



December 10, 2013

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

RE: 412 Broadway Realty, LLC

Dear Mr. Yevoli:

Attached please find our application for IDA benefits in support of our project located at 412 Broadway in Albany. This site is known as the Argus Building and was formerly the home of Einhorn Yaffee Prescott Architectural and Engineering. The site has been completely vacant for over 2 and a half years. We have had no interest from any commercial office users in over three years of marketing the space. The space would be classified as Class "C" space. The existing building requires significant upgrades including a new roof, elevator, replacing the existing electric heating system, and a full redecoration of the interior finishes. In November, we intend to submit an application to the City of Albany Planning department as well as the Historic Resources commission to convert the existing building to a mixed use building containing 32 apartments on floors two thru five, with up 2 commercial spaces remaining on the first floor.

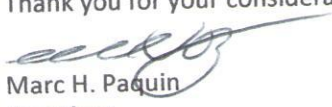
We are requesting the City of Albany IDA to approve a 20 year PILOT which will mirror the 485(a) program benefits for years 1 to 8, and then provide an abatement of real property taxes in the amount of 72.3% in year 9, 64.89% in year 10, and 60.88% in years 11-20. We request that year 1 of this PILOT reflect the assessed value we proposed in our challenge to our assessment filed in 2013 reflecting the current market conditions. The challenge was denied by the Board of Assessment Review, and we have subsequently filed suit in the State Supreme Court. We are confident the suit will be adjudicated in our favor. I have attached a copy of our challenge to this application. In addition, we request a sales tax exemption and a mortgage filing tax exemption for the new mortgage amount.

We have discussed the project with multiple lenders and have received assurances that we can obtain the necessary financing subject to receipt of a favorable adjudication from the Supreme Court, and receipt of the requested IDA benefits requested herein. Absent of this support, we will be unable to finance and develop the project.

I welcome any questions you or your staff may have with our application, and look forward to working with you to successfully add 32 new apartments to the Downtown neighborhood.

I request all information contained herein relating to project costs, income, expenses, or any other financial information provided in support of this application, be held in strict confidence. This specific information should be redacted prior to release of this application.

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: 412 Broadway 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: Eugene Sneeringer, Jr., Esq. of Sneeringer, Monahan, Provost, Redgrave Title Agency, Inc.

ATTORNEY'S ADDRESS: 50 Chapel Street

CITY: Albany STATE: NY ZIP CODE: 12207

PHONE NO.: (518) 434-0127 FAX NO.: (518) 434-9997 E-MAIL: esneeringer@smprttitle.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: **412 Broadway Realty, LLC**

Contact Person: **Marc H. Paquin**

Phone Number: **518-371-2410 x 21**

Occupant: N/A

Project Location: 412 Broadway, Albany, NY 12207

Approximate Size of Project Site: **Current site is approximately 33,537 rentable square feet on ±0.22 acres.**

Description of Project: Convert existing 5-story building into a mixed use project with 32 apartments on floors 2-5, with commercial/retail space on first floor.

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

Employment Impact: Existing Jobs **NONE**
New and/or retained jobs = 8 est.

Project Cost: \$3,032,000 est.

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:	\$ 88,000 est.
Mortgage Recording Taxes:	\$ 58,750 est.
Real Property Tax Exemptions:	\$2,541,845 est.*
Other (please specify):	\$ N/A

*The value of the requested PILOT Exemption exceeds the value of the 485(a) Exemption by \$1,237,994 est.

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

A. Identity of Company:

1. Company Name: **412 Broadway Realty, LLC**

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

Zip Code: **12065**

Employer's ID No.: **02-0762703**

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? **12/19/05**

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	50%
Gerry Gauer	31 McMaster Street, Ballston Spa, NY 12020	50 %

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.)
Renovate existing vacant 33,637 square feet into 32 new market rate apartments on floors 2-5. Renovate existing first floor space for commercial and retail uses.
- B. Location of Proposed Project:
1. Street Address **412 Broadway**
 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:
Approximately 33,637 square feet of existing building structure.
 - b. Are existing buildings in operation? Yes ____; No X.
If yes, describe present use of present buildings:
Vacant
 - c. Are existing buildings abandoned? Yes ____; No X. About to be abandoned? Yes ____; No _____. If yes, describe:
 - 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: **412 Broadway Realty, LLC**
- a. If the Company owns project site, indicate date of purchase: 2/6/06;
Purchase price: \$3,000,000.
- 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:
Gut existing interior of building, install finishes consistent with 32 apartments, and commercial first floor spaces.
3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed or expanded:
32 apartments, 1 or 2 commercial/retail spaces

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 mixed use 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. Commercial/Retail space TBD
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: **Possible retail tenants on first floor. Specific use undetermined at this time.**
4. If the answer to question 3 is yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project? 100% 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:
 - a. Will the Project be operated by a not-for-profit corporation? Yes ____; No X. If yes, please explain:
 - b. Is the Project likely to attract a significant number of visitors from outside the economic development region in which the Project will be located? Yes ____; No X. If yes, please explain:
 - c. Would the Project occupant, but for the contemplated financial assistance from the Agency, locate the related jobs outside the State of New York? Yes ____; No X. If yes, please explain:

- d. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonable accessible to the residents of the city, town or village within which the Project will be located, because of a lack of reasonably accessible retail trade facilities offering such goods or services? Yes____; No X. If yes, please provide detail:
- e. Will the Project be located in one of the following: (i) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (ii) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most recent census data, has (x) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? Yes X; No____. If yes, please explain: **The Project is in the City of Albany Empire Zone.**

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 will be adding maintenance staff to our employment, as well as preparing retail space for occupancy where there is a lack of quality space existing.**

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, Historic Resources Commission, 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 ___; No X. If yes, please discuss in detail the approximate extent of construction and the extent of completion. Indicate in your answer whether such specific steps have been completed as site clearance and preparation; completion of foundations; installation of footings; etc.:

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

Architecture/Engineering: \$50,000

I. Method of Construction After Agency Approval:

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

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

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

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

1. Sublessee name: **To be determined at a later date.**

Present Address:

City: _____ State: _____ Zip: _____

Employer's ID No.:

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

Relationship to Company:

Percentage of Project to be leased or subleased:

Use of Project intended by Sublessee:

Date of lease or sublease to Sublessee:

Term of lease or sublease to Sublessee:

Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project?

Yes____; No____. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

2. Sublessee name: **N/A**

Present Address:

City: _____ State: _____ Zip: _____

Employer's ID No.:

Sublessee is:

_____ Corporation: _____ Partnership: _____ Sole Proprietorship

Relationship to Company:

Percentage of Project to be leased or subleased:

Use of Project intended by Sublessee:

Date of lease or sublease to Sublessee:

Term of lease or sublease to Sublessee: _____

Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project?

Yes____; No____. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

3. Sublessee name: **N/A**

Present Address:

City: _____ State: _____ Zip: _____

Employer's ID No.:

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

Relationship to Company:

Percentage of Project to be leased or subleased:

Use of Project intended by Sublessee:

Date of lease or sublease to Sublessee:

Term of lease or sublease to Sublessee:

Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project?

Yes____; No____. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

B. What percentage of the space intended to be leased or subleased is now subject to a binding written lease or sublease?

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	1	1	3	5
First Year Part Time	NONE	NONE	NONE	NONE	NONE
First Year Seasonal	NONE	NONE	NONE	NONE	NONE
Second Year Full Time	NONE	1	1	6	8
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. **See schedule A attached hereto.**

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	\$ 75,000*
Buildings	\$2,655,000
Machinery and equipment costs	\$ 0
Utilities, roads and appurtenant costs	\$ 0
Architects and engineering fees	\$ 50,000
Costs of Bond issue (legal, financial and printing)	\$ <u>N/A</u>
Construction loan fees and interest (if applicable)	\$ 142,000
Other (specify)	\$ _____
<u>Furniture/ Fixture</u>	\$ 18,000
<u>Professional Fees</u>	\$ 92,000
TOTAL PROJECT COST	\$3,032,000

*We have owned the site since 2006

B. Have any of the above expenditures already been made by applicant?

Yes X; No _____. (If yes, indicate particular.)

Architectural/Engineering

V. BENEFITS EXPECTED FROM THE AGENCY

A. Financing

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

- l. suntan facility: Yes____; No____
- m. racetrack: Yes____; No____
4. If the answer to any of the above questions contained in question 3 is yes, please furnish details on a separate attachment. N/A
5. Is the Project located in the City's federally designated Enterprise Zone? Yes____; No X.
6. Is the applicant requesting the Agency to issue federally tax-exempt Enterprise Zone bonds? Yes____; No X.

B. Tax Benefits

1. Is the applicant requesting any real property tax exemption that would not be available to a project that did not involve the Agency? Yes X; No ____.
2. Is the applicant expecting that the financing of the Project will be secured by one or more mortgages? Yes X; No _____. If yes, what is the approximate amount of financing to be secured by mortgages? \$4,700,000.
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? \$1,094,000 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:	\$ <u>88,000 est.</u>
b.	Mortgage Recording Taxes:	\$ <u>58,750 est.</u>
c.	Real Property Tax Exemptions:	\$ <u>2,541,845 est.*</u>
d.	Other (please specify):	\$ <u>N/A</u>
	_____	\$ _____
	_____	\$ _____

*The value of the requested PILOT exemptions exceed the value of the 485(a) Exemptions by \$1,237,994 est.

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

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)

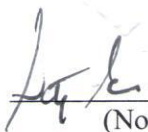
STATE OF New York)
) SS.:
COUNTY OF Albany)

Marc H. Paquin deposes and says that he is the
(Name of chief executive of applicant)
Managing Member of 412 Broadway 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
10th day of December, 2013.


(Notary Public)
STEPHEN E. GREEN
Notary Public, State of New York
Qualified in Saratoga County
Commission Expires 1/31/14

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

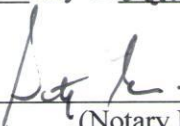
HOLD HARMLESS AGREEMENT

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
10th day of December, 2013.



(Notary Public)

STEPHEN E. GREEN
Notary Public, State of New York
Qualified in Saratoga County
Commission Expires 1/31/14

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"):	412 Broadway Realty, LLC
2. Brief Identification of the Project:	Convert existing 5-story building into a mixed use project with 32 apartments on floors 2-5, with commercial/retail space on first floor.
3. Estimated Amount of Project Benefits Sought:	
A. Amount of Bonds Sought:	\$ <u>None</u>
B. Value of Sales Tax Exemption Sought	\$ <u>88,000 est.</u>
C. Value of Real Property Tax Exemption Sought	\$ <u>2,541,845 est.*</u>
*The value of the requested PILOT exemptions exceed the value of the 485(a) Exemptions by \$1,237,994 est.	
D. Value of Mortgage Recording Tax Exemption Sought	\$ <u>58,750 est.</u>

PROJECTED PROJECT INVESTMENT

A. Land-Related Costs	
1. Land acquisition	\$ <u>N/A</u>
2. Site preparation	\$ <u></u>
3. Landscaping	\$ <u>35,000</u>
4. Utilities and infrastructure development	\$ <u></u>
5. Access roads and parking development	\$ <u>40,000</u>
6. Other land-related costs (describe)	\$ <u></u>

B.	Building-Related Costs	
1.	Acquisition of existing structures	\$ <u>N/A</u>
2.	Renovation of existing structures	\$ <u>1,914,000</u>
3.	New construction costs	\$ <u></u>
4.	Electrical systems	\$ <u>245,000</u>
5.	Heating, ventilation and air conditioning	\$ <u>284,000</u>
6.	Plumbing	\$ <u>212,000</u>
7.	Other building-related costs (describe)	\$ <u></u>
C.	Machinery and Equipment Costs	
1.	Production and process equipment	\$ <u></u>
2.	Packaging equipment	\$ <u></u>
3.	Warehousing equipment	\$ <u></u>
4.	Installation costs for various equipment	\$ <u></u>
5.	Other equipment-related costs (describe)	\$ <u></u>
D.	Furniture and Fixture Costs	
1.	Office furniture	\$ <u></u>
2.	Office equipment	\$ <u></u>
3.	Computers	\$ <u></u>
4.	Other furniture-related costs (describe)	\$ <u>18,000</u>
E.	Working Capital Costs	
1.	Operation costs	\$ <u></u>
2.	Production costs	\$ <u></u>
3.	Raw materials	\$ <u></u>
4.	Debt service	\$ <u>142,000</u>
5.	Relocation costs	\$ <u></u>
6.	Skills training	\$ <u></u>
7.	Other working capital-related costs (describe)	\$ <u></u>
	Insurance, Temporary Water, Utilities	
F.	Professional Service Costs	
1.	Architecture and engineering	\$ <u>50,000</u>
2.	Accounting/legal	\$ <u>25,000</u>
3.	Other service-related costs (describe)	\$ <u>67,000 closing costs</u>
G.	Other Costs	
1.	<u></u>	\$ <u></u>
2.	<u></u>	\$ <u></u>
H.	Summary of Expenditures	
1.	Total Land-Related Costs	\$ <u>75,000</u>
2.	Total Building-Related Costs	\$ <u>2,655,000</u>
3.	Total Machinery and Equipment Costs	\$ <u></u>
4.	Total Furniture and Fixture Costs	\$ <u>18,000</u>
5.	Total Working Capital Costs	\$ <u>142,000</u>
6.	Total Professional Service Costs	\$ <u>142,000</u>
7.	Total Other Costs	\$ <u></u>

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 with or without IDA Benefits in years 1-5 as we are matching the 485(a) benefits we qualify for.**

YEAR	Without IDA benefits	With IDA benefits
1	<u>\$57,375</u>	<u>\$57,375</u>
2	<u>\$61,117</u>	<u>\$61,117</u>
3	<u>\$63,700</u>	<u>\$63,700</u>
4	<u>\$66,279</u>	<u>\$66,279</u>
5	<u>\$68,857</u>	<u>\$68,857</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	26	<u>\$ 1,350,000</u>	<u>\$ 129,564</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	1	1	3
Year 2	0	1	1	6
Year 3	0	1	1	6
Year 4	0	1	1	6
Year 5	0	1	1	6

- III. Please provide estimates for the following:

- A. Creation of New Job Skills relating to permanent jobs. Please complete Schedule A.
General property maintenance, Retail management, Retail/office workers

- 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>50,000.00 est.</u>
Additional Sales Tax Paid on Additional Purchases	\$ <u>4,000.00 est.</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"):

Calendar Year	Project Year	(A)	(B)	Total Municipal Benefit (B-A)	Taxes with 485-a	Taxes (W/out Pilot) (With Project Fully Assessed)	Total Proposed Abatement	% of Abatement of Project Requested	% of 485a Abatement of Project Requested (D/C)	Total Proposed Abatement off 485-a
		Existing Real Property Taxes (W/out IDA involvement)	New Pilot Payments (With IDA) (& proposed project)							
2015	1	37,312	37,312	0	37,312	156,129	118,817	76.10%	0.00%	0
2016	2	38,058	38,058	0	38,058	159,252	121,194	76.10%	0.00%	0
2017	3	38,819	38,819	0	38,819	162,437	123,618	76.10%	0.00%	0
2018	4	39,596	39,596	0	39,596	165,685	126,089	76.10%	0.00%	0
2019	5	40,388	40,388	0	40,388	168,999	128,611	76.10%	0.00%	0
2020	6	41,195	41,195	0	41,195	172,379	131,184	76.10%	0.00%	0
2021	7	42,019	42,019	0	42,019	175,827	133,808	76.10%	0.00%	0
2022	8	42,860	42,860	0	42,860	179,343	136,483	76.10%	0.00%	0
2023	9	43,717	50,672	6,955	71,560	182,930	132,258	72.30%	29.19%	20,888
2024	10	44,591	65,512	20,921	101,390	186,589	121,077	64.89%	35.39%	35,878
2025	11	45,483	74,454	28,971	132,386	190,320	115,866	60.88%	43.76%	57,932
2026	12	46,393	75,943	29,550	164,581	194,127	118,184	60.88%	53.86%	88,638
2027	13	47,321	77,462	30,141	198,009	198,009	120,547	60.88%	60.88%	120,547
2028	14	48,267	79,011	30,744	201,970	201,970	122,959	60.88%	60.88%	122,959
2029	15	49,232	80,591	31,359	206,009	206,009	125,418	60.88%	60.88%	125,418
2030	16	50,217	82,203	31,986	210,129	210,129	127,926	60.88%	60.88%	127,926
2031	17	51,221	83,847	32,626	214,332	214,332	130,485	60.88%	60.88%	130,485
2032	18	52,246	85,524	33,278	218,618	218,618	133,094	60.88%	60.88%	133,094
2033	19	53,291	87,234	33,943	222,991	222,991	135,757	60.88%	60.88%	135,757
2034	20	54,357	88,979	34,622	227,450	227,450	138,471	60.88%	60.88%	138,471
Totals 20	Totals	906,583	1,251,679	345,096	2,489,673	3,793,524	2,541,845			1,237,994
Assumes reduction in current assessment being challenged, and 2 percent annual tax rate increase										

*Assumes assessment lowered to 788,632 as challenged.


**Assumes fully assessed at \$3,300,000 per Assessor's Office.

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

CERTIFICATION

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

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

Date Signed <u>December 10, 2013</u>	Name of Person Completing Project Questionnaire on behalf of the Company. Name: <u>Marc H. Paquin</u> Title: <u>Managing Member</u> Phone Number: <u>518-371-2410</u> Address: <u>646 Plank Road, Suite 205,</u> <u>Clifton Park, NY 12065</u> Signature: 
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CREATION OF NEW JOB SKILLS

[illegible]26
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