

CassHill

Development Companies

January 24, 2011

Mike Yevoli
Commissioner
Capitalize Albany Corporation
21 Lodge Street
Albany, NY 12207

RE: 39 Sheridan Realty, LLC

Dear Mr. Yevoli:

Attached please find our application for IDA benefits in support of our project located at 49, 67, and 69 Sheridan Avenue in Albany. These sites are the former Boyd Printing location, and an adjacent multi-family building which has been deemed uninhabitable by the City of Albany. It is our intention to complete the demolition of the industrial additions to the Boyd site, and demolish the adjacent residential structure. We will add a partial 5th floor to the remaining four story structure that will accommodate 43 loft apartments.

We have applied for financing with several local lenders and Community Preservation Corporation ("CPC"). We have received a term sheet from CPC which will provide sufficient debt for us to construct the project contingent on receipt of a tax abatement. In order to meet this requirement we are requesting the City of Albany IDA to approve a 30 year PILOT which will mirror the 485(a) program and include a maximum annual payment of \$75,000 for the first twenty years, and a maximum annual payment of \$149,925 for years 21 to 30. Absent of this support, we will be unable to finance and develop the project.

I met with Keith McDonald who determined the assessment for the property this year will be \$500,000 upon completion of the demolition. The annual real property tax liability would be approximately \$21,000 per year using that assessment. The payments under the proposed PILOT are \$1,926,233 more than the total tax payments if the project remains vacant.

I welcome any questions your our your staff may have with our application, and look forward to working with you to successfully add 43 new apartments to this challenged neighborhood.

Thank you for your consideration.

Marc H. Paquin
President

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: 39 Sheridan Realty, LLC

APPLICANT'S ADDRESS: 646 Plank Road, Suite 205

CITY: Clifton Park STATE: NY ZIP CODE: 12065

PHONE NO.: 518-371-2410 FAX NO.: 518-371-2348 E-MAIL: marc@casshilldevelopment.com

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

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

NAME OF ATTORNEY: Debra Lambek, Esq. of Segel Goldman Mazzotta & Siegel PC

ATTORNEY'S ADDRESS: 9 Washington Square

CITY: Albany STATE: NY ZIP CODE: 12205

PHONE NO.: (518) 452-0941 FAX NO.: (518) 452-0417 E-MAIL: debra@sgmalbany.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: **39 Sheridan Realty, LLC**

Contact Person: **Marc H. Paquin**

Phone Number: **518-371-2410**

Occupant: **N/A**

Project Location: **49, 67 & 69 Sheridan Avenue, Albany, NY 12210**

Approximate Size of Project Site: **Current site is approximately 86,290 square feet on 1.38 acres.**

Description of Project: **Demolish approximately 30,533 square feet of industrial additions to the original four story building, and the 4,800 square foot uninhabitable multifamily building located at 67 Sheridan Avenue. Renovate and expand the remaining structure to a \pm 57,725 square foot loft apartment building.**

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

Employment Impact: Existing Jobs **NONE**
New and/or retained jobs = 1 est.

Project Cost: \$ 6,250,000

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:	\$ <u>138,240</u>
Mortgage Recording Taxes:	\$ <u>67,500</u>
Real Property Tax Exemptions:	\$ <u>2,398,312*</u>
Other (please specify):	\$ <u> </u>

*The value of the requested PILOT Exemption exceeds the value of the 485(a) Exemption by \$1,290,326.

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

A. Identity of Company:

1. Company Name: **39 Sheridan Realty, LLC**

Present Address: **646 Plank Road, Suite 205, Clifton Park, NY**

Zip Code: **12065**

Employer's ID No.: **26-4804289**

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? 5/20/2009.

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:

N/A

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
Marc H. Paquin	Managing Member	President - Cass Hill Development Companies

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
Marc H. Paquin	4 Keystone Terrace, Clifton Park, NY 12065	37.5%
Gerry Gauer	5 Caraway Court, Clifton Park, NY 12065	37.5 %
Guy Alonge III	9 Eliot Drive Slingerlands, NY 12159	18.75%
Todd Mosher	53 Maple Avenue, Voorheesville, NY 12186	6.25%

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

II. DATA REGARDING PROPOSED PROJECT

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

Demolish approximately 30,533 square feet of industrial additions to the original four story building and the condemned multifamily building. Renovate the remaining structure and add 6,768 square feet on a partial fifth floor to a 57,725 square foot multifamily building.

B. Location of Proposed Project:

1. Street Address **49, 67 & 69 Sheridan Avenue**
2. City of **Albany**
3. Town of **N/A**
4. Village of **N/A**
5. County of **Albany**

C. Project Site:

1. Approximate size (in acres or square feet) of Project site:.

Is a map, **survey** or sketch of the project site attached? Yes X; No ____.

2. Are there existing buildings on project site? Yes X; No ____.

a. If yes, indicate number and approximate size (in square feet) of each existing building:

49 Sheridan Ave: 81,490 square feet

67 Sheridan Ave: 4,800 square feet

b. Are existing buildings in operation? Yes ____; No X.

If yes, describe present use of present buildings:

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

Former Boyd Printing Location. Includes a 4 story 50,957 square foot structure and 30,533 of industrial type additions and an adjacent 4,800 square foot multifamily building.

d. Attach photograph of present buildings.

3. Utilities serving project site:
 Water-Municipal: **Albany Water Board**
 Other (describe)
 Sewer-Municipal: **Albany Water Board**
 Other (describe)
 Electric-Utility: **National Grid**
 Other (describe)
 Heat-Utility: **National Grid**
 Other (describe)
4. Present legal owner of project site: **39 Sheridan Realty, LLC**
 - a. If the Company owns project site, indicate date of purchase: **June 10, 2009 and November 12, 2009**; Purchase price: **\$1,500,000**.
 - b. If Company does not own the Project site, does Company have option signed with owner to purchase the Project site? Yes ____; No _____. **N/A** If yes, indicate date option signed with owner: _____, 20____; and the date the option expires: _____, 20____. **N/A**
 - c. If the Company does not own the project site, is there a relationship legally or by common control between the Company and the present owners of the project site? Yes ____; No _____. If yes, describe: **N/A**
5.
 - a. Zoning District in which the project site is located:
C-3 Central Business District
 - b. Are there any variances or special permits affecting the site? Yes __; No **X**. If yes, list below and attach copies of all such variances or special permits:

D. Buildings:

1. Does part of the project consist of a new building or buildings? Yes ____; 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:
Add 6,768 square feet on the fifth floor to the remaining four story structure. Existing building to be gutted, installing new interior finishes including new elevators, bathrooms and mechanical systems and re-skinning the exterior.
3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed or expanded:
43 Unit Loft Apartment Building.

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:
Security systems, access control systems, and furnishings consistent with a multifamily apartment building.
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:
Support multifamily occupancy

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?
Multifamily activities
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:
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:
 - 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 reasonably 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.

Planning Board, Zoning Board, Building Department of the City of Albany.

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

H. Construction Status:

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

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:

Acquisition	<u>1,500,000</u>
Soft Costs	<u>226,000</u>
Abatement	<u>74,000</u>
Demolition	<u>18,000</u>

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: N/A
Present Address:
City: _____ State: _____ Zip: _____
Employer's ID No.: _____
Sublessee is: _____ Corporation: _____ Partnership: _____ Sole Proprietorship
Relationship to Company: _____
Percentage of Project to be leased or subleased: _____
Use of Project intended by Sublessee: _____
Date of lease or sublease to Sublessee: _____
Term of lease or sublease to Sublessee: _____
Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes _____; No _____. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.
2. Sublessee name: _____
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:
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	NONE	NONE	NONE	NONE	NONE
Present Part Time	NONE	NONE	NONE	NONE	NONE
Present Seasonal	NONE	NONE	NONE	NONE	NONE
First Year Full Time	NONE	NONE	1	NONE	1
First Year Part Time	NONE	NONE	NONE	NONE	NONE
First Year Seasonal	NONE	NONE	NONE	NONE	NONE
Second Year Full Time	NONE	NONE	1	NONE	1
Second Year Part Time	NONE	NONE	NONE	NONE	NONE
Second Year Seasonal	NONE	NONE	NONE	NONE	NONE

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. **Property Maintenance person employed by management company.**

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	\$ 355,000
Buildings	\$5,270,000
Machinery and equipment costs	\$ 75,000
Utilities, roads and appurtenant costs	\$ 0
Architects and engineering fees	\$ 100,000
Costs of Bond issue (legal, financial and printing)	\$ N/A

Construction loan fees and interest (if applicable)	\$ 315,000
Other (specify)	\$ _____
<u>Marketing/leasing Cost</u>	\$ 40,000
<u>Furniture/ Fixture</u>	\$ 20,000
<u>Professional Fees</u>	\$ 75,000
 TOTAL PROJECT COST	 \$6,250,000

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

Acquisition, Architectural & Engineering, Environmental Abatement, Demolition

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?
N/A Yes ____; No ____.
3. If the answer to question 2 is yes, will any portion of the Project be used for any of the following purposes: N/A
 - a. retail food and beverage services: Yes ____; No ____
 - b. automobile sales or service: Yes ____; No ____
 - c. recreation or entertainment: Yes ____; No ____
 - d. golf course: Yes ____; No ____
 - e. country club: Yes ____; No ____
 - f. massage parlor: Yes ____; No ____
 - g. tennis club: Yes ____; No ____
 - h. skating facility (including roller
 - 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? \$5,400,000.

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? \$1,728,000.

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>138,240</u>
b.	Mortgage Recording Taxes:	\$	<u>67,500</u>
c.	Real Property Tax Exemptions:	\$	<u>2,398,312</u>
d.	Other (please specify):		
	_____	\$	_____
	_____	\$	_____

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

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

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 Limited Liability Company)

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

Marc H. Paquin
(Name of chief executive of applicant)

Managing Member of 39 Sheridan Realty, LLC
(Title) (Company Name)

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. 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 limited liability company. 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 limited liability company.

(officer of applicant)

Sworn to before me this
24th day of January, 2011.

(Notary Public)

DANIELLE K. BRIDGER
Notary Public, State of New York
Qualified in Albany County
No. 01BR6132164
My Commission Expires August 22, 2013

NOTE: THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS THE HOLD
HARMLESS AGREEMENT APPEARING ON PAGE 14 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.



Marc H. Paquin

Sworn to before me this
24th day of January, 2011.



(Notary Public)

DANIELLE K. BRIDGER
Notary Public, State of New York
Qualified in Albany County
No. 01BR0132164
My Commission Expires August 22, 2013

Project Applicants

FROM: City of Albany Industrial Development Agency

RE: Economic Impact Analysis

In order for the City of Albany Industrial Development Agency (the "Agency") to prepare a Economic Impact 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 Economic Impact Analysis, please complete this Questionnaire and forward it to us at your earliest convenience.

PROJECT QUESTIONNAIRE

1. Name of Project Beneficiary ("Company"): 39 Sheridan Realty, LLC
2. Brief Identification of the Project: Demolition of \pm 35,333 square feet plus renovation of remaining \pm 57,725 square feet to 43 loft apartments.
3. Estimated Amount of Project Benefits Sought:
 - A. Amount of Bonds Sought: \$ 0
 - B. Value of Sales Tax Exemption Sought \$ 138,240
 - C. Value of Real Property Tax Exemption Sought \$ 2,398,312
 - D. Value of Mortgage Recording Tax Exemption Sought \$ 67,500

PROJECTED PROJECT INVESTMENT

- A. Land-Related Costs
 1. Land acquisition \$ 155,000
 2. Site preparation \$ 100,000
 3. Landscaping \$ 25,000
 4. Utilities and infrastructure development \$
 5. Access roads and parking development \$ 75,000
 6. Other land-related costs (describe) \$
- B. Building-Related Costs
 1. Acquisition of existing structures \$ 1,345,000
 2. Renovation of existing structures \$ 3,020,000
 3. New construction costs \$
 4. Electrical systems \$ 322,000
 5. Heating, ventilation and air conditioning \$ 333,000
 6. Plumbing \$ 250,000
 7. Other building-related costs (describe) \$

C.	Machinery and Equipment Costs	
1.	Production and process equipment	\$ _____
2.	Packaging equipment	\$ _____
3.	Warehousing equipment	\$ _____
4.	Installation costs for various equipment	\$ _____
5.	Other equipment-related costs (describe)	\$ <u>75,000</u>
D.	Furniture and Fixture Costs	
1.	Office furniture	\$ _____
2.	Office equipment	\$ _____
3.	Computers	\$ _____
4.	Other furniture-related costs (describe)	\$ <u>20,000</u>
E.	Working Capital Costs	
1.	Operation costs	\$ _____
2.	Production costs	\$ _____
3.	Raw materials	\$ _____
4.	Debt service	\$ <u>265,000</u>
5.	Relocation costs	\$ _____
6.	Skills training	\$ _____
7.	Other working capital-related costs (describe)	\$ <u>50,000</u>
F.	Professional Service Costs	
1.	Architecture and engineering	\$ <u>100,000</u>
2.	Accounting/legal	\$ <u>75,000</u>
3.	Other service-related costs (describe)	\$ <u>40,000</u>
G.	Other Costs	
1.	_____	\$ _____
2.	_____	\$ _____
H.	Summary of Expenditures	
1.	Total Land-Related Costs	\$ <u>355,000</u>
2.	Total Building-Related Costs	\$ <u>5,270,000</u>
3.	Total Machinery and Equipment Costs	\$ <u>75,000</u>
4.	Total Furniture and Fixture Costs	\$ <u>20,000</u>
5.	Total Working Capital Costs	\$ <u>315,000</u>
6.	Total Professional Service Costs	\$ <u>215,000</u>
7.	Total Other Costs	\$ _____

PROJECTED PROFIT

- I. Please provide projected profit as defined by earnings after income tax but before depreciation and amortization: **The profit will be the same as the benefits are being passed on to the tenant as an inducement.**

YEAR	Without IDA benefits	With IDA benefits
1	<u>(\$47,842)</u>	<u>\$ 40,529</u>
2	<u>(\$78,398)</u>	<u>\$ 49,747</u>
3	<u>(\$37,532)</u>	<u>\$ 91,895</u>
4	<u>(\$28,667)</u>	<u>\$102,056</u>
5	<u>(\$19,480)</u>	<u>\$112,549</u>

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	50	<u>\$ 2,592,000</u>	<u>\$ 248,763</u>
Year 1	0	<u>\$ 0</u>	<u>\$ 0</u>
Year 2	0	<u>\$ 0</u>	<u>\$ 0</u>
Year 3	0	<u>\$ 0</u>	<u>\$ 0</u>
Year 4	0	<u>\$ 0</u>	<u>\$ 0</u>
Year 5	0	<u>\$ 0</u>	<u>\$ 0</u>

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 or retained at the Project:

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

- III. Please provide estimates for the following:

- A. Creation of New Job Skills relating to permanent jobs. Please complete Schedule A.
General property maintenance

- IV. Provide the projected percentage of employment that would be filled by City of Albany residents:
Unable to determine at this time

- 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>70,000.00</u>
Additional Sales Tax Paid on Additional Purchases	\$ <u>5,775.00</u>
Estimated Additional Sales (1 st full year following project completion)	\$ <u>N/A</u>
Estimated Additional Sales Tax to be collected on additional sales (1 st full year following project completion)	\$ <u>N/A</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)
Year 1	21,577.76	21,577.76	0.00
Year 2	21,793.54	21,793.54	0.00
Year 3	22,011.47	22,011.47	0.00
Year 4	22,231.59	22,231.59	0.00
Year 5	22,453.90	22,453.90	0.00
Year 6	22,678.44	22,678.44	0.00
Year 7	22,905.23	22,905.23	0.00
Year 8	23,063.43	46,447.99	23,384.56
Year 9	23,294.06	75,250.15	51,956.08
Year 10	23,527.01	75,000.00	51,472.99
Year 11	23,762.28	75,000.00	51,237.72
Year 12	24,073.62	75,000.00	50,926.38
Year 13	24,314.36	75,000.00	50,685.64
Year 14	24,557.50	75,000.00	50,442.50
Year 15	24,803.08	75,000.00	50,196.92
Year 16	25,051.11	75,000.00	49,948.89
Year 17	25,301.62	75,000.00	49,698.38
Year 18	25,554.63	75,000.00	49,445.37
Year 19	25,810.18	75,000.00	49,189.82
Year 20	26,068.28	149,925.00	123,856.72
Year 21	26,328.97	149,925.00	123,596.03
Year 22	26,592.26	149,925.00	123,332.74
Year 23	26,858.18	149,925.00	126,066.82
Year 24	27,126.76	149,925.00	122,798.24
Year 25	27,398.03	149,925.00	122,526.97
Year 26	27,672.01	149,925.00	122,252.99
Year 27	27,948.73	149,925.00	121,976.27
Year 28	28,228.22	149,925.00	121,696.78
Year 29	28,510.50	149,925.00	121,414.50
Year 30	28,795.60	149,925.00	121,129.40
Totals	788,692.00	2,714,924.74	1,926,232.74

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

The former Boyd Printing site is located on 1.3 acres in the Sheridan Hollow area in the City of Albany. The neighboring properties consist of three mostly vacant 2/3 story brownstones all of which are for sale to the South, vacant and semi-vacant multifamily homes on Theater Row to the West (one of which was demolished by the City in 2009), the recently renovated 25 Monroe Street and a vacant former auto dealership to the North, and the Hampton Hotel to the East.

The property is abandoned, and the last payment of property or school taxes prior to our acquisition was 2002. At our closing in June of 2009, we paid \$627,000 in delinquent taxes to the County. The County had been unable to take foreclosure action on the property due to the 10,000 gallon leaking oil tank located under one of the additions of the property.

Absent of our acquisition and plans for redevelopment, there was little prospect for investment on the site. Our plan for the development of this abandoned and blighted property will remove and remediate the contaminated soils, invest 5 million in new construction, add 43 new residents in the downtown, support in the stabilization of a failing neighborhood and provide for the payment of real property taxes for the first time since 2002.

As a result of this development the project will pay an additional \$1.9 million dollars in taxes over the Term of the PILOT than what would be remitted if the project remained in its existing condition.

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 24, 2011.

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

Name: Marc H. Paquin

Title: Managing Member

Phone Number: 518-371-2410

Address: 646 Plank Road, Suite 205,
Clifton Park, NY 12065

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.

New Job Skills	Number of Positions Created	Wage Rate
General Labor	1	\$30,750 /yr.

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



C. A. D. S. T. M. (1)

Run	Time (h:min)	Temp (°C)	Pressure (mm Hg)	Flow (ml/min)	Detector	Sample
1	0.5	100	1.0	1.0	UV	Blank
2	1.0	100	1.0	1.0	UV	Blank
3	1.5	100	1.0	1.0	UV	Blank
4	2.0	100	1.0	1.0	UV	Blank
5	2.5	100	1.0	1.0	UV	Blank
6	3.0	100	1.0	1.0	UV	Blank
7	3.5	100	1.0	1.0	UV	Blank
8	4.0	100	1.0	1.0	UV	Blank
9	4.5	100	1.0	1.0	UV	Blank
10	5.0	100	1.0	1.0	UV	Blank
11	5.5	100	1.0	1.0	UV	Blank
12	6.0	100	1.0	1.0	UV	Blank
13	6.5	100	1.0	1.0	UV	Blank
14	7.0	100	1.0	1.0	UV	Blank
15	7.5	100	1.0	1.0	UV	Blank
16	8.0	100	1.0	1.0	UV	Blank
17	8.5	100	1.0	1.0	UV	Blank
18	9.0	100	1.0	1.0	UV	Blank
19	9.5	100	1.0	1.0	UV	Blank
20	10.0	100	1.0	1.0	UV	Blank

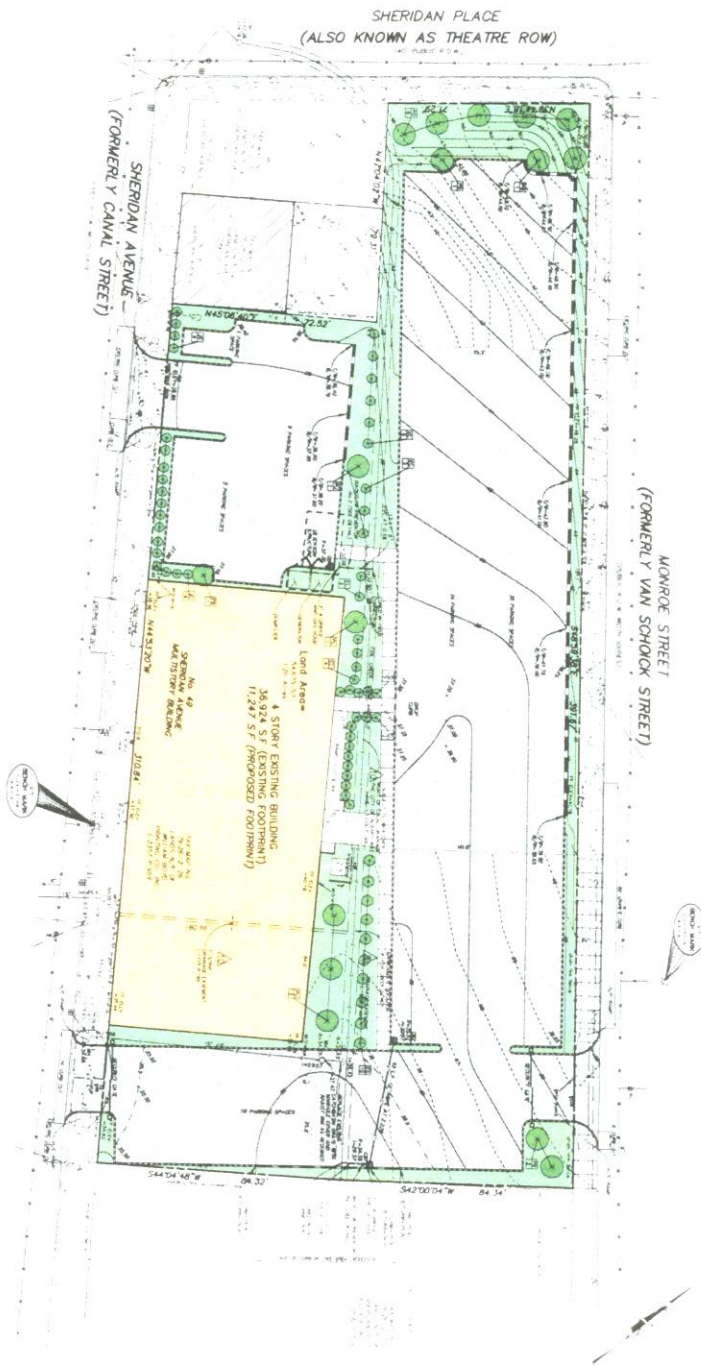
[illegible]

NOTE: S. CORRECTION TO SCHEDULE B SECTION 2 ITEMS

[illegible]

Category	Area (sq. ft.)	Percentage (%)	Notes
Asphalt	1,200	10.0	
Concrete	800	6.7	
Gravel	500	4.2	
Soil	1,500	12.5	
Vegetation	2,000	16.7	
Water	300	2.5	
Other	1,000	8.3	
Total	12,000	100.0	

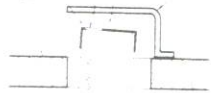
Category	Area (sq. ft.)	Percentage (%)	Notes
Asphalt	1,200	10.0	
Concrete	800	6.7	
Gravel	500	4.2	
Grass	1,500	12.5	
Shrubbery	300	2.5	
Water	200	1.7	
Other	100	0.8	
Total	12,000	100.0	



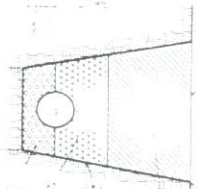
FOR MUNICIPAL APPROVAL ONLY - NOT INTENDED FOR CONSTRUCTION



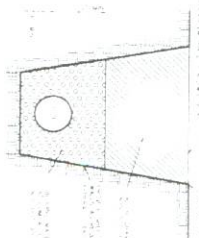
CATCH BASIN DETAIL



RESTRICTOR PLATE DETAIL



TYPICAL TRENCH DETAIL
(OUTSIDE OF CITY R.O.W.)



TYPICAL TRENCH DETAIL
(WITHIN CITY R.O.W.)

DETENTION STRUCTURE DETAIL



CONCRETE WALK DETAIL

CORED IN FIELD SEWER
PIPE CONNECTION DETAIL



BACKFLOW PREVENTOR DETAIL

PAVEMENT DETAIL
(PARKING LOT)



LIGHT POLE DETAIL



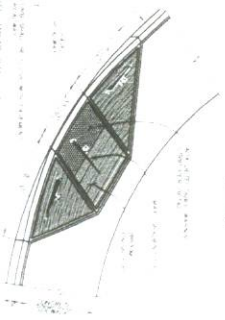
CONCRETE CURB
(CAST IN PLACE) DETAIL

NEW OR RELAY CURB DETAIL (CITY R.O.W.)

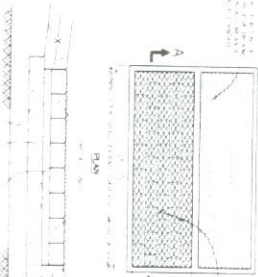


BLOCK RETAINING WALL DETAIL

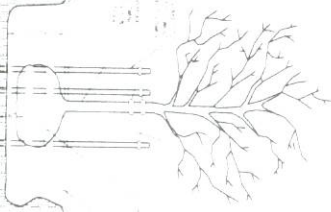
FOR WALLS 4' & HIGHER OR LESS



SIDEWALK RAMP AT STREET CORNER DETAIL

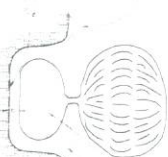


ADA DETECTABLE WARNING STRIP DETAIL



NEW TREE PLANTING DETAIL

NOTE:
1. PLANT A MAX. 1" DIA. BRANCHES
2. BRANCHES TO BE 7" DIA. ACCORDING
TO CITY SPECIFICATIONS & FIELD
IS REQUIRED



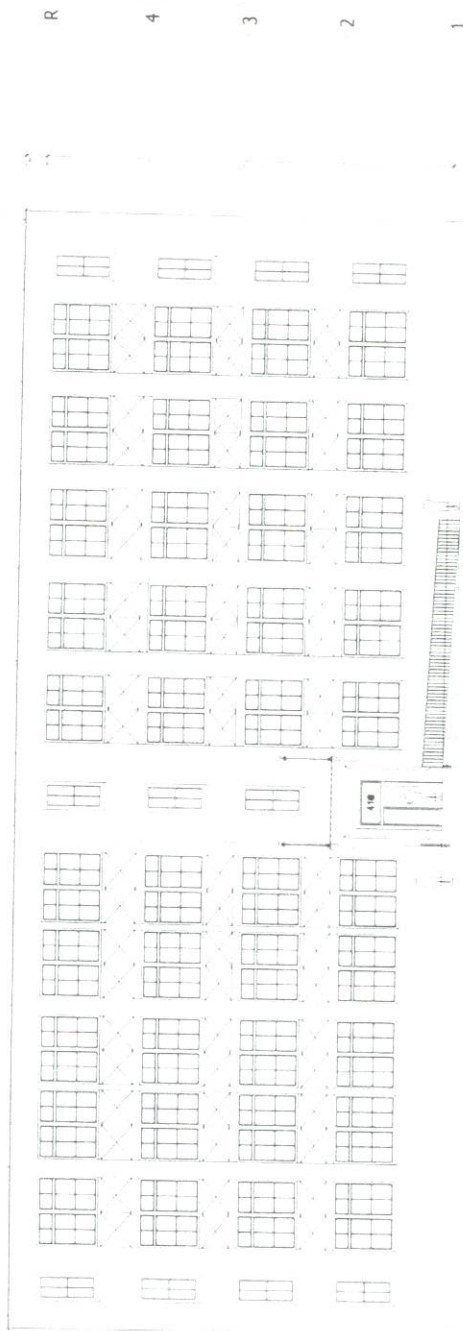
SHRUB PLANTING DETAIL

NOTE:
1. PLANT A MAX. 1" DIA. BRANCHES
2. BRANCHES TO BE 7" DIA. ACCORDING
TO CITY SPECIFICATIONS & FIELD
IS REQUIRED

FOR MUNICIPAL APPROVAL, ONLY NOT INTENDED FOR CONSTRUCTION

REVISIONS	REMARKS	DATE





PROGRESS SET
DECEMBER 29, 2009
SHERIDAN
PLACE

ALBANY,
NEW YORK

RENOVATION

MONROE STREET- NEW NORTH ELEVATION

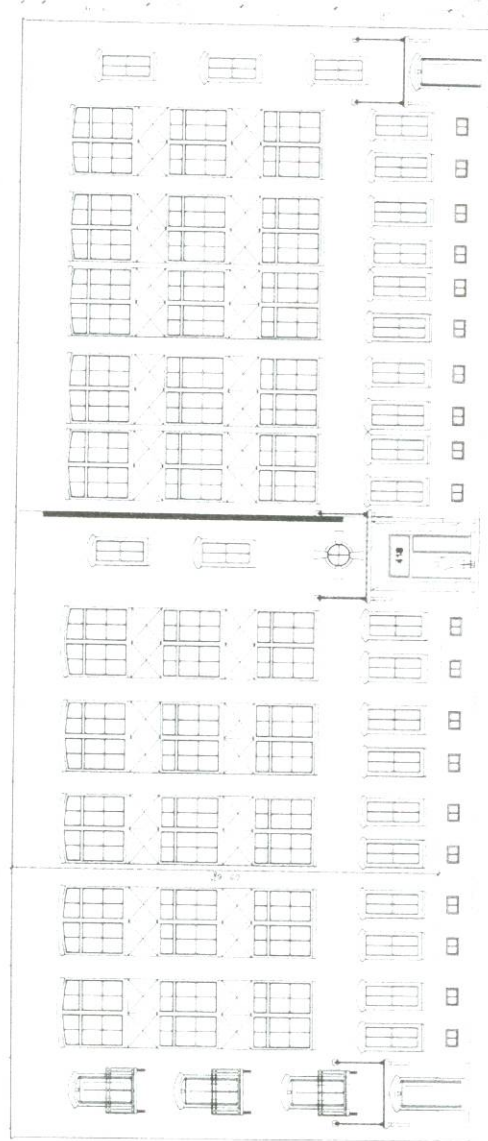
A2



12 11 10 9 8 7 6 5 4 3 2 1

12 11 10 9 8 7 6 5 4 3 2 1

12 11 10 9 8 7 6 5 4 3 2 1



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PROGRESS SET
DECEMBER 29, 2009
SHERIDAN
PLACE

ALBANY,
NEW YORK

RENOVATION

SHERIDAN AVE. - NEW SOUTH ELEVATION

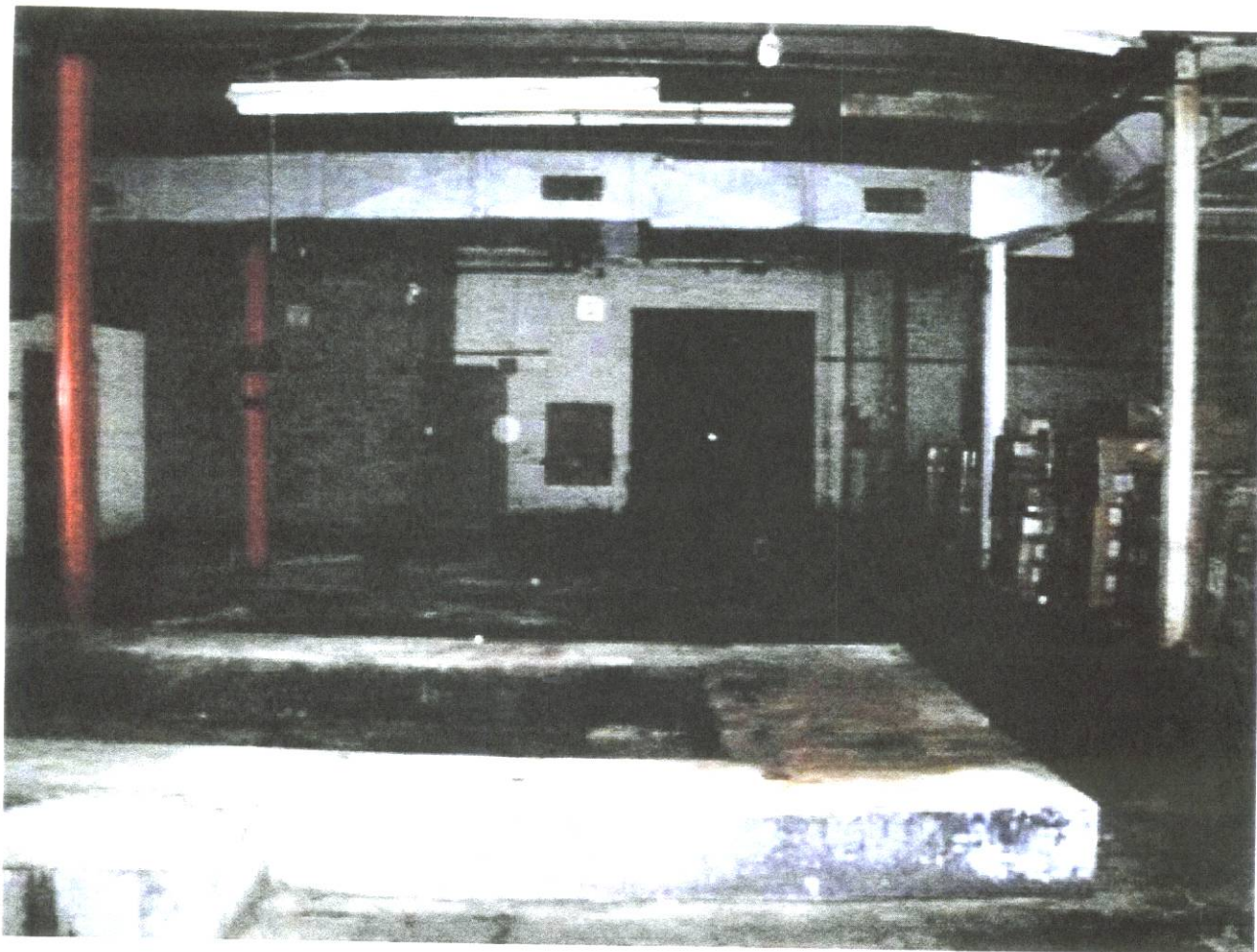
A1











Prior Cass Hill Restorations

25 Monroe Street — Before



Prior Cass Hill Restorations

25 Monroe Street — After

