

4-6 Sheridan, LLC
9 Eliot Drive
Slingerlands, NY 12159

July 19, 2010

Michael Yevoli
CEO
City of Albany Industrial Development Agency
21 Lodge Street
Albany, NY 12077

Re: PILOT Application - 4-6 Sheridan Avenue Project

Dear Michael:

Attached is a completed application for the PILOT tax exemption program associated with the project that our development group is performing at 4-6 Sheridan Avenue. In addition to the application, included are copies of the approved designs for each floor and an environmental study that was performed on the property.

Our group strongly believes that its project is keeping with the spirit of what the City of Albany is seeking with regard to the betterment and enhancement of the downtown Theater District. Our plan includes the construction of 13 affordable apartments on floors 2-5 as well as approximately 3,000 square feet of retail / family style restaurant space on the first floor. By transforming a formerly vacant and dilapidated five-story building at the gateway to the City into a vibrant mixed-use structure, we are convinced that the City and its residents will benefit greatly from these improvements.

In addition to the usual issues associated with the renovation/reconstruction of an older building, completing construction projects in the City of Albany includes additional challenges/obstacles that lead to incremental costs that would not normally be incurred. As a result of the incremental costs, we are respectfully requesting that the City of Albany consider approving a PILOT Tax exemption program for our development project. Specifically, we are requesting a PILOT program that involves a 10 year full exemption from increased property taxes associated with the re-assessment of our property. The full exemption would be phased out after year 10 and would be fully removed by year 16 (16.67% increase in the tax assessment, based on the difference between the old and new assessed values – exhibit attached as part of the application).

Based on the projected number of new jobs, equipment purchases and revenues generated by this project, we are very confident that the incremental sales/income taxes paid by our firm and its tenants will more than offset the exemption that we are seeking.

Thank you in advance for your consideration and please do not hesitate to contact us with any questions or if additional information is needed.

Sincerely,

A handwritten signature in black ink, appearing to read 'Guy Alonge, III'. The signature is stylized with a large, sweeping 'G' and a distinct 'A'.

Guy Alonge, III
Managing Member

Enclosure

OSKYLINE

RESTAURANT & LOUNGE



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: 4-6 Sheridan, LLC

APPLICANT'S ADDRESS: 9 Eliot Drive

CITY: Slingerlands STATE: NY ZIP CODE: 12159

PHONE NO.: 368-1585 FAX NO.: NA E-MAIL: guy@amsure.net

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

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

NAME OF ATTORNEY: Clemente Parente

ATTORNEY'S ADDRESS: 48 Howard Street

CITY: Albany STATE: NY ZIP CODE: 12207

PHONE NO.: 432-8000 FAX NO.: na E-MAIL: cparente@craneparentelaw.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: 4-6 Sheridan, LLC

Contact Person: Guy Alonge, III

Phone Number: 368-1585

Occupant: Mixed Use Occupancy (Retail/Restaurant/Apartments)

Project Location: 4-6 Sheridan Avenue, Albany, NY 12207

Approximate Size of Project Site: \$1,750,000 (est.) – 21,000 square feet, five stories

Description of Project: Complete rehabilitation of formerly vacant/abandoned five story commercial building into a mixed use structure that will house market priced 13 apartments (studios, one bedroom and two bedroom) on floors 2-5 and retail/ family style restaurant space on the first floor. Once completed, this project will provide a positive source of housing and commercial space at the gateway to the City of Albany.

Type of Project: ☐ Manufacturing ☐ Warehouse/Distribution
☐ Commercial ☐ Not-For-Profit
☒ Other-Specify - Mixed use (apartment and retail/restaurant)

Employment Impact: Existing Jobs – Approximately 25-40 temporary construction jobs are being created

New Jobs – Approximately 40-50 jobs will be created between the property management staff and the retail/restaurant staff.

Project Cost: \$__1,750,000 Estimated

Type of Financing: ☐ Tax-Exempt Taxable **X Straight Lease**

Amount of Bonds Requested: \$_____0_____

Estimated Value of Tax-Exemptions:

N.Y.S. Sales and Compensating Use Tax:	\$8,000-16,000 estimated
Mortgage Recording Taxes:	\$_____N/A_____
Real Property Tax Exemptions:	\$517,810 estimated
Other (please specify):	\$_____N/A_____

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

A. Identity of Company:

1. Company Name: 4-6 Sheridan, LLC

Present Address: 9 Eliot Drive, Slingerlands, NY

Zip Code: 12159

Employer's ID No.: 27-3269396

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? ____8/18/10____.

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: NO

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
Guy Alonge, III	Managing Member	Insurance
Clemente Parente	Member	Law
Daniel Sanders	Member	Architecture

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
Guy Alonge, III	Slingerlands, NY	90%
Clemente Parente	Slingerlands, NY	5%
Daniel Sanders	Delmar, NY	5%

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

II. DATA REGARDING PROPOSED PROJECT

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

This project involves the complete rehabilitation of a formerly abandoned five story historic building that has been vacant for several years. Our project includes the construction of 13 residential apartment units on floors 2-5 and retail/restaurant space on the first floor.

B. Location of Proposed Project:

1. Street Address 4-6 Sheridan Avenue
2. City of Albany, NY
3. Town of
4. Village of
5. County of

C. Project Site:

1. Approximate size (in acres or square feet) of Project site: 22,000 square feet
- Is a map, survey or sketch of the project site attached? Yes X___; No ____.
2. Are there existing buildings on project site? Yes X___; No ____.
 - a. If yes, indicate number and approximate size (in square feet) of each existing building: One building – 21,000 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 __X__. If yes, describe:

The previous owner abandoned the building after it defaulted on a large commercial mortgage and the finance company foreclosed on the property.

- d. Attach photograph of present buildings. – See attached

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: 4-6 Sheridan, LLC
 - a. If the Company owns project site, indicate date of purchase: _____ January, 2011; Purchase price: \$ 425,000.
 - 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____. NA
 - 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: NA
5.
 - a. Zoning District in which the project site is located: Zoning is 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:

This project involves the complete renovation of the existing building structure's interior including but not limited to the installation of 13 apartment units, new electrical, HVAC and plumbing systems, floors, ceilings, roof, elevator, replacement of windows, sprinkler systems, etc.

3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed or expanded: Mixed use occupancy – apartments/retail/restaurant

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: Our project will include the installation of new hot water heaters, HVAC, furnaces, electrical systems, elevator, staircases, windows, sprinklers, etc.

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

We were able to salvage one HVAC unit that should be able to heat/cool the first floor and basement. However, the use of this equipment requires us to move it to a more appropriate spot on the roof at an expense of over \$30,000 (est.)

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

The new equipment that will be installed at this project will provide heat, electricity, cooling, plumbing, hot water, means of ingress/egress (staircases/elevator), windows, sprinkler system, etc.

F. Project Use:

1. What are the principal products to be produced at the Project?
This project involves the construction of 13 new residential apartments and retail/restaurant space

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

The 13 apartments on floors 2-5 will be for habitational use and the retail/restaurant space on the first floor will be for commercial 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:

This will be the purpose of the retail/restaurant space on the first floor

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? 20-25% (est.)

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: NA

- 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 X; No _____. If yes, please explain: We anticipate that the tenant for the retail/restaurant space will attract customers from all around the Capital Region

- 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: _____

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:

We anticipate that our project will generate between 40-50 new, permanent jobs in the City of Albany

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: NA

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:

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:

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.

The City of Albany Planning & Building Departments have reviewed and approved the various building plans and has/will issued all applicable building permits for this project

NY State Historic Preservation Office has approved the design and changes that are being made to the building

This project was granted funds from the Main Street Grant Program which is administered by the NYS Division of Housing and Community Renewal

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

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.:

Demolition and debris removal for this project commenced in February 2011. As a result of the severe deterioration and abuse of the building by the previous owner the demo/debris removal phase of our project lasted until May. In addition to the building's significant deterioration, major changes to the original construction plan will have to be implemented including but limited to the following unanticipated expenses;

Masonry

Roofing

Staircase rehab

Floor replacements

HVAC/Hot Water Heater/Boiler Replacement

Sprinkler Systems

We are currently working on the interior framing, staircase installation and beginning stages of the HVAC, Electrical and Plumbing installations

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:

To date, approximately \$440,000 has been incurred to acquire the building and an additional \$320,000 has been incurred to date in an effort to prepare the building for the reconstruction phases. Total incurred project expenses are approximately \$750,000 (to date)

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:

ALL TENANTS ARE YET TO BE DETERMINED

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:
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	ONE – Construction Manager				
Present Part Time		25-40 Construction Workers			
Present Seasonal					
First Year Full Time	2-5	5-8	35-40		
First Year Part Time					
First Year Seasonal					
Second Year Full Time	2-5	5-8	35-40		
Second Year Part Time					
Second Year Seasonal					

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	\$ 450,000
Machinery and equipment costs	\$1,250,000 est.
Utilities, roads and appurtenant costs	\$ 0 _____
Architects and engineering fees	\$50,000 est.
Costs of Bond issue (legal, financial and printing)	\$0

Construction loan fees and interest	
(if applicable)	\$ _____
Other (specify)	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

TOTAL PROJECT COST \$ _1,750,000 est.

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

Approximately \$750,000 in expenses have already been incurred for this project

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? NA 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 X ____; 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.

It is anticipated that the first floor of this project will be occupied by a retail/restaurant establishment.

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? \$325,000.
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? \$100,000-200,000 (est.)
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: | \$8,000-16,000 Est. |
| b. | Mortgage Recording Taxes: | \$ <u>NA</u> _____ |
| c. | Real Property Tax Exemptions: | \$517,810 est. |
| d. | Other (please specify): | \$ <u>NA</u> _____ |
| | _____ | \$ _____ |
| | _____ | \$ _____ |

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

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

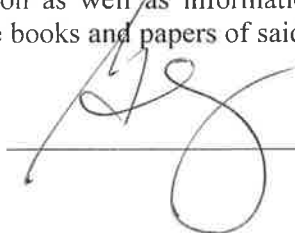
VERIFICATION

(If applicant is partnership)

STATE OF NY)
COUNTY OF Albany) SS.:

Guy Alexis e, deposes and says
(Name of Individual)
that he is one of the members of the firm of Y-6 Sheridan 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.



Sworn to before me this
18th day of July, 2011

Donna L Sharpe
(Notary Public)

DONNA L. SHARPE
Notary Public, State of New York
Qualified in Schenectady County
No. 4850071
Commission Expires January 13, 2014

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
18th day of July, 2011

Donna L. Sharpe
(Notary Public)

DONNA L. SHARPE
Notary Public, State of New York
Qualified in Schenectady County
No. 4850071
Commission Expires January 13, 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"):	4-6 Sheridan, LLC
2. Brief Identification of the Project:	Total rehabilitation of vacant building into a mixed use facility (residential and retail/restaurant)
3. Estimated Amount of Project Benefits Sought:	
A. Amount of Bonds Sought:	\$ 0
B. Value of Sales Tax Exemption Sought	\$ 8,000 – 16,000 est.
C. Value of Real Property Tax Exemption Sought	\$ 517,810 est.
D. Value of Mortgage Recording Tax Exemption Sought	\$ NA

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	\$440,000
2. Renovation of existing structures	\$810,000 est.
3. New construction costs	\$
4. Electrical systems	\$100,000 est.
5. Heating, ventilation and air conditioning	\$160,000 est.
6. Plumbing	\$140,000 est.
7. Other building-related costs (describe)	\$

C.	Machinery and Equipment Costs		Included above
1.	Production and process equipment	\$	
2.	Packaging equipment	\$	
3.	Warehousing 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	\$50,000	est.
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	\$40,000	est.
2.	Accounting/legal	\$10,000	est.
3.	Other service-related costs (describe)	\$	
G.	Other Costs		
1.		\$	
2.		\$	
H.	Summary of Expenditures		
1.	Total Land-Related Costs	\$	
2.	Total Building-Related Costs	\$1,650,000	est.
3.	Total Machinery and Equipment Costs	\$	
4.	Total Furniture and Fixture Costs	\$	
5.	Total Working Capital Costs	\$50,000	est.
6.	Total Professional Service Costs	\$50,000	est.
7.	Total Other Costs	\$	
		\$1,750,000	

PROJECTED PROFIT

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

YEAR	Without IDA benefits	With IDA benefits
1	\$41,872 est.	\$91,872 est
2	\$70,963 est.	\$120,963 est
3	\$77,477 est.	\$127,452 est
4	\$75,302 est.	\$125,226 est
5	\$73,043 est.	\$122,888 est

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	25-40	\$ 600,000 est.	\$40,000-50,000 est.
Year 1		\$	\$
Year 2		\$	\$
Year 3		\$	\$
Year 4		\$	\$
Year 5		\$	\$

PROJECTED PERMANENT EMPLOYMENT IMPACT

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

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

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

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year				
Year 1	2-5	5-8	35-40	
Year 2	2-5	5-8	35-40	
Year 3	2-5	5-8	35-40	
Year 4	2-5	5-8	35-40	
Year 5	2-5	5-8	35-40	

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:
50-75%

A. Provide a brief description of how the project expects to meet this percentage: The retail/restaurant tenant will most probably hire local residents of the City of Albany to fill its employment needs

PROJECTED OPERATING IMPACT

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

Additional Purchases (1 st year following project completion)	\$100,000-\$300,000 _____ est. _____
Additional Sales Tax Paid on Additional Purchases	\$8,000-24,000 _____ est. _____
Estimated Additional Sales (1 st full year following project completion)	\$1,000,000 _____ est. _____
Estimated Additional Sales Tax to be collected on additional sales (1 st full year following project completion)	\$80,000 _____ est. _____

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	16,801	16,801	0
Year 1	51,915	17,305	34,610
Year 2	53,473	17,824	35,649
Year 3	55,077	18,359	36,718
Year 4	56,729	18,910	37,820
Year 5	58,431	19,477	38,954
Year 6	60,184	20,061	40,123
Year 7	61,990	20,663	41,326
Year 8	63,849	21,283	42,566
Year 9	65,765	21,922	43,843
Year 10	67,738	22,579	45,158
All figures detailed above are estimates	Yr. 11	69,770	31,009
	Yr. 12	71,863	39,924
	Yr. 13	74,019	49,346
	Yr. 14	76,239	59,297
	Yr. 15	78,527	69,801
	Yr. 16	80,882	80,882

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

We strongly believe that the sizable private investment (in excess of \$1,700,000) that the members of 4-6 Sheridan, LLC are making in an effort to completely renovate and restore the commercial property located at 4-6 Sheridan Avenue will provide a significant economic and cultural benefit to the City of Albany's Theater District.

Our projects is transforming a formerly vacant and dilapidated five story building that had become a real eyesore and detriment to the surrounding entertainment corridor in the heart of the City of Albany into a vibrant mixed use building that is providing affordable residential and commercial space to the community. We are convinced that this project will lead the effort to bring affordable and safe residential housing to a key area in the City. When combined with the other residential projects in the immediate vicinity of this project, our project is helping create a lasting, affordable and exciting residential neighborhood that will undoubtedly lead to the future arrival of additional residential and retail properties and services. Finally, the economic impact on the local area provided of our project will be significant and we predict lasting.

25-40 temporary construction jobs and 40-50 permanent jobs will be created as a result of our investment in this project. These jobs will directly lead to increased sales and income tax revenues earned by the City of Albany, Albany County and the State of New York.

CERTIFICATION

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

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

Date Signed: July 18, 2001.

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

Name: Guy A/ouge
Title: Managing Member
Phone Number: 518-368-1585
Address: 94101 Drive

Slingerlands NY 12159

Signature: 

CREATION OF NEW JOB SKILLS

[illegible]

30

4-6 Sheridan, LLC
Project at 4-6 Sheridan Avenue, Albany NY 12207

Exhibit detailing tax exemption request

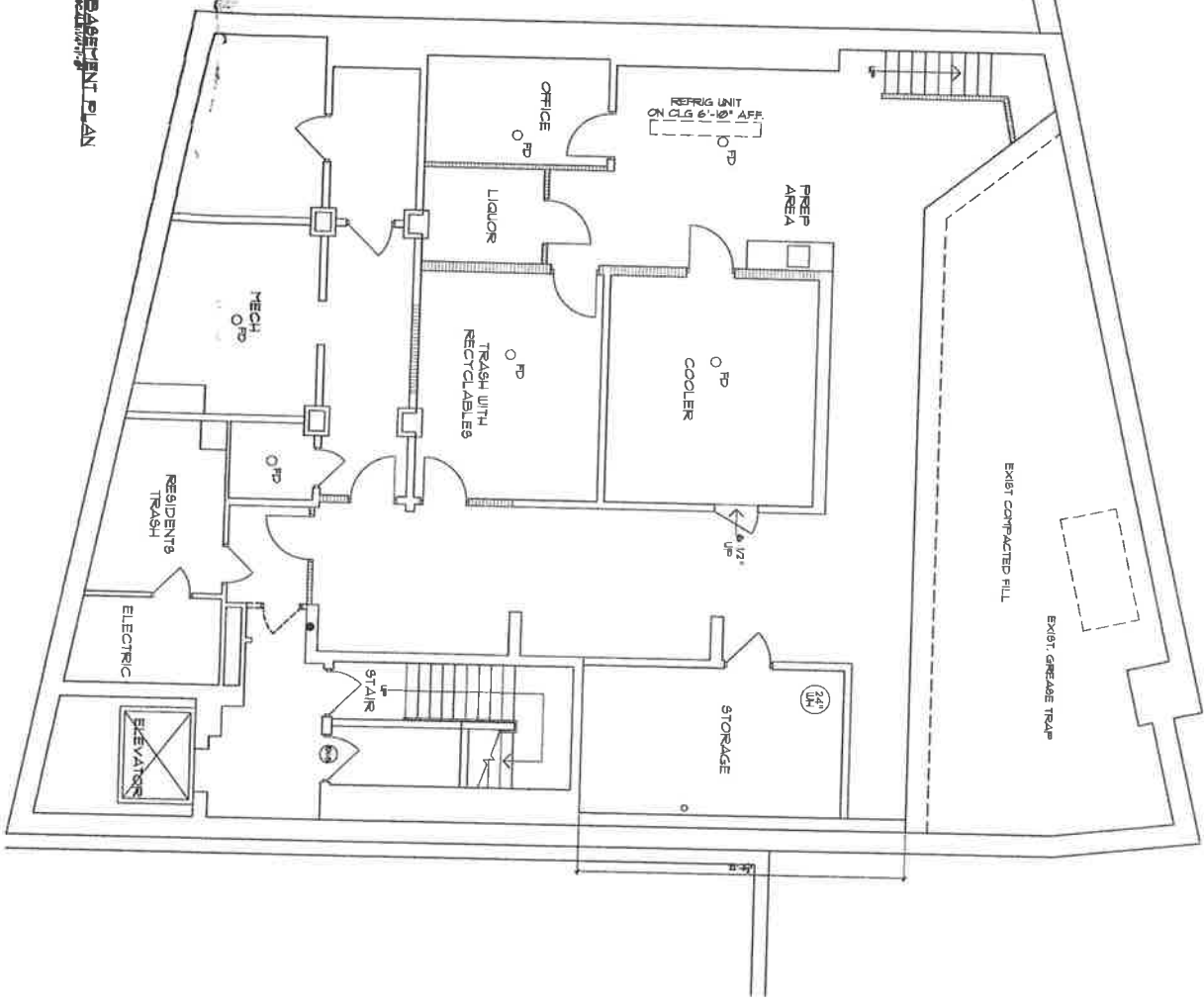
Year	New Tax Payments		Est. Re-Assessed Taxes	4-6 Sheridan, LLC		Est. Increase in State & Local Sales and Income Taxes as a result of this project being completed	Est. Net Benefit to the Tax Payers of NYS and the City of Albany
	With IDA			Project Owner Benefits Difference			
	\$	16,801	\$	\$			
1	\$	51,915	\$		(34,610)	\$104,000	\$69,390
2	\$	53,473	\$		(35,649)	\$107,120	\$71,471
3	\$	55,077	\$		(36,718)	\$110,334	\$73,615
4	\$	56,729	\$		(37,819)	\$113,644	\$75,824
5	\$	58,431	\$		(38,954)	\$117,053	\$78,099
6	\$	60,184	\$		(40,123)	\$120,565	\$80,442
7	\$	61,990	\$		(41,327)	\$124,181	\$82,855
8	\$	63,849	\$		(42,566)	\$127,907	\$85,341
9	\$	65,765	\$		(43,844)	\$131,744	\$87,901
10	\$	67,738	\$		(45,159)	\$135,696	\$90,537
11	\$	69,770	\$		(38,761)	\$139,767	\$101,006
12	\$	71,863	\$		(31,939)	\$143,960	\$112,021
13	\$	74,019	\$		(24,673)	\$148,279	\$123,606
14	\$	76,239	\$		(16,942)	\$152,728	\$135,786
15	\$	78,527	\$		(8,726)	\$157,309	\$148,583
16	\$	80,882	\$		-	\$162,029	\$162,029
		\$965,569		\$	(517,810)	\$2,096,316	\$1,578,506

City of Albany - Tax Roll Current Assessed Value \$ 400,000
Current Tax Rate (does not include BID tax) \$ 42.00268201
Exhibit assumes that the current tax level would normally increase at a rate of 3% per annum
Exhibit Assumes that the revised/future assessed value of this building will increase to \$1,200,000

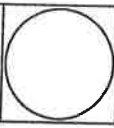
4-6 Sheridan, LLC				
Pro - Forma Rental Income Scenarios				
Top Four Floors - Residential Apartment Units				
<u>Floor and Unit</u>		<u>Square Feet</u>	<u>Monthly Rental Fee per Unit</u>	<u>Rental Rate Per Square Foot</u>
2A	Studio	831	\$ 1,000	1.20
2B	1.5 Bedrooms	1,266	\$ 1,425	1.13
2C	Studio	634	\$ 875	1.38
3A	1 Bedroom	769	\$ 1,000	1.30
3B	Studio	593	\$ 850	1.43
3C	Studio	626	\$ 900	1.44
3D	Studio	880	\$ 1,025	1.16
4A	2 Bedroom, 2 Bath	1,310	\$ 1,650	1.26
4B	Studio	660	\$ 900	1.36
4D	1 Bedroom	880	\$ 1,050	1.19
5A	2 Bedroom, 2 Bath	1,310	\$ 1,675	1.28
5B	Studio	660	\$ 925	1.40
5D	1 Bedroom	880	\$ 1,075	1.22
First Floor Commercial Space	3,000 square feet	\$12.00 per square foot (anticipated rental rate)		



BASMENT PLAN



A1



HARRIS A. SANDERS
ARCHITECTS, P.C.
252 WASHINGTON AVENUE, ALBANY, NEW YORK 12210
RENOVATION TO:
4-6 SHERIDAN AVENUE
ALBANY, NEW YORK

BASEMENT PLAN

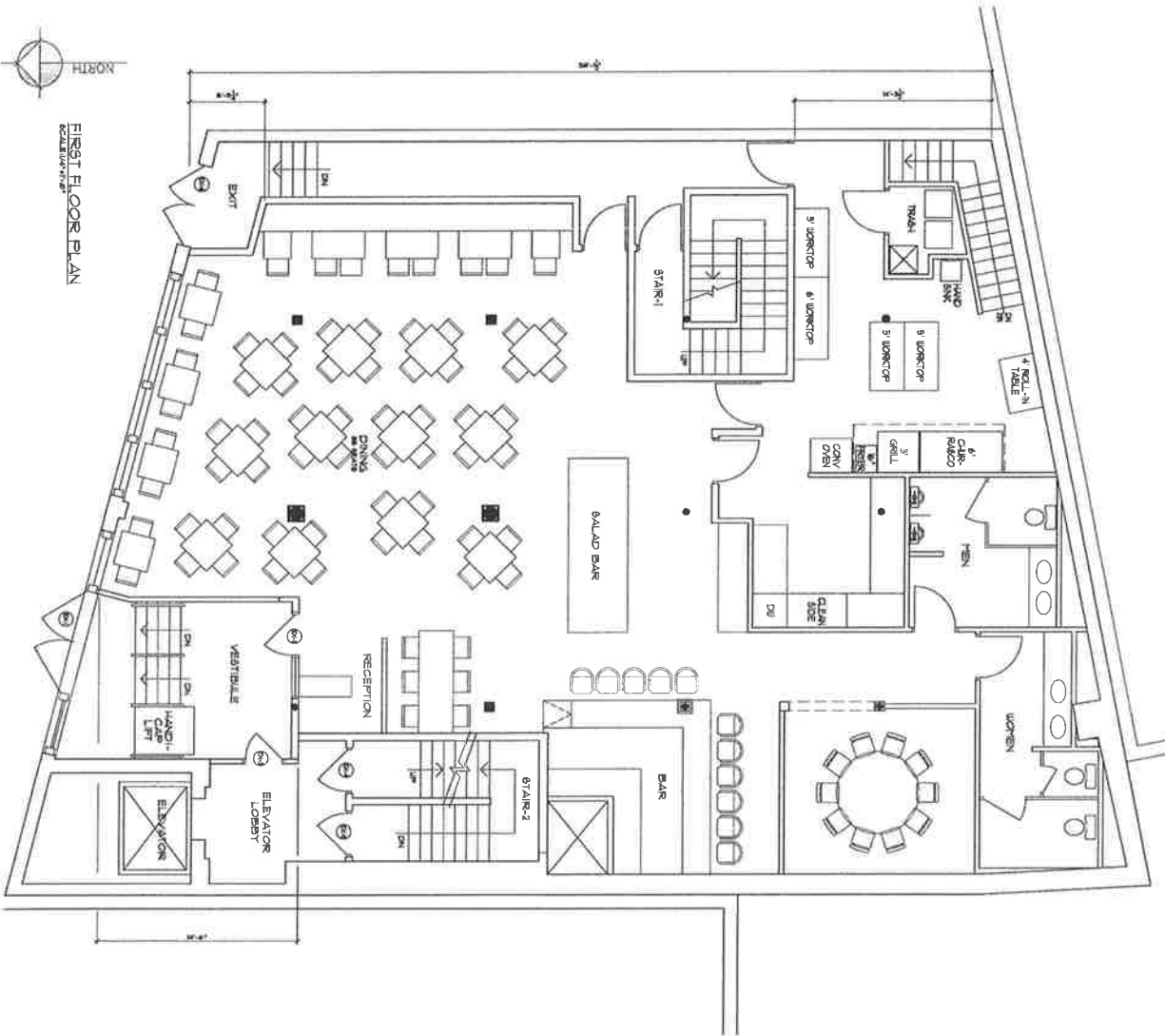
DATE: 4/2/11
DRAWN: H.A.S./M.S.
CHECKED: M.S.
SCALE: AS SHOWN

DATE: 4/2/11
DRAWN: H.A.S./M.S.

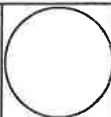
DATE: 4/2/11
DRAWN: H.A.S./M.S.



FIRST FLOOR PLAN



A2



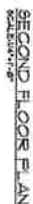
HARRIS A. SANDERS
ARCHITECTS, P.C.
252 WASHINGTON AVENUE, ALBANY, NEW YORK 12210
RENOVATION TO:
4-6 SHERIDAN AVENUE
ALBANY, NEW YORK

FIRST FLOOR PLAN



1/2" = 1'-0"

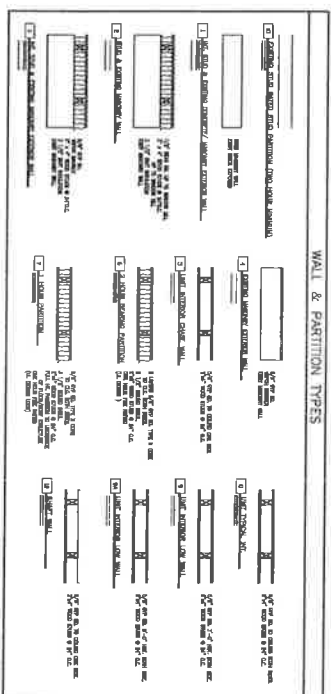
DATE



THE FOLLOWING DOORS SHALL BE 45 MIN RATED W/ SELF CLOSING DEVICES: A, D1, D2, D4, D9
THE FOLLOWING DOORS SHALL BE 90 MIN RATED DOOR W/ SELF CLOSING DEVICES: D1, D2, D3

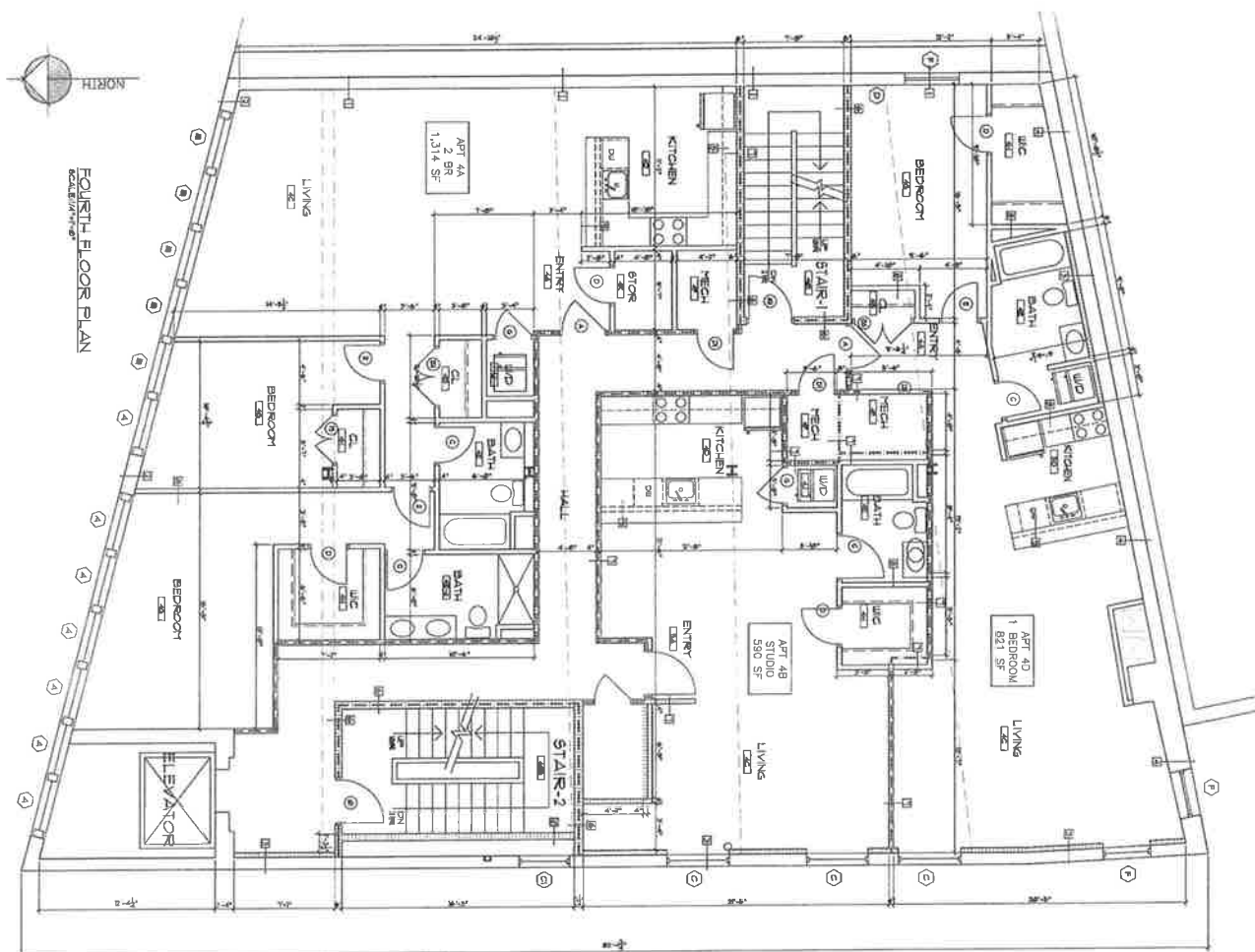
ROOM FINISH SCHEDULE:

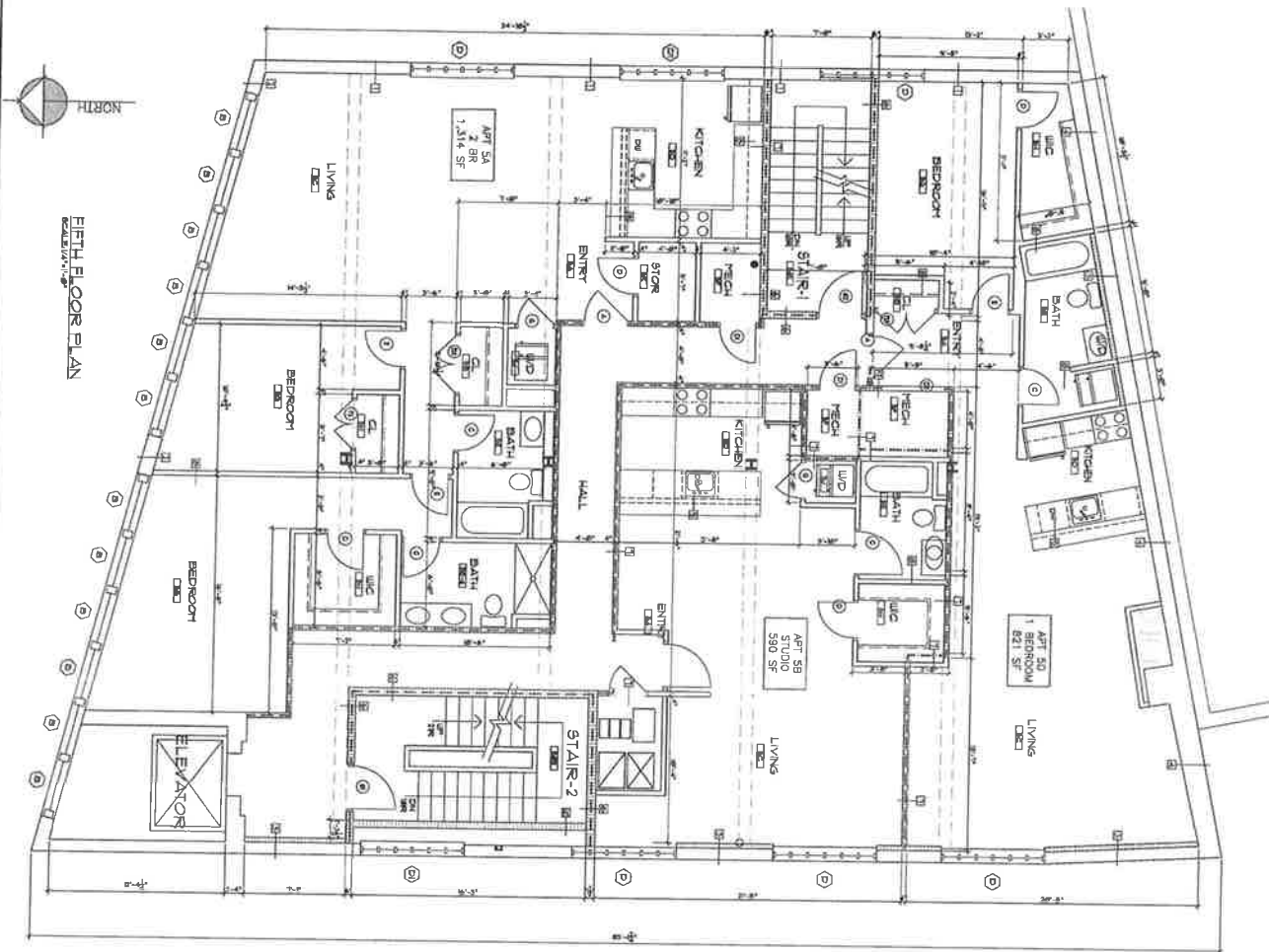
NOTE: ALL EXISTING HARDWOOD FLOOR NEED TO BE REPAIRED AS REQUIRED



THIRD FLOOR PLAN

A4

[illegible]



FIFTH FLOOR PLAN

THE FOLLOWING DOORS SHALL BE 45 MIN RATED W/ SELF CLOSING DEVICES, A D1, D2, D4, D5
THE FOLLOWING DOORS SHALL BE 90 MIN RATED DOOR W/ SELF CLOSING DEVICES, D1, D2, D3

WALL & PARTITION TYPES			
1. 1/2" Gypsum Board on Steel Studs	2. 1/2" Gypsum Board on Steel Studs	3. 1/2" Gypsum Board on Steel Studs	4. 1/2" Gypsum Board on Steel Studs
5. 1/2" Gypsum Board on Steel Studs	6. 1/2" Gypsum Board on Steel Studs	7. 1/2" Gypsum Board on Steel Studs	8. 1/2" Gypsum Board on Steel Studs
9. 1/2" Gypsum Board on Steel Studs	10. 1/2" Gypsum Board on Steel Studs	11. 1/2" Gypsum Board on Steel Studs	12. 1/2" Gypsum Board on Steel Studs
13. 1/2" Gypsum Board on Steel Studs	14. 1/2" Gypsum Board on Steel Studs	15. 1/2" Gypsum Board on Steel Studs	16. 1/2" Gypsum Board on Steel Studs
17. 1/2" Gypsum Board on Steel Studs	18. 1/2" Gypsum Board on Steel Studs	19. 1/2" Gypsum Board on Steel Studs	20. 1/2" Gypsum Board on Steel Studs

HARRIS A. SANDERS
ARCHITECTS, P.C.
262 WASHINGTON AVENUE, ALBANY, NEW YORK 12210
RENOVATION TO:
4-6 SHERIDAN AVENUE
ALBANY, NEW YORK

FIFTH FLOOR PLAN