taxes w/o PILOT Per Unit ⁽¹²⁾	PILOT Payments to be the Greater of ⁽¹³⁾		Estimated Abatement ⁽¹⁶⁾	Estimated PILOT Payments Per Unit ⁽¹⁷⁾	Estimated Abatement Per Unit ⁽¹⁸⁾	% Abatement on Total Assessment ⁽¹⁹⁾	% of Abatement on Improved Assessment ⁽²⁰⁾
										Estimated PILOT Payments ⁽¹⁴⁾	Estimated PILOT Payments ⁽¹⁵⁾					
Interim ⁽¹⁾	2016/2017	2017	\$49.87	\$300,000	\$14,960	-	-	-	-	-	-	-	-	-	-	-
1 ⁽²⁾	2017/2018	2018	\$50.86	\$300,000	\$15,259	\$750,000	\$6,173,100	\$313,987	\$3,109	\$38,148	Not applicable	\$275,839	\$378	\$2,731	87.85%	100.00%
2	2018/2019	2019	\$51.88	\$300,000	\$15,564	\$750,000	\$6,173,100	\$320,266	\$3,171	\$38,911	Not applicable	\$281,356	\$385	\$2,786	87.85%	100.00%
3	2019/2020	2020	\$52.92	\$300,000	\$15,876	\$750,000	\$6,173,100	\$326,672	\$3,234	\$39,689	Not applicable	\$286,983	\$393	\$2,841	87.85%	100.00%
4	2020/2021	2021	\$53.98	\$300,000	\$16,193	\$750,000	\$6,173,100	\$333,205	\$3,299	\$40,483	Not applicable	\$292,722	\$401	\$2,898	87.85%	100.00%
5	2021/2022	2022	\$55.06	\$300,000	\$16,517	\$750,000	\$6,173,100	\$339,869	\$3,365	\$41,292	Not applicable	\$298,577	\$409	\$2,956	87.85%	100.00%
6	2022/2023	2023	\$56.16	\$300,000	\$16,847	\$750,000	\$6,173,100	\$346,667	\$3,432	\$72,573	Not applicable	\$274,094	\$719	\$2,714	79.07%	90.00%
7	2023/2024	2024	\$57.28	\$300,000	\$17,184	\$750,000	\$6,173,100	\$353,600	\$3,501	\$89,557	Not applicable	\$264,044	\$887	\$2,614	74.67%	85.00%
8	2024/2025	2025	\$58.43	\$300,000	\$17,528	\$750,000	\$6,173,100	\$360,672	\$3,571	\$107,190	Not applicable	\$253,482	\$1,061	\$2,510	70.28%	80.00%
9	2025/2026	2026	\$59.59	\$300,000	\$17,878	\$750,000	\$6,173,100	\$367,885	\$3,642	\$125,494	Not applicable	\$242,392	\$1,243	\$2,400	65.89%	75.00%
10	2026/2027	2027	\$60.79	\$300,000	\$18,236	\$750,000	\$6,173,100	\$375,243	\$3,715	\$144,486	Not applicable	\$230,757	\$1,431	\$2,285	61.50%	70.00%
11	2027/2028	2028	\$62.00	\$300,000	\$18,601	\$750,000	\$6,173,100	\$382,748	\$3,790	\$164,188	Not applicable	\$218,560	\$1,626	\$2,164	57.10%	65.00%
12	2028/2029	2029	\$63.24	\$300,000	\$18,973	\$750,000	\$6,173,100	\$390,403	\$3,865	\$184,620	Not applicable	\$205,783	\$1,828	\$2,037	52.71%	60.00%
13 ⁽³⁾	2029/2030	2030	\$64.51	\$300,000	\$19,352	\$750,000	\$6,173,100	\$398,211	\$3,943	\$205,804	11.5% of Project Gross Revenue	\$192,407	\$2,038	\$1,905	48.32%	55.00%
14	2030/2031	2031	\$65.80	\$300,000	\$19,739	\$750,000	\$6,173,100	\$406,175	\$4,022	\$213,489	11.5% of Project Gross Revenue	\$192,687	\$2,114	\$1,908	47.44%	54.00%
15	2031/2032	2032	\$67.11	\$300,000	\$20,134	\$750,000	\$6,173,100	\$414,299	\$4,102	\$221,398	11.5% of Project Gross Revenue	\$192,901	\$2,192	\$1,910	46.56%	53.00%
16	2032/2033	2033	\$68.46	\$300,000	\$20,537	\$750,000	\$6,173,100	\$422,585	\$4,184	\$229,538	11.5% of Project Gross Revenue	\$193,046	\$2,273	\$1,911	45.68%	52.00%
17	2033/2034	2034	\$69.82	\$300,000	\$20,947	\$750,000	\$6,173,100	\$431,036	\$4,268	\$237,916	11.5% of Project Gross Revenue	\$193,121	\$2,356	\$1,912	44.80%	51.00%
18	2034/2035	2035	\$71.22	\$300,000	\$21,366	\$750,000	\$6,173,100	\$439,657	\$4,353	\$246,537	11.5% of Project Gross Revenue	\$193,121	\$2,441	\$1,912	43.93%	50.00%
19	2035/2036	2036	\$72.65	\$300,000	\$21,794	\$750,000	\$6,173,100	\$448,450	\$4,440	\$255,407	11.5% of Project Gross Revenue	\$193,043	\$2,529	\$1,911	43.05%	49.00%
20 ⁽⁴⁾	2036/2037	2037	\$74.10	\$300,000	\$22,230	\$750,000	\$6,173,100	\$457,419	\$4,529	\$264,534	11.5% of Project Gross Revenue	\$192,886	\$2,619	\$1,910	42.17%	48.00%
Permanent ⁽⁵⁾	2037/2038	2038	\$75.58	\$300,000	\$22,674	\$750,000	\$6,173,100	\$466,568	\$4,619	-	-	-	-	-	-	-
Estimated Total ⁽²¹⁾					\$370,756			\$7,629,051		\$2,961,253		\$4,667,798				

Notes:

- (1) Property will likely be taxable until March 1st, 2017.
- (2) Estimated start of PILOT abatement schedule.
- (3) Beginning of PILOT Payments to be the Greater of Scenario.
- (4) Estimated end of PILOT abatement schedule.
- (5) Property returns to taxable status anticipated.
- (6) Estimated non homestead tax rate (does not include any special ad valorem taxes that are still payable under PILOT) based on City and County 2015 tax year and School 2014/2015 tax year with, per Applicant, estimated escalation of 2.0% thereafter.
- (7) Per Commissioner of Department of Assessment & Taxation Current Assessment Value.
- (8) Estimated taxes if proposed project did not occur (i.e. left status quo).
- (9) Base assessment per proposed purchase price. An increase of \$400,000 in above current taxable assessment which when calculated as part of PILOT payment will result in an increase of revenues from the property starting from the beginning.
- (10) Per Commissioner of Department of Assessment & Taxation based on estimate of \$61,120 per unit (inc. land and improvement assessment value). Assessment value is not fixed.
- (11) Estimated taxes if proposed project occurred without PILOT assistance.
- (12) Estimated taxes Per Unit if proposed project occurred without PILOT assistance.
- (13) 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 11.5% of Project Gross Revenue.
- (14) Estimated PILOT Payments assuming PILOT using % of Abatement on Improved Assessment.
- (15) Estimated PILOT Payments assuming PILOT using 11.5% of Project Gross Revenue. Applicant has estimated such PILOT payments would be in: Yr. 13 \$210,077; Yr. 14 \$214,279; Yr. 15 \$218,565; Yr. 16 \$222,936; Yr. 17 \$227,395; Yr. 18 \$231,943; Yr. 19 \$236,581; Yr. 20 \$241,313.
- (16) Difference of Estimated PILOT Payments from Estimated Total Taxes w/o PILOT assuming PILOT.
- (17) Estimated PILOT Payments Per Unit assuming PILOT.
- (18) Difference of Estimated PILOT Payments Per Unit from Estimated Total Taxes w/o PILOT Per Unit assuming PILOT.
- (19) Percent Abatement on Total Assessment via PILOT assuming PILOT.
- (20) Percent Abatement on Improved Assessment via PILOT assuming PILOT.
- (21) Totals for comparison and analysis during PILOT agreement period only. NOT NET PRESENT VALUE.

Analysis is ONLY an estimate

Attachment 2

DRAFT PILOT Analysis 760 Broadway LLC - Revised Request Received on August 4, 2015																	
PILOT Year	School Tax Year	City & County Tax Year	Tax Rate ⁽⁶⁾	Status Quo		Proposed Project											
				Current Taxable Assessment ⁽⁷⁾	Estimated Allocated Total Taxes ⁽⁸⁾	PILOT Base Assessment ⁽⁹⁾	Normal Tax			Revised PILOT							
							Estimated Total Improved Assessment ⁽¹⁰⁾	Estimated Total Taxes w/o PILOT ⁽¹¹⁾	Estimated Total Taxes w/o PILOT Per Unit ⁽¹²⁾	PILOT Payments to be the Greater of ⁽¹³⁾		Estimated Abatement ⁽¹⁶⁾	Estimated PILOT Payments Per Unit ⁽¹⁷⁾	Estimated Abatement Per Unit ⁽¹⁸⁾	% Abatement on Total Assessment ⁽¹⁹⁾	% of Abatement on Improved Assessment ⁽²⁰⁾	
Estimated PILOT Payments ⁽¹⁴⁾	Estimated PILOT Payments ⁽¹⁵⁾																
Interim ⁽¹⁾	2016/2017	2017	\$49.87	\$300,000	\$14,960	-	-	-	-	-	-	-	-	-	-	-	-
1 ⁽²⁾	2017/2018	2018	\$50.86	\$300,000	\$15,259	\$750,000	\$6,173,100	\$313,987	\$3,109	\$38,148	Not applicable	\$275,839	\$378	\$2,731	87.85%	100.00%	
2	2018/2019	2019	\$51.88	\$300,000	\$15,564	\$750,000	\$6,173,100	\$320,266	\$3,171	\$38,911	Not applicable	\$281,356	\$385	\$2,786	87.85%	100.00%	
3	2019/2020	2020	\$52.92	\$300,000	\$15,876	\$750,000	\$6,173,100	\$326,672	\$3,234	\$39,689	Not applicable	\$286,983	\$393	\$2,841	87.85%	100.00%	
4	2020/2021	2021	\$53.98	\$300,000	\$16,193	\$750,000	\$6,173,100	\$333,205	\$3,299	\$40,483	Not applicable	\$292,722	\$401	\$2,898	87.85%	100.00%	
5	2021/2022	2022	\$55.06	\$300,000	\$16,517	\$750,000	\$6,173,100	\$339,869	\$3,365	\$41,292	Not applicable	\$298,577	\$409	\$2,956	87.85%	100.00%	
6	2022/2023	2023	\$56.16	\$300,000	\$16,847	\$750,000	\$6,173,100	\$346,667	\$3,432	\$42,118	Not applicable	\$304,548	\$417	\$3,015	87.85%	100.00%	
7	2023/2024	2024	\$57.28	\$300,000	\$17,184	\$750,000	\$6,173,100	\$353,600	\$3,501	\$42,961	Not applicable	\$310,639	\$425	\$3,076	87.85%	100.00%	
8	2024/2025	2025	\$58.43	\$300,000	\$17,528	\$750,000	\$6,173,100	\$360,672	\$3,571	\$43,820	Not applicable	\$316,852	\$434	\$3,137	87.85%	100.00%	
9	2025/2026	2026	\$59.59	\$300,000	\$17,878	\$750,000	\$6,173,100	\$367,885	\$3,642	\$44,696	Not applicable	\$323,189	\$443	\$3,200	87.85%	100.00%	
10	2026/2027	2027	\$60.79	\$300,000	\$18,236	\$750,000	\$6,173,100	\$375,243	\$3,715	\$62,073	Not applicable	\$313,170	\$615	\$3,101	83.46%	95.00%	
11	2027/2028	2028	\$62.00	\$300,000	\$18,601	\$750,000	\$6,173,100	\$382,748	\$3,790	\$63,314	Not applicable	\$319,434	\$627	\$3,163	83.46%	95.00%	
12	2028/2029	2029	\$63.24	\$300,000	\$18,973	\$750,000	\$6,173,100	\$390,403	\$3,865	\$81,729	Not applicable	\$308,674	\$809	\$3,056	79.07%	90.00%	
13 ⁽³⁾	2029/2030	2030	\$64.51	\$300,000	\$19,352	\$750,000	\$6,173,100	\$398,211	\$3,943	\$83,364	11.5% of Project Gross Revenue	\$314,847	\$825	\$3,117	79.07%	90.00%	
14	2030/2031	2031	\$65.80	\$300,000	\$19,739	\$750,000	\$6,173,100	\$406,175	\$4,022	\$102,872	11.5% of Project Gross Revenue	\$303,303	\$1,019	\$3,003	74.67%	85.00%	
15	2031/2032	2032	\$67.11	\$300,000	\$20,134	\$750,000	\$6,173,100	\$414,299	\$4,102	\$104,930	11.5% of Project Gross Revenue	\$309,369	\$1,039	\$3,063	74.67%	85.00%	
16	2032/2033	2033	\$68.46	\$300,000	\$20,537	\$750,000	\$6,173,100	\$422,585	\$4,184	\$125,590	11.5% of Project Gross Revenue	\$296,994	\$1,243	\$2,941	70.28%	80.00%	
17	2033/2034	2034	\$69.82	\$300,000	\$20,947	\$750,000	\$6,173,100	\$431,036	\$4,268	\$128,102	11.5% of Project Gross Revenue	\$302,934	\$1,268	\$2,999	70.28%	80.00%	
18	2034/2035	2035	\$71.22	\$300,000	\$21,366	\$750,000	\$6,173,100	\$439,657	\$4,353	\$149,976	11.5% of Project Gross Revenue	\$289,681	\$1,485	\$2,868	65.89%	75.00%	
19	2035/2036	2036	\$72.65	\$300,000	\$21,794	\$750,000	\$6,173,100	\$448,450	\$4,440	\$152,976	11.5% of Project Gross Revenue	\$295,474	\$1,515	\$2,925	65.89%	75.00%	
20 ⁽⁴⁾	2036/2037	2037	\$74.10	\$300,000	\$22,230	\$750,000	\$6,173,100	\$457,419	\$4,529	\$176,128	11.5% of Project Gross Revenue	\$281,292	\$1,744	\$2,785	61.50%	70.00%	
Permanent ⁽⁵⁾	2037/2038	2038	\$75.58	\$300,000	\$22,674	\$750,000	\$6,173,100	\$466,568	\$4,619	-	-	-	-	-	-	-	
Estimated Total ⁽²¹⁾					\$370,756			\$7,629,051		\$1,603,172		\$6,025,879					

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- (14) Estimated PILOT Payments assuming PILOT using % of Abatement on Improved Assessment.
- (15) Estimated PILOT Payments assuming PILOT using 11.5% of Project Gross Revenue. Applicant has estimated such PILOT payments would be in: Yr. 13 \$210,077; Yr. 14 \$214,279; Yr. 15 \$218,565; Yr. 16 \$222,936; Yr. 17 \$227,395; Yr. 18 \$231,943; Yr. 19 \$236,581; Yr. 20 \$241,313.
- (16) Difference of Estimated PILOT Payments from Estimated Total Taxes w/o PILOT assuming PILOT.
- (17) Estimated PILOT Payments Per Unit assuming PILOT.
- (18) Difference of Estimated PILOT Payments Per Unit from Estimated Total Taxes w/o PILOT Per Unit assuming PILOT.
- (19) Percent Abatement on Total Assessment via PILOT assuming PILOT.
- (20) Percent Abatement on Improved Assessment via PILOT assuming PILOT.
- (21) Totals for comparison and analysis during PILOT agreement period only. NOT NET PRESENT VALUE.

Analysis is ONLY an estimate

Attachment 3

PILOT Payment					PILOT Payment/Unit					% Abatement on Improved Assessment			
Year	Applicant Original Request	760 Broadway Finance Comm. Revised DRAFT	New request August 2015	Difference	Applicant Original Request	760 Broadway Finance Comm. Revised DRAFT	New request August 2015	Difference		Applicant Original Request	760 Broadway Finance Comm. Revised DRAFT ⁽¹⁾	New request August 2015	Difference
1	\$ 38,148	\$ 38,148	\$ 38,145	\$ (3)	\$ 378	\$ 378	\$ 378	\$ -		100.0%	100.0%	100.0%	0.0%
2	\$ 38,911	\$ 38,911	\$ 38,908	\$ (3)	\$ 385	\$ 385	\$ 385	\$ -		100.0%	100.0%	100.0%	0.0%
3	\$ 39,689	\$ 39,689	\$ 39,690	\$ 1	\$ 393	\$ 393	\$ 393	\$ -		100.0%	100.0%	100.0%	0.0%
4	\$ 40,483	\$ 40,483	\$ 40,485	\$ 2	\$ 401	\$ 401	\$ 401	\$ -		100.0%	100.0%	100.0%	0.0%
5	\$ 41,292	\$ 41,292	\$ 41,295	\$ 2	\$ 409	\$ 409	\$ 409	\$ -		100.0%	100.0%	100.0%	0.0%
6	\$ 42,118	\$ 72,573	\$ 42,121	\$ (30,452)	\$ 417	\$ 719	\$ 417	\$ (302)		100.0%	90.0%	100.0%	10.0%
7	\$ 42,961	\$ 89,557	\$ 42,963	\$ (46,593)	\$ 425	\$ 887	\$ 425	\$ (461)		100.0%	85.0%	100.0%	15.0%
8	\$ 43,820	\$ 107,190	\$ 43,822	\$ (63,368)	\$ 434	\$ 1,061	\$ 434	\$ (627)		100.0%	80.0%	100.0%	20.0%
9	\$ 44,696	\$ 125,494	\$ 44,693	\$ (80,801)	\$ 443	\$ 1,243	\$ 443	\$ (800)		100.0%	75.0%	100.0%	25.0%
10	\$ 45,590	\$ 144,486	\$ 62,076	\$ (82,410)	\$ 451	\$ 1,431	\$ 615	\$ (816)		100.0%	70.0%	95.0%	25.0%
11	\$ 46,502	\$ 164,188	\$ 63,311	\$ (100,877)	\$ 460	\$ 1,626	\$ 627	\$ (999)		100.0%	65.0%	95.0%	30.0%
12	\$ 47,432	\$ 184,620	\$ 81,726	\$ (102,895)	\$ 470	\$ 1,828	\$ 809	\$ (1,019)		100.0%	60.0%	90.0%	30.0%
13	\$ 65,872	\$ 205,804	\$ 83,367	\$ (122,437)	\$ 652	\$ 2,038	\$ 825	\$ (1,212)		95.0%	55.0%	90.0%	35.0%
14	\$ 85,031	\$ 213,489	\$ 102,876	\$ (110,613)	\$ 842	\$ 2,114	\$ 1,019	\$ (1,095)		90.0%	54.0%	85.0%	31.0%
15	\$ 104,930	\$ 221,398	\$ 104,924	\$ (116,474)	\$ 1,039	\$ 2,192	\$ 1,039	\$ (1,153)		85.0%	53.0%	85.0%	32.0%
16	\$ 125,590	\$ 229,538	\$ 125,598	\$ (103,940)	\$ 1,243	\$ 2,273	\$ 1,244	\$ (1,029)		80.0%	52.0%	80.0%	28.0%
17	\$ 128,102	\$ 237,916	\$ 128,093	\$ (109,823)	\$ 1,268	\$ 2,356	\$ 1,268	\$ (1,087)		80.0%	51.0%	80.0%	29.0%
18	\$ 149,976	\$ 246,537	\$ 149,973	\$ (96,563)	\$ 1,485	\$ 2,441	\$ 1,485	\$ (956)		75.0%	50.0%	75.0%	25.0%
19	\$ 152,976	\$ 255,407	\$ 152,985	\$ (102,422)	\$ 1,515	\$ 2,529	\$ 1,515	\$ (1,014)		75.0%	49.0%	75.0%	26.0%
20	\$ 156,035	\$ 264,534	\$ 176,131	\$ (88,403)	\$ 1,545	\$ 2,619	\$ 1,744	\$ (875)		75.0%	48.0%	70.0%	22.0%
Totals	\$ 1,480,155	\$ 2,961,253	\$ 1,603,181	\$ (1,358,072)	-	-	-	-		-	-	-	-

(1) Per Commissioner of Department of Assessment & Taxation based on estimate of \$61,731 per unit (inc. land and improvement assessment value). Assessment value is not fixed.

SCHEDULE I

FINANCE COMMITTEE CHARTER

Purpose

Pursuant to the Agency's bylaws, the purpose of the finance committee is to oversee the Agency's debt and debt practices and to recommend policies concerning the Agency's issuance and management of debt.

Duties of the Finance Committee

It shall be the responsibility of the finance committee to:

- Review proposals for the issuance of debt by the Agency and its subsidiaries and to make recommendations concerning those proposals to the board.
- Make recommendations to the board concerning the level of debt and nature of debt issued by the Agency.
- Make recommendations concerning the appointment and compensation of bond counsel, investment advisors and underwriting firms used by the Agency, and to oversee the work performed by these individuals and firms on behalf of the Agency.
- Meet with and request information from Agency staff, independent auditors and advisors or outside counsel, as necessary to perform the duties of the committee.
- Retain, at the Agency's expense, such outside counsel, experts and other advisors as the finance committee may deem appropriate.
- Review proposals relating to the repayment of debt or other long-term financing arrangements by the Agency and its subsidiaries.
- Annually review the Agency's financing guidelines and make recommendations to the board concerning criteria that should govern its financings. These should include security provisions required for a bond financing undertaking, specific requirements of credit enhancements or additional guarantees used, such as a pledge of revenues, financial covenants or debt service reserves.
- Report annually to the Agency's board how it has discharged its duties and met its responsibilities as outlined in the charter.
- Conduct an annual self-evaluation of its performance, including its effectiveness and compliance with the charter and request the board approval for proposed changes.

Composition of Committee and Selection of Members

The finance committee shall consist of not less than three independent members of the board of directors, who shall constitute a majority on the committee. If the board has less than three independent members, non-independent members may be appointed to the committee provided that the independent members constitute a majority of the committee. The Agency's board shall appoint the finance committee members and the finance committee chair. Members shall serve on the committee at the discretion of the board. Members appointed to the committee shall have the background necessary to perform its duties.

Meetings

The finance committee shall meet at such times as deemed advisable by the chair, but not less than twice a year. The committee must meet prior to any debt issuance planned to be undertaken by the Agency.

Members of the finance committee are expected to attend each committee meeting, in person or via telephone or videoconference. The finance committee may invite other individuals, such as members of management, auditors or other technical experts to attend meetings and provide pertinent information, as necessary. A majority of the committee members present or participating through telephone or videoconference shall constitute a quorum.

Meeting agendas shall be prepared prior to every meeting and provided to finance committee members along with briefing materials five (5) business days before the scheduled finance committee meeting. The finance committee may act only on the affirmative vote of a majority of the members or by unanimous consent. Minutes of these meetings shall be recorded.

A report of the committee's meeting shall be prepared and presented to the board at its next scheduled meeting following the meeting of the committee.

Meetings of the committee are open to the public, and the committee shall be governed by the rules regarding public meetings set forth in the applicable provisions of the Public Authorities Law and Article 7 of the Public Officers Law that relate to public notice and the conduct of executive session.

Review the Agency's Annual Budget

The finance committee shall:

- Review the Agency's proposed annual operating budget as presented by Agency management for the upcoming fiscal year.
- Recommend the annual budget to the board for approval after incorporating necessary amendments.

- Monitor and report to the board on the Agency's compliance with its adopted budget during the fiscal year (actual verses estimated budget) on a monthly/quarterly basis.

Oversee the Agency's Investments

The finance committee shall:

- Annually review the Agency's investment policy and evaluate allocation of assets.
- Review and recommend to the board approval of the Agency's annual investment report.
- Annually review the Agency's audit of investments as provided by independent auditors.
- Recommend to the board the selection of investment advisors.

Assess the Agency's Capital Requirements and Capital Plan

The finance committee shall:

- Assess the financial requirements of the Agency's capital plans. The assessment is to include current and future capital needs, a justification of why such capital expenditure is required and an explanation of funding sources for capital projects such as grants, issuance of debt or specified pay-as-you-go resources.
- Review the financial aspects of major proposed transactions, significant expenditures, new programs and services, as well as proposals to discontinue programs or services and making action recommendations to the board.

Review Financial and Procurement Thresholds

The finance committee shall:

- Review and make recommendations to the board regarding any proposed procurements submitted to the committee by the Agency's procurement officer.
- Review and recommend changes to the Agency's thresholds for procuring goods and services and procurement policy.
- Review and recommend changes to the Agency's uniform tax exemption policy that includes general provisions for entering into payment-in-lieu-of-taxes (PILOT) agreements and allowing tax exemptions.
- Review and recommend changes to the Agency's fee schedules.
- Review the scope and terms of the Agency's insurance policies and liability coverage on an annual basis.