

TO: City of Albany Industrial Development Finance Committee

FROM: City of Albany Industrial Development Agency Staff

RE: 760 Broadway, LLC - IDA Application Summary

DATE: September 11, 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 meeting, the July 16th regular Board meeting and the August 12th Finance Committee 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.