

# Albany Industrial Development Agency

21 Lodge Street  
Albany, New York 12207  
Telephone: (518) 434-2532  
Fax: (518) 434-9846

Anthony J. Ferrara, *Chairman*  
Willard A. Bruce, *Vice-Chairman*  
Kathy Sheehan, *Treasurer*  
Susan Peto, *Secretary*  
Prairie Wells  
Gary Simpson  
Martin Daley

Michael Yevoli, *Chief Executive Officer*  
Erik J. Smith, *Chief Financial Officer*  
John Reilly, *Agency Counsel*

To: Anthony J. Ferrara      Mike Yevoli  
Willard A. Bruce      Joe Scott  
Kathy Sheehan      Jeff Sullivan  
Susan Peto      John Reilly  
Gary Simpson      Erik Smith  
Prairie Wells      Megan Daly  
Martin Daley      City Clerk

Date: April 29, 2011

## AGENDA

The April 2011 regular meeting of the City of Albany Industrial Development Agency will be held on **Friday, May 6, 2011 at 12:15PM** at the offices Capitalize Albany Corporation, 21 Lodge Street, Albany, NY 12207 (Conference Room)

### Roll Call

### Reading of Minutes of the Regular Meeting of March 17, 2011

### Approval of Minutes of the Regular Meeting of March 17, 2011

### Reports of Committees

### Report of Chief Executive Officer

### Report of Chief Financial Officer

- Financial Report

### Communications

### Unfinished Business

- Columbia Hariman 455, LLC Project Synopsis
- Columbia Harriman 455, LLC Project SEQR Resolution
- Columbia Harriman 455, LLC Project PILOT Deviation Approval Resolution
- Columbia Harriman 455, LLC Project Final Straight Lease Approval Resolution
- 39 Sheridan Realty, LLC Project Synopsis
- 39 Sheridan Realty, LLC Project Commercial Findings Resolution
- 39 Sheridan Realty, LLC Project SEQR Resolution
- 39 Sheridan Realty, LLC Project, PILOT Deviation Resolution
- 39 Sheridan Realty, LLC Project Final Straight Lease Approval Resolution
- College of Saint Rose 2007 Project Approval of Amendments Resolution

### New Business

- New Covenant Charter School Approval of Sublease Amendments
- The Spanos Corporation Public Hearing Resolution
- SRS Albany, LLC Public Hearing Resolution

### Other Business

### Adjournment

\* The next regularly scheduled meeting is Thursday, May 19, 2011 at the offices of the Capitalize Corporation, 21 Lodge Street, Albany, NY 12207

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## IDA MINUTES OF REGULAR MEETING Thursday, March 17, 2011

Attending: Anthony Ferrara, Bill Bruce, Susan Pedo, Prairie Wells & Martin Daley

Absent: Gary Simpson and Kathy Sheehan

Also Present: Joe Scott, Erik Smith, John Reilly, Mike Yevoli, Josh Poupore, Megan Daly  
& Amy Gardner.

Chairman Ferrara called the regular meeting of the IDA to order at 12.15PM.

### Roll Call

Chairman Ferrara reported that all Board Members were present with the exception of Gary Simpson and Kathy Sheehan.

### Reading of Minutes of the Regular Meeting of February 17, 2011

Since the minutes of the previous meeting had been distributed to Board members in advance for review, Chairman Ferrara made a proposal to dispense with the reading of the minutes.

### Approval of Minutes of the Regular Meeting of February 17, 2011

Chairman Ferrara made a proposal to approve the minutes of the Regular Board Meeting as presented. A motion to accept the minutes, as presented, was made by Prairie Wells and seconded by Bill Bruce. A vote being taken, the minutes were accepted unanimously.

Chairman Ferrara recommended the agenda be modified to address Unfinished Business. No objection was rendered and the agenda was so modified.

### Unfinished Business

#### Daughters of Sarah Housing Company, Inc. Project – Issuer Approving Resolution

Joe Scott introduced the Resolution to the Board. Mark Koblenz, CEO of Daughters of Sarah Senior Community, reviewed the Resolution with the Board explaining that the restructuring of the financing is due to the current business climate so that they may obtain a better, more stable interest rate. First Niagara Bank has agreed to purchase all of the bonds.

Joe Scott summarized the transaction as one very similar to several that the Board has recently approved and reiterated that nothing else in the transaction will change except the financing portion as Mr. Koblenz had described.

Chairman Ferrara presented the 39 Daughters of Sarah Housing Company, Inc. Project – Issuer Approving Resolution to the Board. A motion to adopt the Resolution was made by Prairie Wells and seconded by Susan Pedo. A vote being taken, the Resolution passed unanimously.

#### 39 Sheridan Realty, LLC Project PILOT Deviation Discussion

In answering a prior question from a Board member, Marc Paquin (project applicant) stated that there would be approximately 50 construction jobs resulting in approximately \$2.3 million in gross wages. Bill Bruce inquired about the taxes in comparison to what the City is getting now as opposed to what it will get under the proposed PILOT Deviation. Mr. Paquin answered that under the proposed PILOT they will be paying approximately \$1.9 million more than is now being paid as a vacant building in its current condition. He added that when they purchased the building, taxes were delinquent in the amount of approximately \$700,000. Martin Daly asked what the remediation costs had been on the project. Mr. Paquin explained that they had paid approximately \$200,000 in the environmental removal of an old oil tank and approximately another \$200,000 will be spent to mitigate some lead and asbestos issues inside the building.

#### Update on IDA Board Retreat

Mike Yevoli reviewed his suggested agenda items with the Board. The agenda items he listed were:

1) Missions of IDA & CRC, 2) Project Processing from application to closing, 3) IDA/CRC Benefits, 4) Public relations, marketing and media strategies and 5) a review of our working partners such as CAC, ACDA and others to see what the roles and responsibilities they all play in the process. Martin Daley suggestion a session that gave an overview of the City's planning studies and goals, relative to those studies, so the members could get a better understanding of their mission and how it relates to the overall plan. Some discussion followed concerning the scheduling and location of the retreat(s).

#### **New Business**

#### CAIDA/Capitalize Albany Corporation Professional Service Agreement Resolution

Mike Yevoli explained that the Service Agreement for this year had increased from \$100,000 to \$250,000 (aggregated between the IDA and CRC) to reflect a more accurate figure as it relates to the actual staff time involved with administering the AIDA. To compensate for this increase, the aggregate economic support grant was decreased from \$300,000 to \$150,000.

Chairman Ferrara presented the City of Albany Industrial Development Agency Professional Services Agreement with Capitalize Albany Corporation Resolution to the Board. A motion to adopt the Resolution was made by Martin Daley and seconded by Bill Bruce. A vote being taken, the Resolution passed unanimously.

### CAIDA/Capitalize Albany Corporation Economic Development Support Grant Resolution

Chairman Ferrara presented the City of Albany Industrial Development Agency Support Grant with Capitalize Albany Corporation Resolution to the Board. A motion to adopt the Resolution was made by Prairie Wells and seconded by Martin Daley. A vote being taken, the Resolution passed unanimously.

### Resolution Accepting 2010 AIDA Certified Audited Statements

Audit Committee Chairperson, Susan Pedo, reported that the Audit Committee had met with the auditors representing Teal, Becker & Chiaramonte prior to this meeting. They reported that the audit was 95% complete and that no negative findings were reported. Based on that meeting, the audit committee recommends that the Board accept the 2010 audited statements.

Chairman Ferrara presented the City of Albany Industrial Development Agency Resolution Accepting 2010 Audited Statements to the Board. A motion to adopt the Resolution was made by Martin Daley and seconded by Bill Bruce. A vote being taken, the Resolution passed unanimously.

### Annual PARIS Report 2010

Erik Smith reported to the Board that the PARIS Report that was made available to the Board was in draft form and indicated that staff would need the remainder of the month to finalize it. He noted that we had received 100% response from all of the projects and trustees solicited.

### **Reports of Committees**

None

### **Report of Chief Executive Officer**

Mike Yevoli identified some projects that should be coming forward in the next couple of months with a brief background on them. The projects that he cited were: St. Rose, 455 Patroon Creek, 39 Sheridan Realty, Jetto Restaurant Depot & Alexander Apartment Project.

### **Report of Chief Financial Officer**

Erik Smith reviewed the financial report with the Board. He noted that we ended the month of February with about \$244,000.

### **Communications**

None



## **Other Business**

None

There being no further business, Chairman Ferrara adjourned the meeting at 12:50PM.

Respectfully submitted,

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Susan Pedo, Secretary

G:\IDA\IDA Minutes\IDA Regular Meeting Minutes\IDA Minutes 2011

**City of Albany IDA**  
2011 Monthly Cash Position  
March 2011

	<b>ACTUAL</b>			<b>PROJECTED</b>									
	January	February	March	April	May	June	July	August	September	October	November	December	YTD Total
<b>Beginning Balance</b>	\$ 250,836	\$ 238,790	\$ 244,415	\$ 265,007	\$ 252,270	\$ 388,295	\$ 385,825	\$ 377,013	\$ 373,450	\$ 341,138	\$ 332,325	\$ 328,763	\$ 250,836
<b>Revenue</b>													
<b>Fee Revenue</b>													
Application Fee	\$ -	\$ 4,500	\$ -	\$ -	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,000
Agency Fee	-	-	\$ 25,159	-	138,087	30,543	-	-	-	-	-	-	193,789
Administrative Fee	500	-	-	-	-	500	-	-	-	-	-	-	1,000
Modification Fee	1,000	1,500	-	-	-	-	-	-	-	-	-	-	2,500
<b>Subtotal - Fee Revenue</b>	\$ 1,500	\$ 6,000	\$ 25,159	\$ -	\$ 139,587	\$ 31,043	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 203,289
<b>Other Revenue</b>													
Loan Repayments - Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loan Repayments - Principal	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	37	33	39	42	42	42	42	42	42	42	42	42	484
Sale of Agency Property	-	-	-	-	-	-	-	-	-	-	-	-	-
NYS BIC	-	-	-	-	-	-	-	-	-	-	-	-	-
Misc	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Subtotal - Other Revenue</b>	\$ 37	\$ 33	\$ 39	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42	\$ 484
<b>Total - Revenue</b>	\$ 1,537	\$ 6,033	\$ 25,198	\$ 42	\$ 139,629	\$ 31,084	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42	\$ 42	\$ 203,773
<b>Expenditures</b>													
Management Contract	\$ 8,333	\$ -	\$ -	\$ 1,053	\$ 3,417	\$ 3,417	\$ 3,417	\$ 3,417	\$ 3,417	\$ 3,417	\$ 3,417	\$ 3,417	\$ 36,719
APA Contract	5,250	-	-	5,250	-	-	5,250	-	-	5,250	-	-	21,000
Audits	-	-	4,500	2,100	-	-	-	-	-	-	-	-	6,600
Agency Counsel	-	-	-	-	-	-	-	-	-	-	-	17,219	17,219
ED Support	-	-	-	4,224	-	28,750	-	-	28,750	-	-	28,750	90,474
Sub-lease AHCC	-	-	-	-	-	-	-	-	-	-	-	100,000	100,000
NYS BIC	-	-	-	-	-	-	-	-	-	-	-	-	-
D & O Insurance	-	-	-	-	-	1,200	-	-	-	-	-	-	1,200
Misc.	-	409	105	153	188	188	188	188	188	188	188	188	2,166
Other Legal Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total - Expenditures</b>	\$ 13,583	\$ 409	\$ 4,605	\$ 12,779	\$ 3,604	\$ 33,554	\$ 8,854	\$ 3,604	\$ 32,354	\$ 8,854	\$ 3,604	\$ 149,573	\$ 275,378
<b>Ending Balance</b>	\$ 238,790	\$ 244,415	\$ 265,007	\$ 252,270	\$ 388,295	\$ 385,825	\$ 377,013	\$ 373,450	\$ 341,138	\$ 332,325	\$ 328,763	\$ 179,231	\$ 179,231

# City of Albany IDA

Fee Detail by Month

February 2011

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>January</i>	South Mall Towers	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000
	CDPHP	-	-	500	-	500
		-	-	-	-	-
	<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 500</b>	<b>\$ 1,000</b>	<b>\$ 1,500</b>
<i>February</i>	Jetro Cash & Carry Restaurant Depot	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500
	Madison Properties	-	-	-	1,500	
	39 Sheridan Realty, LLC	1,500				
	Spanos 255 PatroonCreek Blvd.	1,500	-	-	-	1,500
	<b>TOTAL</b>	<b>\$ 4,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,500</b>	<b>\$ 6,000</b>
<i>March</i>	FC DCI, LLC	\$ -	\$ 18,695	\$ -	\$ -	\$ 18,695
	Morris St. Development	-	6,464	-	-	6,464
	<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 25,159</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 25,159</b>
<i>April</i>		\$ -	\$ -	\$ -	\$ -	\$ -
	<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<i>May</i>	39 Sheridan Realty, LLC	\$ -	\$ 46,875	\$ -	\$ -	\$ 46,875
	Columbia Harriman 455, LLC	-	91,212	-	-	91,212
	SRS Albany, LLC	1,500	-	\$ -	-	1,500
	<b>TOTAL</b>	<b>\$ 1,500</b>	<b>\$ 138,087</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 139,587</b>
<i>June</i>	Columbia 425 NS, LLC	\$ -	\$ 30,543	\$ -	\$ -	\$ 30,543
	Albany Medical Center	-	-	500	-	500
		-	-	-	-	-
		-	-	-	-	-
	<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 30,543</b>	<b>\$ 500</b>	<b>\$ -</b>	<b>\$ 31,043</b>

# City of Albany IDA

Fee Detail by Month

February 2011

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>July</i>	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
<i>August</i>	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
<i>September</i>	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
<i>October</i>	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
<i>November</i>	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
<i>December</i>	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
	2011 TOTAL	\$ 6,000 Application Fee	\$ 193,789 Agency Fee	\$ 1,000 Administration Fee	\$ 2,500 Modification Fee	\$ 203,289 TOTAL FEE

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY  
LEASE/LEASEBACK TRANSACTION  
COLUMBIA HARRIMAN 455 LLC PROJECT**

**I. PROJECT IDENTIFICATION:**

1. Project Applicant: Columbia Harriman 455 LLC, a limited liability company organized and existing under the laws of the State of New York (the "Company").
2. The Project:
  - (A) Acquisition of Land: the acquisition of an interest in a parcel of land containing approximately 3.90 acres and located at a site currently having an address of 455 Patroon Creek Boulevard in the City of Albany, Albany County, New York (the "Land").
  - (B) Construction: the construction on the Land of a new building to contain approximately 63,000 square feet of space (the "Facility").
  - (C) Equipment component: the acquisition and installation therein and thereon of certain machinery and equipment (the "Equipment") (the Land, the Facility and the Equipment being collectively referred to as the "Project Facility").
  - (D) Lease: The Project Facility will be leased by the Agency to the Company pursuant to a lease agreement (the "Lease Agreement") by and between the Agency and the Company, which Project Facility will be owned by the Company and leased to various medical office tenants for medical and other directly and indirectly related activities.

**II. PRIOR ACTION ON PROJECT:**

3. SEQR Compliance:
  - (A) SEQR classification of the Initial Project: Unlisted Action.
  - (B) SEQR Lead Agency: City of Albany Planning Board.
  - (C) Date of Lead Agency Action: December 9, 2010.
4. Inducement Proceedings:
  - (A) Public Hearing Resolution: adopted on December 16, 2010.
  - (B) Public Hearing:
    - (1) Mailed to Affected Taxing Jurisdictions: February 7, 2011.
    - (2) Date Posted: January 9, 2011.
    - (3) Published in Albany Times Union: January 9, 2011.
    - (4) Date of Public Hearing: January 20 and February 17, 2011.
    - (5) Location of Public Hearing: offices of the Albany Community Development Agency located at 200 Henry Johnson Boulevard in the City of Albany, Albany County, New York.
5. Payment In Lieu of Taxes:
  - (A) The Company Requested a Deviation from the Agency's UTEP: November 2010.
  - (B) PILOT Deviation Letter Mailed to Affected Tax Jurisdictions: April 26, 2011.

### **III. PROPOSED AGENCY ACTION ON MAY 6, 2011:**

6. SEQR Resolution: Confirming Findings of Planning Board.
7. PILOT Deviation Approval Resolution: Approving the terms of the requested PILOT.
8. Approving Resolution: Approving the Company's project and the proposed financial assistance.

### **IV. DETAILS OF PROPOSED STRAIGHT LEASE TRANSACTION:**

9. Relationship of Agency to Company: The Agency will acquire, construct and install the Project Facility and lease the Project Facility to the Company pursuant to the Lease Agreement.
10. Business Terms: The Agency fee is estimated to be \$90,000 ( $\frac{3}{4}$  of 1% of the Project costs of \$12,000,000 (est)).
11. Basic Documents:
  - (A) Underlying Lease from the Company to the Agency.
  - (B) License Agreement from the Company to the Agency.
  - (C) Bill of Sale to Agency.
  - (D) Lease Agreement by and between the Company and the Agency.
  - (E) Payment in Lieu of Tax Agreement by and between the Agency and the Company.
12. Proposed Closing Date: May, 2011.
13. Special Agency Counsel: Hodgson Russ LLP, Albany, New York.

**CITY OF ALBANY IDA - SEQR RESOLUTION  
COLUMBIA HARRIMAN 455 LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on May 6, 2011 at 12:15 p.m., local time.

The meeting was called to order by the (Vice) Chairman of the Agency and, upon roll being called, the following members of the Agency were:

**PRESENT:**

Anthony J. Ferrara	Chairman
Willard A. Bruce	Vice Chairman
Susan Pedo	Secretary
Hon. Kathy Sheehan	Treasurer
Martin Daley	Member
Gary Simpson	Member
Prairie Wells	Member

**ABSENT:**

**AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:**

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Joshua Poupore	Communications Officer - Capitalize Albany Corporation
Jeffrey Sullivan	Department of Development and Planning
John J. Reilly, Esq.	Corporation Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Resolution No. 0511-\_\_

**RESOLUTION ACCEPTING THE DETERMINATION BY THE CITY OF ALBANY  
PLANNING BOARD TO ACT AS LEAD AGENCY FOR THE ENVIRONMENTAL  
REVIEW OF THE COLUMBIA HARRIMAN 455 LLC PROJECT AND  
ACKNOWLEDGING RECEIPT OF THE NEGATIVE DECLARATION ISSUED  
WITH RESPECT THERETO.**

WHEREAS, City of Albany Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter

collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to issue its revenue bonds to finance the cost of the acquisition, construction, reconstruction and installation of one or more “projects” (as defined in the Act), to acquire, construct, reconstruct and install said projects or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in November, 2010, Columbia Harriman 455 LLC, a New York limited liability company (the “Company”), presented an application (the “Application”) to the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 3.53 acres having an address of 455 Patroon Creek Boulevard (tax map no. 53.00-1-13.2) in the City of Albany, Albany County, New York (the “Land”), (2) the construction on the Land of a building to contain approximately 63,000 square feet of space together with a surface parking facility and related amenities (collectively, the “Facility”), and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”), all of the foregoing to be owned by the Company for use by the Company as retail offices, commercial, technology and medical uses and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), the Agency has been informed that (A) the City of Albany Planning Board (the “Planning Board”) was designated to act as the “lead agency” with respect to the Project and (B) on December 9, 2010 the Planning Board determined that that the Project is a “unlisted action” which will not have a “significant effect on the environment” and, therefore, that an “environmental impact statement” is not required to be prepared with respect to the Project and issued a negative declaration with respect thereto (the “Negative Declaration”); and

WHEREAS, at the time that the Planning Board determined itself to be the “lead agency” with respect to the Project, it was not known that the Agency was an “involved agency” with respect to the Project, and, now that the Agency has become an “involved agency” with respect to the Project, the Agency desires to concur in the designation of the Planning Board as “lead agency” with respect to the Project, to acknowledge receipt of a copy of the Negative Declaration and to indicate that the Agency has no information to suggest that the Planning Board was incorrect in determining that the Project will not have a “significant effect on the environment” pursuant to SEQRA;



NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. (A) The Agency has received copies of, and has reviewed, the Application, an environmental assessment form prepared by the Company and the Negative Declaration (collectively, the “Reviewed Documents”) and, based upon said Reviewed Documents and the representations made by the Company to the Agency at this meeting, the Agency hereby ratifies and concurs in the designation of the Planning Board as “lead agency” with respect to the Project (as such quoted term is defined in SEQRA).

(B) The Agency hereby determines that the Agency has no information to suggest that the Planning Board was incorrect in determining that the Project will not have a “significant effect on the environment” pursuant to SEQRA (as such quoted phrase is used in SEQRA).

Section 2. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Anthony J. Ferrara	VOTING	_____
Willard A. Bruce	VOTING	_____
Susan Pedo	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
Gary Simpson	VOTING	_____
Prairie Wells	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF ALBANY                    )

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on May 6, 2011 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this \_\_\_\_ day of May, 2011.

(SEAL)

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(Assistant) Secretary

**NOTIFICATION OF LOCAL ACTION  
DECISION OF THE CITY OF ALBANY PLANNING BOARD**

ADDRESS OF SUBJECT PROPERTY: 455 Patroon Creek Blvd.

IN THE MATTER OF: An amendment to a previously approved site plan allowing for the construction of two office buildings totaling 98,000 s.f. The reason for the request is to accommodate the addition of a drive-thru in conjunction with the proposed 63,000 s.f. office building

APPLICANT: Columbia Development Companies c/o Hershberg & Hershberg  
ADDRESS: 18 Locust St. Albany, NY 12203-2908

CASE NUMBER: 6-07, 704

Date of Site Plan Approval: 8/23/07

Meeting Date: 12/9/10

SEQR Determination: 2/21/08

Date of Decision: 12/9/10

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Vote:	For Approval:	4	Fox:	Y	Trant:	Y
	Against:	0	Hancox:	Y		
	Abstain:	0	Pryor:	Y		

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**Relevant Considerations:**

**Owner/Applicant:** Columbia Development Companies

**Parcel size:** 3.47 acres.

**Location:** The property in question is central to the Patroon Creek Office Park, located between Washington Avenue Extension, State Route 85 and Interstate 90, also adjacent to the Harriman State Office Campus.

**Zoning:** C-O (Commercial Office). A Parking Lot Permit to allow for the reconstruction of an existing parking lot to accommodate 455 vehicles as an accessory use to 2 new office buildings (455 & 555 Patroon Creek Blvd.) was granted by the Board of Zoning Appeals on 8/8/07. A Use Variance and Parking Lot Permit to allow for the construction of a drive-in bank in conjunction with the construction of a 63,000 square foot office building (455 Patroon Creek Blvd.) and a 273-space accessory parking lot was granted by the Board of Zoning Appeals on 11/23/10.

**Surrounding Uses:** *Northeast:* CDPHP Corporate Office Building. *West:* SEFCU Administrative Office. *Southeast:* The Alexandria Apartments. *Southwest:* First Niagara Eastern Regional Headquarters.

**Proposed Project:** The applicant previously obtained approval for a 63,000 square foot medical office and the other is a 35,000 square foot general office building. A surface parking lot with 465 parking spaces was proposed to serve the uses. The applicant has since completed construction of the 35,000 square foot building, which is now home to First Niagara's Regional Headquarters. The applicant has also completed construction of approximately 192 parking spaces in conjunction with the greater 465-space lot that is proposed. The parcel has also been subdivided into two separate tax lots – 455 and 555 Patroon Creek Boulevard.

The proposed amendment relates to a desire to add a drive-thru bank branch to the proposed 63,000 square foot medical office structure to be located at 455 Patroon Creek Boulevard.

**SEQR status:** A negative declaration was issued on 2/21/08. The proposed change does not necessitate a re-visitation of SEQR.

**Traffic:** The initial approval cited an anticipated increase in traffic. The City's Traffic Safety Division approved the original plans. There will be no substantive change from the original proposal, with the exception of a proposed drive-thru bank branch. Traffic impacts of the bank branch will be minimal.

**Bike/Pedestrian/Transit:** There is no transit service to the proposed location. No bicycle parking is proposed. Access to this area by either means is generally difficult, but is not further inhibited by the proposed building plans.

**Water/Sewer:** Public water supply is currently provided by to the site by the Albany Water Board through an 8-inch water main along the southeast side of the property. This area is served by the Albany County North Wastewater Treatment Plant transmitted by the Patroon Creek Intercepting Sewer. A new 8" sewer line will be connected to an existing manhole near the northwest corner of 255 Patroon Creek Boulevard. An easement to be dedicated to the Albany Water Board will run through the 255 and 455, 555 Patroon Creek parcels and laterals will be connected to the new buildings to provide service.

**Stormwater:** A stormwater detention basin was constructed and was sized based upon the full build out of the project.

**Landscaping:** No substantive changes to the original proposal.

**Lighting:** No substantive changes to the original proposal.

**Solid Waste:** No substantive changes to the original proposal.

**Signage:** The building will contain signage depicting the bank branches name and logo. The number 445 will also be featured on the building.

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**Actions Taken:**

The Board **Approved** the Amendment to the Site Plan Approval

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**I, Edward Trant representing the Planning Board of the City of Albany, hereby certify that the foregoing is a true copy of a decision of the Planning Board made at a meeting thereof duly called and held on the day of December 9, 2010.**

Date: **12/9/10**      Signature: \_\_\_\_\_

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This is not a building permit. All building permits must be approved and issued by the Building Department prior to the start of any construction.

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Prior to making an application for a Certificate of Occupancy, the applicant will be required to submit to the Building Department an "as built" site plan which depicts all elements shown on the approved site plan including but not limited to contours, landscaping, building locations, utilities paved and parking areas, signage, accessory structures and other related physical improvements.

**PILOT DEVIATION APPROVAL RESOLUTION  
COLUMBIA HARRIMAN 455 LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on May 6, 2011 at 12:15 p.m., local time.

The meeting was called to order by the (Vice) Chairman of the Agency and, upon roll being called, the following members of the Agency were:

**PRESENT:**

Anthony J. Ferrara	Chairman
Willard A. Bruce	Vice Chairman
Susan Pedo	Secretary
Hon. Kathy Sheehan	Treasurer
Martin Daley	Member
Gary Simpson	Member
Prairie Wells	Member

**ABSENT:**

**AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:**

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Joshua Poupore	Communications Officer - Capitalize Albany Corporation
Jeffrey Sullivan	Department of Development and Planning
John J. Reilly, Esq.	Corporation Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Resolution No. 0511-\_\_

**RESOLUTION AUTHORIZING A DEVIATION FROM THE AGENCY’S UNIFORM  
TAX EXEMPTION POLICY IN CONNECTION WITH THE PROPOSED PAYMENT IN  
LIEU OF TAX AGREEMENT TO BE ENTERED INTO BY THE AGENCY IN  
CONNECTION WITH THE PROPOSED COLUMBIA HARRIMAN 455 LLC PROJECT.**

WHEREAS, City of Albany Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as

the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in November, 2010, Columbia Harriman 455 LLC, a New York limited liability company (the “Company”) submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 3.53 acres having an address of 455 Patroon Creek Boulevard (tax map no. 53.00-1-13.2) in the City of Albany, Albany County, New York (the “Land”), (2) the construction on the Land of a building to contain approximately 63,000 square feet of space together with a surface parking facility and related amenities (collectively, the “Facility”), and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”), all of the foregoing to be owned by the Company for use by the Company as retail offices, commercial, technology and medical uses and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on July 22, 2010 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Executive Director of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on September 3, 2010 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public hearing to be posted on September 7, 2010 on a bulletin board located at the City Hall Rotunda located at 24 Eagle Street, in the City of Albany, Albany County, New York, (C) caused notice of the Public Hearing to be published on September 1, 2010 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, Albany, New York, (D) conducted the Public Hearing on September 16, 2010 at 12:00 o’clock p.m., local time at offices of the City of Albany Industrial Development Agency, 21 Lodge Street in the City of Albany, Albany County, and (E) prepared a report of the Public Hearing (the “Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York

(collectively with the SEQR Act, "SEQRA"), the Agency has been informed that (A) the City of Albany Planning Board (the "Planning Board") was designated to act as the "lead agency" with respect to the Project and (B) on December 9, 2010 the Planning Board determined that that the Project is a "unlisted action" which will not have a "significant effect on the environment" and, therefore, that an "environmental impact statement" is not required to be prepared with respect to the Project and issued a negative declaration with respect thereto (the "Negative Declaration"); and

WHEREAS, in connection with the Project, the Company has requested that the Agency deviate from its uniform tax exemption policy with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility, which proposed deviation is outlined in the letter dated April \_\_, 2011 (the "Pilot Deviation Letter"), a copy of which Pilot Deviation Letter is attached hereto as Exhibit A; and

WHEREAS, pursuant to Section 874(4) of the Act, prior to taking final action on such request for a deviation from the Agency's uniform tax exemption policy, the Agency must give the chief executive officers of the County and each city, town, village and school district in which the Project Facility is located (collectively, the "Affected Tax Jurisdictions") written notice of the proposed deviation from the Agency's uniform tax exemption policy and the reasons therefor no fewer than ten (10) days prior to the meeting of the Agency at which the members of the Agency shall consider whether to approve such proposed deviation; and

WHEREAS, pursuant to Section 856(15) of the Act, unless otherwise agreed by the affected tax jurisdictions, payments in lieu of taxes must be allocated among the affected tax jurisdictions in proportion to the amount of real property tax and other taxes which would have been received by each affected tax jurisdiction had the Project Facility not been tax exempt due to the status of the Agency; and

WHEREAS, by the Pilot Deviation Letter, the Chief Executive Officer notified the chief executive officers of the Affected Tax Jurisdictions of the proposed deviation from the Agency's uniform tax exemption policy and further notified said chief executive officers that the members of the Agency would consider whether to approve such proposed deviation at this meeting;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby finds and determines as follows:

(A) The Agency has considered any and all responses from the Affected Tax Jurisdictions to the Pilot Deviation Letter.

(B) The Agency has reviewed and responded to all written comments received from any Affected Tax Jurisdiction with respect to the proposed deviation.

(C) The Agency has given all representatives from an Affected Tax Jurisdictions in attendance at this meeting the opportunity to address the members of the Agency regarding the proposed deviation.

Section 2. Based upon (A) the findings and determinations in Section 1 above, (B) comments received at the Public Hearing, (C) input received at this meeting from the Affected Tax Jurisdictions with respect to the proposed deviation, (D) the Agency's knowledge of the Project and (E) such further investigation of the Project and the effect of the proposed deviation as the Agency has deemed appropriate, the Agency hereby determines to deviate from the Agency's uniform tax exemption policy with respect to the terms of the



proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility for the reasons set forth in the Pilot Deviation Letter. Based upon the aforementioned, the Agency hereby approves a deviation from the Agency's uniform tax exemption policy, such deviation to be as described in the Pilot Deviation Letter.

Section 3. Upon preparation by counsel to the Agency of a payment in lieu of tax agreement with respect to the Project Facility reflecting the terms of this Resolution (the "Payment in Lieu of Tax Agreement") and approval of same by the Chairman (or Vice Chairman) of the Agency, the Chairman (or Vice Chairman) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Payment in Lieu of Tax Agreement, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in such form as is approved by the Chairman (or Vice Chairman), the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Payment in Lieu of Tax Agreement, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Payment in Lieu of Tax Agreement binding upon the Agency.

Section 5. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Anthony J. Ferrara	VOTING	_____
Willard A. Bruce	VOTING	_____
Susan Pedo	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
Gary Simpson	VOTING	_____
Prairie Wells	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF ALBANY                    )

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on May 6, 2011 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this \_\_\_\_ day of May, 2011.

\_\_\_\_\_  
(Assistant) Secretary

(SEAL)

**EXHIBIT A**

**PILOT DEVIATION LETTER**

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY**

21 Lodge Street  
Albany, New York 12207  
Tel: 518-434-2532  
Fax: 518-434-9846

April 26, 2011

Hon. Gerald D. Jennings, Mayor  
City of Albany  
City Hall  
Eagle Street  
Albany, New York 12207

Hon. Michael G. Breslin, County Executive  
Office of the County Executive  
County Office Building  
112 State Street, Room 200  
Albany, New York 12207

Dr. Raymond Colucciello  
Superintendent of Schools  
Albany City School District  
Academy Park  
Albany, New York 12207

RE: Proposed Deviation from Uniform Tax Exemption Policy by  
City of Albany Industrial Development Agency in connection  
with its Proposed Columbia Harriman 455 LLC Project

Gentlemen:

In November, 2010, Columbia Harriman 455 LLC, a New York limited liability company (the "Company") submitted an application (the "Application") to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 3.53 acres having an address of 455 Patroon Creek Boulevard (tax map no. 53.00-1-13.2) in the City of Albany, Albany County, New York (the "Land"), (2) the construction on the Land of a building to contain approximately 63,000 square feet of space together with a surface parking facility and related amenities (collectively, the "Facility"), and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the "Equipment"), all of the foregoing to be owned by the Company for use by the Company as retail offices, commercial, technology and medical uses and other directly and indirectly related activities; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency.

In connection with the Application, the Company has made a request to the Agency (the "PILOT

Request”) that the Agency enter into a payment in lieu of tax agreement (the “Proposed PILOT Agreement”) which terms would deviate from the Agency’s Uniform Tax Exemption Policy (the “Policy”). The Proposed Agreement would not provide any abatements for any special assessments levied on the Project Facility. The Proposed Pilot Agreement would (A) provide that the Company be granted a payment in lieu of tax agreement with a ten year term on the Facility and any portion of the Equipment assessable as real property pursuant to the New York Real Property Tax Law (collectively, with the Facility, the “Improvements”) with an abatement of 50% in year one of the Proposed Pilot Agreement with 5% per year increase over the term of the Proposed Pilot Agreement and (B) fix the assessed value on the Improvements in the Proposed PILOT Agreement (the “PILOT Assessed Value”) at \$6,060,000 for the term of the Proposed Pilot Agreement.

The terms of the Proposed Pilot Agreement deviate from the Agency’s Policy. The Policy provides that, for a facility similar to the Project Facility, payments in lieu of taxes will normally be determined as follows: a 50% abatement in real property taxes on the Improvements in year one of the payment in lieu of tax agreement with a 10% per year increase over the term of the five year payment in lieu of tax agreement and the assessed value of the Improvements is not fixed.

The purpose of this letter is to inform you of such PILOT Request and that the Agency is considering whether to grant the PILOT Request and to approve a Proposed PILOT Agreement conforming to the terms of the PILOT Request. The Agency expects to consider whether to approve the terms of the Proposed PILOT Agreement at its meeting scheduled for May 6, 2011 at 12:15 p.m., local time at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York (the “Meeting”). As described later in this letter, during the meeting on May 6, 2011, the Agency will review the terms of the PILOT Request and, based on the discussions during such meeting the terms of the PILOT Request may be modified.

This letter is forwarded to you for purposes of complying with Section 874 of the General Municipal Law of the State of New York, which requires written notice prior to the Agency taking final action with respect to the Proposed PILOT Agreement (if said Proposed PILOT Agreement may deviate from the provisions of the Agency’s Policy).

The Agency considered the following factors in considering the proposed deviation:

1. The nature of the proposed Project:

The Project involves the construction of a multi use building to be owned by the Company and leased to multiple tenants for use as retail offices, commercial, technology and medical offices and other directly and indirectly related activities.

2. The nature of the property before the undertaking of the Project:

A vacant lot.

3. The economic condition of the area at the time of the application and the economic multiplying effect that the Project will have on the area:

At the time of the application, the economic condition of the area in which the Project Facility is to be located is generally good. The Project will create jobs, both permanent and construction, thus generating revenue for the City of Albany and surrounding areas. Additional benefits created by the Project are described in the Application.

4. The extent to which the Project will create or retain permanent, private sector jobs and the

number of jobs to be created or retained and the salary range of such jobs:

The Project will create approximately 200 construction jobs over the approximately one-year construction period with a payroll of approximately \$3,277,575.

The Project will create approximately 200 full-time jobs within the first year of operation. The Company has indicated that they will make every effort to hire local labor to undertake the construction of the Facility. Summary information regarding the estimated average wage/salary per year for permanent full time jobs is included in the Application.

5. The estimated value of tax exemptions to be provided:

Based on an estimate of the assessed value of the Facility, the amount of PILOT payments on the Project Facility would start at approximately \$170,674 and end at \$380,961 over a 10-year period, resulting in approximately \$2,689,499 of PILOT payments paid by the Company.

Note also that the period and the amount of the real property tax abatement is similar to the benefits offered under Section 485-b of the Real Property Tax Law. In most jurisdictions, the real estate abatement provided under Section 485-b is available to any commercial user regardless of involvement by an industrial development agency. Further, the fixed PILOT Assessed Value was arrived at through discussions with the Agency staff, the City's Office of the Assessor and the Company.

6. The economic impact of the Proposed PILOT Agreement on affected tax jurisdictions:

It is anticipated that the office space will result in the creation of approximately 200 full-time positions in the area. It is anticipated up to 20% of these jobs will be staffed by City of Albany residents. These residents will continue to own homes and to pay school and property taxes. In addition, local retail and service industries will benefit from creation of new jobs within the community.

7. The impact of the proposed Project on existing and proposed businesses and economic development projects in the vicinity:

The impact of the Project is a positive one on the community, as it creates jobs in the community.

8. The amount of private sector investment generated or likely to be generated by the proposed Project:

The investment by the Company will be approximately \$12,161,646.

9. The effect of the proposed Project on the environment:

It is likely that the Project will not have a significant effect on the environment.

10. The likelihood of accomplishing the proposed Project in a timely fashion:

It is anticipated that the Project will be accomplished in a timely fashion.

11. The extent to which the Proposed PILOT Agreement will require the provision of additional services including, but not limited to, additional educational, transportation, police, emergency medical or fire services:

It is not anticipated that the Project will have a tremendous burden upon the educational facilities for any school district within the City of Albany, Albany County. After the completion of the Project, the employment at the Project is not anticipated to generate a substantial burden on the highways of the City of Albany or the surrounding area. All necessary emergency medical and police services are available.

12. Anticipated tax revenues:

The Company has requested a deviation from the Policy in order to pass said tax savings on to the tenants at the Project in the form of lower lease payments. The benefit of the larger tax abatement under the Proposed Pilot Agreement will not accrue to the Company, but will instead accrue to the tenants at the Project, therefore, enticing these tenants to stay in the area. The creation of new jobs within the community will benefit the local retail and service industries.

13. The extent to which the Proposed PILOT Agreement will provide a benefit (economic or otherwise) not otherwise available within the municipality in which the Project Facility is located:

The benefit is a positive one economically, in that the Project will create permanent, private sector jobs.

The Agency will consider the Proposed PILOT Agreement (and the proposed deviation from the Agency's Policy) at the Meeting. The discussion at the Meeting will include a review of (a) the terms of the PILOT Request, (b) other projects where the Agency has approved a deviation from its Policy, and (c) the information contained in this letter and other materials provided by the Company supporting the PILOT Request. Based on the discussion at the Meeting, and the review of any comments received by the Agency with respect to the PILOT Request, the Agency may determine to modify the terms of the PILOT Request.

The Agency would welcome any written comments that you might have on this proposed deviation from the Agency's Policy. In accordance with Section 874 of the General Municipal Law, prior to taking final action at the Meeting, the Agency will review and respond to any written comments received from any affected tax jurisdiction with respect to the proposed deviation. The Agency will also allow any representative of any affected tax jurisdiction present at the Meeting to address the Agency regarding the proposed deviation.

If you have any questions or comments regarding the foregoing, please do not hesitate to contact me at the above telephone number.

Sincerely yours,

/s/ Michael J. Yevoli

Michael J. Yevoli Chief Executive Office

**CITY OF ALBANY IDA - APPROVING RESOLUTION  
COLUMBIA HARRIMAN 455 LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on May 6, 2011 at 12:15 p.m., local time.

The meeting was called to order by the (Vice) Chairman of the Agency and, upon roll being called, the following members of the Agency were:

**PRESENT:**

Anthony J. Ferrara	Chairman
Willard A. Bruce	Vice Chairman
Susan Pedo	Secretary
Hon. Kathy Sheehan	Treasurer
Martin Daley	Member
Gary Simpson	Member
Prairie Wells	Member

**ABSENT:**

**AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:**

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Joshua Poupore	Communications Officer - Capitalize Albany Corporation
Jeffrey Sullivan	Department of Development and Planning
John J. Reilly, Esq.	Corporation Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Resolution No. 0511-\_\_

**RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION  
WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR COLUMBIA  
HARRIMAN 455 LLC (THE "COMPANY").**

WHEREAS, City of Albany Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial facilities,

among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in November, 2010, Columbia Harriman 455 LLC, a New York limited liability company (the “Company”) submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 3.53 acres having an address of 455 Patroon Creek Boulevard (tax map no. 53.00-1-13.2) in the City of Albany, Albany County, New York (the “Land”), (2) the construction on the Land of a building to contain approximately 63,000 square feet of space together with a surface parking facility and related amenities (collectively, the “Facility”), and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”), all of the foregoing to be owned by the Company for use by the Company as retail offices, commercial, technology and medical uses and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on December 16, 2010 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on February 7, 2011 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public hearing to be posted on January 9, 2011 on a bulletin board located at the City Hall Rotunda located at 24 Eagle Street, in the City of Albany, Albany County, New York, (C) caused notice of the Public Hearing to be published on January 10, 2011 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, Albany, New York, (D) conducted the Public Hearing on January 20 and February 17, 2011 at 12:00 o’clock p.m., local time at offices of the City of Albany Industrial Development Agency, 21 Lodge Street in the City of Albany, Albany County, and (E) prepared a report of the Public Hearing (the “Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), the Agency has been informed that (A) the City of Albany



Planning Board (the "Planning Board") was designated to act as the "lead agency" with respect to the Project and (B) on December 9, 2010 the Planning Board determined that that the Project is a "unlisted action" which will not have a "significant effect on the environment" and, therefore, that an "environmental impact statement" is not required to be prepared with respect to the Project and issued a negative declaration with respect thereto (the "Negative Declaration"); and

WHEREAS, the Agency's Uniform Tax Exemption Policy (the "Policy") provides a standardized method for the determination of payments in lieu of taxes for a facility similar to the Project Facility. In connection with the Application, the Company made a request to the Agency (the "Pilot Request") that the Agency deviate from the Policy with respect to Project Facility. In connection with the Pilot Request, the Chief Executive Officer of the Agency sent a notice to the chief executive officers of the "Affected Tax Jurisdictions" (as defined in the Act) pursuant to Section 874(4) of the Act, informing said individuals that the Agency had received the Pilot Request and that the members of the Agency would consider said request at a meeting of the members of the Agency scheduled to be held on May 6, 2011. The Chief Executive Officer of the Agency caused a letter dated April 26, 2011 (the "Pilot Deviation Notice Letter") to be mailed to the chief executive offices of the Affected Tax Jurisdictions, informing said individuals that the Agency would, at its meeting on May 6, 2011, consider a proposed deviation from the Policy with respect to the payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility (the "Payment in Lieu of Tax Agreement") and the reasons for the proposed deviation; and

WHEREAS, the Agency has given due consideration to the Application, and to representations by the Company that (A) the granting by the Agency of the Financial Assistance with respect to the Project will be an inducement to the Company to undertake the Project in City of Albany, New York and (B) the completion of the Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and will not result in the abandonment of one or more plants or facilities of any occupant of the Project Facility located in the State of New York; and

WHEREAS, the Agency desires to encourage the Company to preserve and advance the job opportunities, health, general prosperity and economic welfare of the people of City of Albany, New York by undertaking the Project in City of Albany, New York; and

WHEREAS, in order to consummate the Project and the granting of the Financial Assistance described in the notice of the Public Hearing, the Agency proposes to enter into the following documents (hereinafter collectively referred to as the "Agency Documents"): (A) a certain lease to agency (the "Lease to Agency" or the "Underlying Lease") by and between the Company, as landlord, and the Agency, as tenant, pursuant to which the Company will lease to the Agency a portion of the Land and all improvements now or hereafter located on said portion of the Land (collectively, the "Leased Premises"); (B) a certain license agreement (the "License to Agency" or the "License Agreement") by and between the Company, as licensor, and the Agency, as licensee, pursuant to which the Company will grant to the Agency (1) a license to enter upon the balance of the Land (the "Licensed Premises") for the purpose of undertaking and completing the Project and (2) in the event of an occurrence of an Event of Default by the Company, an additional license to enter upon the Licensed Premises for the purpose of pursuing its remedies under the Lease Agreement (as hereinafter defined); (C) a lease agreement (and a memorandum thereof) (the "Lease Agreement") by and between the Agency and the Company, pursuant to which, among other things, the Company agrees to undertake the Project as agent of the Agency and the Company further agrees to lease the Project Facility from the Agency and, as rental thereunder, to pay the Agency's administrative fee relating to the Project and to pay all expenses incurred by the Agency with respect to the Project; (D) a payment in lieu of tax agreement (the "Payment in Lieu of Tax Agreement") by and between the Agency and the Company, pursuant to which the Company will agree to pay certain

payments in lieu of taxes with respect to the Project Facility; (E) if the Company intends to finance the Project with borrowed money, one or more mortgages and any other security documents and related documents (collectively, the "Mortgage") from the Agency and the Company to the Company's lenders with respect to the Project (the "Lender"), which Mortgage will grant liens on and security interests in the Project Facility to secure one or more loans from the Lender to the Company with respect to the Project (collectively, the "Loan"); (F) all building loan and other agreements requested by the Lender in connection with the Loan (collectively with the Mortgage, the "Loan Documents"); and (G) various certificates relating to the Project (the "Closing Documents");

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. All action taken by the Chief Executive Officer of the Agency with respect to the Public Hearing with respect to the Project is hereby ratified and confirmed.

Section 2. The law firm of Hodgson Russ LLP is hereby appointed Special Counsel to the Agency with respect to all matters in connection with the Project. Special Counsel for the Agency is hereby authorized, at the expense of the Company, to work with the Company, counsel to the Company, counsel to the Agency and others to prepare, for submission to the Agency, all documents necessary to effect the transactions contemplated by this Resolution. Special Counsel has prepared and submitted an initial draft of the Agency Documents to staff of the Agency.

Section 3. The Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act;

(B) The Project constitutes a "project," as such term is defined in the Act;

(C) The Project site is located entirely within the boundaries of City of Albany, New York;

(D) It is estimated at the present time that the costs of the planning, development, acquisition, construction, reconstruction and installation of the Project Facility (collectively, the "Project Costs") will be approximately \$12,000,000;

(E) The completion of the Project will not result in the removal of a plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State of New York to another area of the State of New York or in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project Facility located in the State of New York;

(F) The granting of the Financial Assistance by the Agency with respect to the Project will promote and maintain the job opportunities, general prosperity and economic welfare of the citizens of City of Albany, New York and the State of New York and improve their standard of living, and thereby serve the public purposes of the Act;

(G) The Agency has reviewed the Hearing Report and has fully considered all comments contained therein; and

(H) It is desirable and in the public interest for the Agency to enter into the Agency Documents.

Section 4. In consequence of the foregoing, the Agency hereby determines to: (A) proceed with the Project; (B) acquire the Project Facility; (C) lease the Project Facility to the Company pursuant to the Lease Agreement; (D) enter into the Payment in Lieu of Tax Agreement; (E) secure the Loan by entering into the Loan Documents; and (F) grant the Financial Assistance with respect to the Project.

Section 5. The Agency is hereby authorized (A) to acquire a license in the Licensed Premises pursuant to the License Agreement, (B) to acquire a leasehold interest in the Leased Premises pursuant to the Underlying Lease, (C) to acquire title to the Equipment pursuant to a bill of sale (the "Bill of Sale to Agency") from the Company to the Agency, and (D) to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisitions are hereby approved, ratified and confirmed.

Section 6. The Agency is hereby authorized to acquire, construct and install the Project Facility as described in the Lease Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition, construction and installation are hereby ratified, confirmed and approved.

Section 7. The Chairman (or Vice Chairman) of the Agency, with the assistance of Agency Counsel and/or Special Counsel, is authorized to negotiate and approve the form and substance of the Agency Documents.

Section 8. (A) The Chairman (or Vice Chairman) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Agency Documents, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in the forms thereof as the Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

(B) The Chairman (or Vice Chairman) of the Agency is hereby further authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 9. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing Resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 10. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Anthony J. Ferrara	VOTING	_____
Willard A. Bruce	VOTING	_____
Susan Pedo	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
Gary Simpson	VOTING	_____
Prairie Wells	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF ALBANY                    )

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on May 6, 2011 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this \_\_\_\_ day of May, 2011.

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(Assistant) Secretary

(SEAL)

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY  
LEASE/LEASEBACK TRANSACTION  
39 SHERIDAN REALTY, LLC PROJECT**

**I. PROJECT IDENTIFICATION:**

1. Project Applicant: 39 Sheridan Realty, LLC, a limited liability company organized and existing under the laws of the State of New York (the "Company").
2. The Project:
  - (A) Acquisition of Land and Structures: the acquisition of an interest in parcels of land containing approximately 1.38 acres of land located at 49 Sheridan Avenue, 67 Sheridan Avenue, and 69 Sheridan Avenue in the City of Albany, Albany County, New York (collectively, the "Land"), together with the following existing buildings: (i) a building located at 49 Sheridan Avenue containing approximately 81,490 square feet of space (the "49 Sheridan Facility"), and (ii) a building located at 67 Sheridan containing approximately 4,800 square feet of space (the "67 Sheridan Facility").
  - (B) Construction/Renovations: the complete demolition of the 67 Sheridan Facility and the partial demolition of the 49 Sheridan Facility, (3) the renovation and expansion of the 49 Sheridan Facility (the "Facility").
  - (C) Equipment component: the acquisition and installation therein and thereon of certain machinery and equipment (the "Equipment") (the Land, the Facility and the Equipment being collectively referred to as the "Project Facility").
  - (D) Lease: The Project Facility will be leased by the Agency to the Company pursuant to a lease agreement (the "Lease Agreement") by and between the Agency and the Company, which Project Facility will be owned by the Company and leased to various medical office tenants for medical and other directly and indirectly related activities.

**II. PRIOR ACTION ON PROJECT:**

3. Inducement Proceedings:
  - (A) Public Hearing Resolution: adopted on February 17, 2011.
  - (B) Public Hearing:
    - (1) Mailed to Affected Taxing Jurisdictions: March 4, 2011.
    - (2) Date Posted: March 7, 2011.
    - (3) Published in Albany Times Union: March 5, 2011.
    - (4) Date of Public Hearing: March 17, 2011.
    - (5) Location of Public Hearing: offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York.
4. Payment In Lieu of Taxes:
  - (A) The Company Requested a Deviation from the Agency's UTEP: January 2011.
  - (B) PILOT Deviation Letter Mailed to Affected Tax Jurisdictions: April 26, 2011.

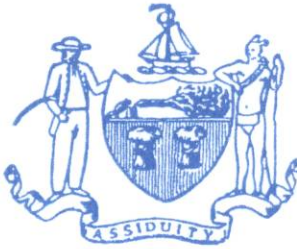
**III. PROPOSED AGENCY ACTION ON MAY 6, 2011:**

5. SEQR Resolution: Unlisted Action.

6. PILOT Deviation Approval Resolution: Approving the terms of the requested PILOT.
7. Commercial Findings Resolution: Determining that the Company's project is a "commercial project" within the meaning of the Act.
8. Approving Resolution: Approving the Company's project and the proposed financial assistance.

#### **IV. DETAILS OF PROPOSED STRAIGHT LEASE TRANSACTION:**

9. Relationship of Agency to Company: The Agency will acquire, construct and install the Project Facility and lease the Project Facility to the Company pursuant to the Lease Agreement.
10. Business Terms: The Agency fee is estimated to be \$46,875 ( $\frac{3}{4}$  of 1% of the Project costs of \$6,250,000 (est)).
11. Basic Documents:
  - (A) Underlying Lease from the Company to the Agency.
  - (B) License Agreement from the Company to the Agency.
  - (C) Bill of Sale to Agency.
  - (D) Lease Agreement by and between the Company and the Agency.
  - (E) Payment in Lieu of Tax Agreement by and between the Agency and the Company.
12. Proposed Closing Date: May, 2011.
13. Special Agency Counsel: Hodgson Russ LLP, Albany, New York.



**CITY OF ALBANY**  
**DEPARTMENT OF DEVELOPMENT & PLANNING**

**GERALD D. JENNINGS**  
Mayor

**MICHAEL J. YEVOLI**  
Commissioner



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## MEMO

To: Megan Daly, Deputy Commissioner, DDP  
From: Doug Melnick, AICP, Director, Division of Planning/OES  
Date: April 29, 2011

Re: 49 Sheridan Avenue SEQR Review

Megan,

I reviewed the Full Environmental Assessment Form for the above-referenced project as prepared by Hershberg & Hershberg on 4.25.11. I have also reviewed the following three (3) Notices of Local Action for the same project location:

- Negative Declaration - Board of Zoning Appeals – 4.25.07 – Construction of nine-story hotel with three-levels below-grade, a five-story apartment building, and parking garage.
- Negative Declaration – Planning Board – 3.2.10 – Demolition and renovation for four-stories of office space.
- Negative Declaration - Board of Zoning Appeals – 4.14.10 – Demolition and rehabilitation with 99-space parking lot for commercial office.

After consulting with the City of Albany Law Department, I have determined that the current proposal is of a less intensive scope and is consistent with the physical scale of the previously approved projects, and therefore, would be subject to a negative declaration for this unlisted action.

Sincerely,

Doug Melnick, AICP

Encl.



**NOTIFICATION OF LOCAL ACTION  
DECISION OF THE CITY OF ALBANY BOARD OF ZONING APPEALS**

► **Important Note:** This is **not** a building permit. All building permits must be approved and issued by the Division of Building & Codes prior to the start of any construction.

ADDRESS OF SUBJECT PROPERTY: 49 Sheridan Ave.

IN THE MATTER OF: Area Variance and Parking Lot Permit to allow for (1) the construction of a nine-story, 132 ± foot hotel with a 3-level parking garage that exceeds the maximum building height of 85-feet, and (2) the construction of a five-story 65 ± apartment building with two levels of parking.

APPLICANT: SDS Procida Development Management Group, LLC c/o Hershberg and Hershberg

ADDRESS: 18 Locust St., Albany, NY 12203

CASE NUMBER: 4-07, 1379

DATE APPLICATION RECEIVED: 3/15/07

DATE OF HEARING: 4/25/07

DATE OF DECISION: 4/25/07

WARD: 3<sup>rd</sup>

DECISION: Approved w/ Conditions

N.A.: Sheridan Hollow/Arbor Hill

HISTORIC/ SPECIAL DISTRICT(S): N/A

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The request is Approved, by the following vote:

For: 6	Apostol: Y	O'Connor: Y	Viele: Y
Against: 0	Cronin: NIA	Ray: Y	
Abstain: 0	Moran: Y	Tucker-Ross: Y	

**Findings**

The subject property is known as 49 Sheridan Ave, located near the intersection of Sheridan Ave. and Theatre Row. These parcels are located in the C-3 Central Business zoning district. The total site area of this parcel is approximately 1.26 acres.

The applicant stated that they intended to construct a 150- room hotel and a 65-unit apartment building along with a three-story below grade parking structure, which would replace the existing Boyd Printing Company. The applicant intends to demolish the existing building.

The applicant stated that the proposed hotel is intended to be 9-stories with 3-stories of below grade parking. The applicant stated that the brand of hotel is not yet known and that this site does not need Historic Resources Commission approval, but it will be brought to them for recommendations because of its proximity to surrounding historic areas.

The applicant stated that the proposed plan will not create an undesirable change in the neighborhood, and it will replace a printing plant with needed hotel rooms and residential units.

The Board finds that, in accordance with §375-26(B)(1)(a), the variance granted is the minimum necessary, and that:

1. No undesirable change will be produced in the character of the neighborhood nor will a detriment

- to nearby properties be created.
2. The benefit sought cannot be achieved by some method feasible to the applicant other than the granting of the variance.
  3. The requested variance is not substantial.
  4. Granting the variance will not have an adverse impact on the physical or environmental conditions in the neighborhood.
  5. The hardship was not self-created.

#### CONDITIONS

The applicants shall receive Site Plan Approval from the City of Albany Planning Board.

The Board hereby issues a negative declaration under SEQR for this unlisted action, as the proposed construction will not result in any significant adverse environmental impacts.

I, G. Michael Apostol, representing the Board of Zoning Appeals of the City of Albany, hereby certify that the foregoing is a true copy of a decision of the Board made at a meeting thereof duly called and held on April 25, 2007.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

► **Important Note:** Unless otherwise specified by the Board, this decision shall expire and become null and void if the applicant fails to obtain any necessary zoning, building, or other permits or comply with the conditions of such decision within six (6) months of the date of signature.

**NOTIFICATION OF LOCAL ACTION**  
**DECISION OF THE CITY OF ALBANY PLANNING BOARD**

Applicant: **Marc Pacquin of 39 Sheridan Realty, LLC**

Case File #: **3-10, 774**

Location: **49 Sheridan Avenue**

Request: **Site Plan Approval**

Date Received: **3/2/10**

Decision: **Negative Declaration**

Date of Decision: **3/4/10**

Vote:	For Approval:	4	Hancox:	Y	Trant: Y
	Against:		Pryor:	Y	Clayton: N
	Abstain:		Joyce:	Y	

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**Relevant Considerations:**

**Owner/Applicant:** 39 Sheridan Realty, LLC c/o Hershberg and Hershberg.

**Parcel size:** 1.26 acres (54,675 s.f.).

**Location:** This site is located on the north side of Sheridan Ave. between Chapel St. and Theatre Row in the Sheridan Hollow area of downtown. Monroe St. borders the site to the north.

**Zoning:** C-3 (Central Business District).

**Proposed project:** The applicant is seeking Site Plan Approval for the redevelopment of the abandoned former Boyd printing site. The vacant and abandoned former Boyd printing building is proposed to be renovated into four stories and 50,957 s.f. of modern office space. Plans also include the demolition of approximately 30,000 s.f. of industrial building additions, removal of 300 tons of contaminated soils, and grading and paving of the remaining site to provide 100± parking spaces.

This project constitutes an Unlisted Action pursuant to SEQR and thus a coordinated environmental review is not required. A Full EAF (Environmental Assessment Form) was provided to the Planning Board for review.

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**Action Taken:**

The Board issued a **Negative Declaration** for this **Unlisted Action** pursuant to SEQRA, finding that there will not be any significant adverse environmental impacts associated with this project.

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I, Raymond F. Joyce, Jr., representing the Planning Board of the City of Albany, hereby certify that the foregoing is a true copy of a decision of the Planning Board made at a meeting thereof duly called and held on the day of:

Date: 3/4/10

Signature: \_\_\_\_\_

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*This finding statement has been prepared in accordance with Article 8 of the Environmental Conservation Law. For additional information contact John Szczesny, Senior Planner, at (518) 434-5250. Any written inquiries may be directed to the following address:*

City of Albany Planning Board  
200 Henry Johnson Blvd.  
Albany, NY 12206



# NOTIFICATION OF LOCAL ACTION

## DECISION OF THE CITY OF ALBANY BOARD OF ZONING APPEALS

► Important Note: This is not a building permit. All building permits must be approved and issued by the Division of Building & Codes prior to the start of any construction.

ADDRESS OF SUBJECT PROPERTY: 49 Sheridan Ave.

IN THE MATTER OF: Parking Lot Permit to allow for the construction of a 99-space parking lot as accessory to the proposed rehabilitation of a 50,957 square foot building for commercial office space.

APPLICANT: 39 Sheridan Realty, LLC

ADDRESS: 646 Plank Road, Ste. 205., Clifton Park, NY 12065

CASE NUMBER: 4-10, 1840

DATE APPLICATION RECEIVED: 3/4/10

DATE OF HEARING: 4/14/10

DATE OF DECISION: 4/14/10

WARD: 3

DECISION: Approved

N.A.: N/A

HISTORIC/ SPECIAL DISTRICT(S): N/A

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The request is Approved, by the following vote:

For: 5	Apostol: Y	O'Connor: NIA	Viele: Y
Against: 0	Cronin: NIA	Ray: Y	
Abstain: 0	Moran: Y	Tucker-Ross: Y	

### Site Description

The site in question is located on Sheridan Avenue between Chapel Street and Theatre Row in a C-3 Central Business zoning district. The 1.30-acre lot is improved with a four (4)-story, 14,728 square foot industrial structure.

### Relevant Considerations

The applicant is seeking a Parking Lot Permit to allow for the construction of two (2) parking lots, 16 and 83 spaces in size. The proposed 99 parking spaces will be accessory to a proposed (4)-story, 50,957 square foot office buildings. The proposed office building will result from the rehabilitation of an existing, abandoned industrial structure. Already existing at the site is a parking area for approximately 42 spaces, which will be included within and encompassed by the new 99-space lot. In order to accommodate the remainder of the proposed parking, the applicant intends to demolish approximately 30,000 square feet of industrial additions at the site.

### Findings

The proposed parking lot will conform to the guidelines of the City of Albany Zoning Ordinance. Details of the lot will be further evaluated and conditions specified by the Planning Board in the course of the Site Plan Review. The amount of surface parking area was considered and was determined to be the only way to fiscally achieve parking for the proposed project, which includes the rehabilitation of a 50,957 square foot vacant structure into commercial office space. Although no accessory parking is required within the C-3 Central Business, there are no suitable alternatives available to accommodate the demand of the proposed use. The applicant indicated its intention to pursue further development of the site if and when future opportunities present themselves.

The Board hereby authorizes the parking lot, as specified in §375-174.

**CONDITIONS**

- **The applicant shall receive Site Plan Approval from the City Planning Board**

The Board hereby issues a negative declaration under SEQR for this unlisted action, as the proposed construction will not result in any significant adverse environmental impacts.

I, G. Michael Apostol, representing the Board of Zoning Appeals of the City of Albany, hereby certify that the foregoing is a true copy of a decision of the Board made at a meeting thereof duly called and held on April 14, 2010.

Signed: \_\_\_\_\_ Date: 4/14/10

► Important Note: Unless otherwise specified by the Board, this decision shall expire and become null and void if the applicant fails to obtain any necessary zoning, building, or other permits or comply with the conditions of such decision within six (6) months of the date of signature.

## **Commercial Benefits of the Development of 39 Sheridan Avenue as Residential Housing.**

The City of Albany, under Mayor Gerald Jennings, has adopted many policies promoting downtown housing. The core philosophy behind such policies is that market rate downtown housing benefits the City in numerous ways: by increasing its tax base, by strengthening local businesses and by creating a virtuous cycle - more residents lead to more retail, entertainment and business activity, which creates a more attractive environment for residents, and so on.

In order to improve its downtown development strategy, the City, in conjunction with the Downtown Albany Business Improvement District, commissioned H. Blount Hunter Retail and Real Estate Research Co.; Square Foot, LLC; Zimmerman-Volk Associates, Inc; and Cohen Marketing Group to undertake a comprehensive review of the key Pearl Street area in downtown. This voluminous study, dated May 2002 and updated in the first quarter of 2011, entitled “Situation Analysis and Strategic Recommendations for Retail and Residential Renewal of Downtown Albany’s Pearl Street Corridor”, clearly demonstrates the economic links between retail, entertainment and commercial activity and downtown residential development.

In evaluating downtown business activity, particularly the core entertainment and restaurant businesses, the report was clear that downtown needed to attract more traffic: “to complete successfully with suburban retailing alternatives, urban retailing districts must draw multiple customer segments including daytime employees, nearby residents, tourists and residents from throughout the region “ Report p.14; emphasis added. Indeed, if the Pearl Street area is to reach its potential of \$100 million in sales, the number of local residents buying goods and services in the area must increase from 30% of sales (estimated in 2002) to over 45%. Report p.21. The key is to increase traffic – “consistent traffic is a prerequisite for most retailers ... retailers look for established markets as signified by sustained traffic. “ Report p.13.

The Report also focuses on the demographics of this traffic, the downtown’s prime customer base. The Report, at p. 6, states “ the primary local marketing target is 18-44 year olds who represent 35 percent of the adult population of the Albany – Troy – Schenectady MSA. The objective is to increase the percent of local residents within this age range who visit the Pearl Street Area as well as increase their frequency of visits.” Emphasis added. The reason for this is that these adults “are the most lucrative patrons of Downtown Albany as measured by current usage of Downtown and frequency of Downtowns visits”. Report p.24.



Attracting more residents and creating pedestrian traffic are, then, key ingredients in the growth of the downtown retail, entertainment and service core, and downtown housing is one of the ways to achieve this goal. One of the key recommendations of the Report reads as follows:

“12. Establish public policy guidelines within a comprehensive Downtown Housing Strategy. Adopt best practices from other communities and adapt current programs to the needs of a wide range of developers. Coordinate “place making” efforts with the private sector for maximum catalytic impact.”

Housing is critical to the economic growth of downtown. This is not just because it adds consumers and “traffic” to the retail corridor, but also because it is part of “place-making”. “Place-making” is the first priority of the Report. “Place-making” involves landscape and physical environment improvements, interconnectivity among uses (the Palace Theater and Pepsi Arena increase traffic and visits to taverns, restaurants, etc.), branding and creation of retail / entertainment zones and marketing efforts, all designed to create a sense of place downtown, an attraction for consumers. An integral part of “place – making” is residential development. “Urban residential development typically relies upon “place-making” as one of the outcomes of Municipal policy”. Report p.34. “Quality neighborhood environments [are] the basis for generating positive perceptions of .....Downtown”. Report p.34.

It is within the context of this Report, and the City's endorsement of its findings and recommendations, that the development of 39 Sheridan Avenue should be viewed. "Sheridan Place" will include 43 market rate apartments, with one and two bedrooms and attractive amenities, including on-site parking. The units will have high end amenities, attractive floor plans and secure parking. Rents will be between \$1100 and \$1900 per month.

These units will attract higher income residents to downtown Albany. Located one block from the Pearl Street Corridor that includes Cap Rep, The Palace Theatre and many of the downtown eateries and attractions, the residents of Sheridan Place will be able to walk to the Pearl Street entertainment / retail core, adding needed foot traffic to the area. The residents' buying power, and likelihood of repeated visits each month, will stimulate economic activity and growth in the central core.

Importantly, the demographics of the residents at Sheridan Place are exactly those highlighted in the Report as the key to the health of downtown. The market assessment clearly indicates that the largest potential markets for renters are The VIP's, Fast-Track Professionals, Twentysomethings and University/College Affiliates - young professionals, office workers, retail employees, small business owners, "knowledge workers," artists or artisans, and graduate students, teachers, and other higher-education affiliates. These households are true urbanities who prefer to live downtown for the diversity of activities, cultural opportunities, and restaurants and clubs. Younger singles and couples account for 58 percent of the market for downtown residential.

These are the consumers who will be instrumental to the growth of the Downtown retail community.

In sum, Sheridan Place will have a significant impact on commercial growth in the City of Albany. These apartments will bring a diversity of new residents in the preferred demographic category, who will frequent downtown restaurants, bars, shops and entertainment venues. These residents will add “traffic” and activity to the streets. Most important, the apartments at 39 Sheridan Avenue, in complement to the units underway at 4-6 Sheridan and 17 Chapel, at the edge of the important Pearl Street/Broadway corridor, will add to that sense of “place-making” that will ultimately create the virtuous cycle of residential development, more retail and entertainment services to support the new residents, stimulating still more residential development, and so on.

**COMMERCIAL FINDINGS RESOLUTION  
39 SHERIDAN REALTY, LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on May 6, 2011 at 12:15 p.m., local time.

The meeting was called to order by the (Vice) Chairman of the Agency and, upon roll being called, the following members of the Agency were:

**PRESENT:**

Anthony J. Ferrara	Chairman
Willard A. Bruce	Vice Chairman
Susan Pedo	Secretary
Hon. Kathy Sheehan	Treasurer
Martin Daley	Member
Gary Simpson	Member
Prairie Wells	Member

**ABSENT:**

**AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:**

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Joshua Poupore	Communications Officer - Capitalize Albany Corporation
Jeffrey Sullivan	Department of Development and Planning
John J. Reilly, Esq.	Corporation Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Resolution No. 0511-\_\_

**RESOLUTION (A) DETERMINING THAT THE PROPOSED 39 SHERIDAN REALTY, LLC PROJECT IS A COMMERCIAL PROJECT, AND (B) MAKING CERTAIN FINDINGS REQUIRED UNDER THE GENERAL MUNICIPAL LAW.**

WHEREAS, City of Albany Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining,

equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreation facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, reconstruct, renovate and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, reconstructed, renovated and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in January, 2011, 39 Sheridan Realty, LLC, a New York limited liability company (the “Company”) submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in parcels of land containing approximately 1.38 acres of land located at 49 Sheridan Avenue, 67 Sheridan Avenue, and 69 Sheridan Avenue in the City of Albany, Albany County, New York (collectively, the “Land”), together with the following existing buildings: (a) a building located at 49 Sheridan Avenue containing approximately 81,490 square feet of space (the “49 Sheridan Facility”), and (b) a building located at 67 Sheridan containing approximately 4,800 square feet of space (the “67 Sheridan Facility” and together with the 49 Sheridan Facility, being collectively referred to as the “Existing Facilities”), (2) the complete demolition of the 67 Sheridan Facility and the partial demolition of the 49 Sheridan Facility, (3) the renovation and expansion of the 49 Sheridan Facility (the “Facility”), and (4) the acquisition and installation therein and thereon of various machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to be owned and operated by the Company and leased to various tenants for residential uses and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on February 17, 2011 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on March 4, 2011 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public hearing to be posted on March 7, 2011 on a bulletin board located at the City Hall Rotunda located at 24 Eagle Street, in the City of Albany, Albany County, New York, (C) caused notice of the Public Hearing to be published on March 5, 2011 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, Albany, New York,

(D) conducted the Public Hearing on March 17, 2011 at 12:00 o'clock p.m., local time at offices of the City of Albany Industrial Development Agency, 21 Lodge Street in the City of Albany, Albany County, and (E) prepared a report of the Public Hearing (the "Hearing Report") fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act"), and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (the "Regulations", and collectively with the SEQR Act, "SEQRA"), by resolution adopted by the members of the Agency on May 6, 2011 (the "SEQR Resolution"), the Agency determined (A) that the Project constituted an "Unlisted Action" under SEQRA, (B) that the Project would not have a "significant effect on the environment" pursuant to SEQRA and, therefore, that no environmental impact statement need be prepared with respect to the Project, and (C) as a consequence of the foregoing, to prepare a negative declaration with respect to the Project; and

WHEREAS, to aid the Agency in determining whether the Project qualifies for Financial Assistance as a commercial project within the meaning of the Act, the Agency has reviewed the following (collectively, the "Project Qualification Documents"): (A) the Application, including the attached Cost Benefit Analysis; and , and (B) a memorandum from the Agency staff regarding the Project (the "Staff Memo"), which refers to a study dated May 2002 and updated in the first quarter of 2011 entitled "Situation Analysis and Strategic Recommendations for Retail and Residential Renewal of Downtown Albany's Pearl Street Corridor";

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. Based upon an examination of the Project Qualification Documents and based further upon the Agency's knowledge of the area surrounding the Project and such further investigation of the Project and its economic effects as the Agency has deemed appropriate, the Agency makes the following findings and determinations with respect to the Project:

A. The Application indicates that the Project will create approximately 50 construction jobs during the acquisition, renovation, reconstruction and installation of the Project Facility.

B. The economic condition of the area in which the Project will be located is generally average to poor.

C. The Project is located in a neighborhood that contains a mixture of not-for-profit, commercial, retail, and service uses.

D. The development of housing in the area of the Project is a part of the economic development strategy of the City.

E. That undertaking the Project is consistent with both the Staff Memo and will encourage future commercial and residential development and expansion in the neighborhood area.

Section 2. Based upon the foregoing review of the Project Qualification Documents and based further upon the Agency's knowledge of the area surrounding the Project Facility and such further investigation of the Project and its economic effects as the Agency has deemed appropriate, the Agency makes the following determinations with respect to the Project:

A. That the acquisition, reconstruction and installation of the Project Facility is essential to the retention of existing employment and the creation of new employment opportunities and is essential to the prevention of economic deterioration of businesses and neighborhoods located in the City of Albany.

B. That the Project constitutes a “commercial” project, within the meaning of the Act.

Section 3. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Anthony J. Ferrara	VOTING	_____
Willard A. Bruce	VOTING	_____
Susan Pedo	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
Gary Simpson	VOTING	_____
Prairie Wells	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK        )  
                                      ) SS.:  
COUNTY OF ALBANY        )

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on May 6, 2011 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this \_\_\_\_ day of May, 2011.

\_\_\_\_\_  
(Assistant) Secretary

(SEAL)



**SEQR RESOLUTION**  
**39 SHERIDAN REALTY, LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on May 6, 2011 at 12:15 p.m., local time.

The meeting was called to order by the (Vice) Chairman of the Agency and, upon roll being called, the following members of the Agency were:

**PRESENT:**

Anthony J. Ferrara	Chairman
Willard A. Bruce	Vice Chairman
Susan Pedo	Secretary
Hon. Kathy Sheehan	Treasurer
Martin Daley	Member
Gary Simpson	Member
Prairie Wells	Member

**ABSENT:**

**AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:**

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Joshua Poupore	Communications Officer - Capitalize Albany Corporation
Jeffrey Sullivan	Department of Development and Planning
John J. Reilly, Esq.	Corporation Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Resolution No. 0511-\_\_

**RESOLUTION DETERMINING THAT ACTION TO UNDERTAKE A PROJECT FOR  
THE BENEFIT OF 39 SHERIDAN REALTY, LLC WILL NOT HAVE A  
SIGNIFICANT EFFECT ON THE ENVIRONMENT.**

WHEREAS, City of Albany Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial facilities,

among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in January, 2011, 39 Sheridan Realty, LLC, a New York limited liability company (the “Company”) submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in parcels of land containing approximately 1.38 acres of land located at 49 Sheridan Avenue, 67 Sheridan Avenue, and 69 Sheridan Avenue in the City of Albany, Albany County, New York (collectively, the “Land”), together with the following existing buildings: (a) a building located at 49 Sheridan Avenue containing approximately 81,490 square feet of space (the “49 Sheridan Facility”), and (b) a building located at 67 Sheridan containing approximately 4,800 square feet of space (the “67 Sheridan Facility” and together with the 49 Sheridan Facility, being collectively referred to as the “Existing Facilities”), (2) the complete demolition of the 67 Sheridan Facility and the partial demolition of the 49 Sheridan Facility, (3) the renovation and expansion of the 49 Sheridan Facility (the “Facility”), and (4) the acquisition and installation therein and thereon of various machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to be owned and operated by the Company and leased to various tenants for residential uses and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), the Agency must satisfy the requirements contained in SEQRA and the Regulations prior to making a final determination whether to undertake the Project; and

WHEREAS, to aid the Agency in determining whether the Project may have a significant effect upon the environment, the Company has prepared and submitted to the Agency an environmental assessment form (the “EAF”) with respect to the Project, a copy of which EAF was presented to and reviewed by the Agency at this meeting and a copy of which is on file at the office of the Agency; and

WHEREAS, pursuant to SEQRA, the Agency has examined the EAF in order to make a determination as to the potential environmental significance of the Project; and

WHEREAS, the Project does not appear to constitute a “Type I Action” (as said quoted term is defined in the Regulations), and therefore coordinated review and notification is optional with respect to the actions contemplated by the Agency with respect to the Project; and

WHEREAS, the Agency desires to conduct an uncoordinated review of the Project and to determine whether the Project may have a “significant effect on the environment” and therefore require the preparation of an environmental impact statement;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. Based upon an examination of the Application and the EAF (collectively, the “Reviewed Materials”) and based further upon the Agency’s knowledge of the area surrounding the Project Facility and such further investigation of the Project and its environmental effects as the Agency has deemed appropriate, the Agency makes the following findings with respect to the Project:

A. The project (the “Project”) consists of the following: (1) the acquisition of an interest in parcels of land containing approximately 1.38 acres of land located at 49 Sheridan Avenue, 67 Sheridan Avenue, and 69 Sheridan Avenue in the City of Albany, Albany County, New York (collectively, the “Land”), together with the following existing buildings: (a) a building located at 49 Sheridan Avenue containing approximately 81,490 square feet of space (the “49 Sheridan Facility”), and (b) a building located at 67 Sheridan containing approximately 4,800 square feet of space (the “67 Sheridan Facility” and together with the 49 Sheridan Facility, being collectively referred to as the “Existing Facilities”), (2) the complete demolition of the 67 Sheridan Facility and the partial demolition of the 49 Sheridan Facility, (3) the renovation and expansion of the 49 Sheridan Facility (the “Facility”), and (4) the acquisition and installation therein and thereon of various machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to be owned and operated by the Company and leased to various tenants for residential uses and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency.

B. No potentially significant impacts on the environment are noted in the Reviewed Materials, and none are known to the Agency.

Section 2. Based upon the foregoing investigation of the potential environmental impacts of the Project and considering both the magnitude and importance of each environmental impact therein indicated, the Agency makes the following findings and determinations with respect to the Project:

A. The Project constitutes an “Unlisted Action” (as said quoted term is defined in the Regulations) and therefore coordinated review and notification of other involved agencies is strictly optional. The Agency hereby determines not to undertake a coordinated review of the Project, and therefore will not seek lead agency status with respect to the Project;

B. The Project will result in no major impacts and, therefore, is one which will not cause significant damage to the environment. Therefore, the Agency hereby determines that the Project will not have a significant effect on the environment, and the Agency will not require the preparation of an environmental impact statement with respect to the Project; and

C. As a consequence of the foregoing, the Agency has decided to prepare a negative declaration with respect to the Project.

Section 3. The Chief Executive Officer of the Agency is hereby directed to prepare a negative declaration with respect to the Project, said negative declaration to be substantially in the form and to the effect of the negative declaration attached hereto, and to cause copies of said negative declaration to be (A) filed in the main office of the Agency and (B) distributed to the Company.

Section 4. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Anthony J. Ferrara	VOTING	_____
Willard A. Bruce	VOTING	_____
Susan Pedo	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
Gary Simpson	VOTING	_____
Prairie Wells	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF ALBANY                    )

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on May 6, 2011 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this \_\_\_\_ day of May, 2011.

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(Assistant) Secretary

(SEAL)

(SEAL)

NOTICE OF DETERMINATION  
OF NO SIGNIFICANT EFFECT  
ON THE ENVIRONMENT

TO ALL INTERESTED AGENCIES, GROUPS AND PERSONS:

In accordance with Article 8 (State Environmental Quality Review) of the Environmental Conservation Law (the "Act"), and the statewide regulations under the Act (6 NYCRR Part 617) (the "Regulations"), notice is hereby given that City of Albany Industrial Development Agency (the "Agency") has reviewed an application and an environmental assessment form from 39 Sheridan Realty, LLC (the "Company") in connection with the proposed project described below (the "Project") and that the Agency has determined (A) that the proposed Project is an "Unlisted Action" pursuant to the Regulations, and therefore that coordinated review and notification is optional with respect to said Project; (B) to conduct an uncoordinated review of the Project; (C) that the Project will result in no major impacts and therefore will not have a significant effect on the environment; and (D) therefore that an environmental impact statement is not required to be prepared with respect to the Project. THIS NOTICE IS A NEGATIVE DECLARATION FOR THE PURPOSES OF THE ACT.

1. Lead Agency: The Agency has determined not to follow the coordinated review provisions of the Regulations. Therefore, there is no lead agency for the Project.

2. Person to Contact for Further Information: Michael J. Yevoli, Chief Executive Officer, City of Albany Industrial Development Agency, 21 Lodge Street, Albany, New York 12207; Telephone No. (518) 434-2532.

3. Project Identification: Proposed 39 Sheridan Realty, LLC Project.

4. Project Description: The Project (the "Project") consists of the following: (A) (1) the acquisition of an interest in parcels of land containing approximately 1.38 acres of land located at 49 Sheridan Avenue, 67 Sheridan Avenue, and 69 Sheridan Avenue in the City of Albany, Albany County, New York (collectively, the "Land"), together with the following existing buildings: (a) a building located at 49 Sheridan Avenue containing approximately 81,490 square feet of space (the "49 Sheridan Facility"), and (b) a building located at 67 Sheridan containing approximately 4,800 square feet of space (the "67 Sheridan Facility" and together with the 49 Sheridan Facility, being collectively referred to as the "Existing Facilities"), (2) the complete demolition of the 67 Sheridan Facility and the partial demolition of the 49 Sheridan Facility, (3) the renovation and expansion of the 49 Sheridan Facility (the "Facility"), and (4) the acquisition and installation therein and thereon of various machinery and equipment (the "Equipment") (the Land, the Facility and the Equipment hereinafter collectively referred to as the "Project Facility"), all of the foregoing to be owned and operated by the Company and leased to various tenants for residential uses and other directly and indirectly related activities; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency.

5. Project Location: The Project Facility will be located at 49 Sheridan Avenue, 67 Sheridan Avenue, and 69 Sheridan Avenue in the City of Albany, Albany County, New York.

6. Reasons for Determination of Non-Significance: By resolution adopted by the members of the Agency on May 6, 2011, no significant environmental impacts were identified by the Agency in its review of the environmental assessment form submitted to the Agency with respect to the Project and, based upon the Agency's knowledge of the area surrounding the Project Facility and such further investigation of the Project and its environmental effects as the Agency has deemed appropriate, no significant environmental impacts are known to the Agency.

7. Comment Period: All interested parties, groups and persons disagreeing with or otherwise desiring to comment upon the Agency's environmental determination with respect to this Project are invited to submit written comments for consideration by the Agency. All such comments should be sent by mail addressed to Michael J. Yevoli, Chief Executive Officer at the address specified in paragraph two hereof.

Dated: May 6, 2011

CITY OF ALBANY INDUSTRIAL  
DEVELOPMENT AGENCY

BY: \_\_\_\_\_  
Chief Executive Officer

**PILOT DEVIATION APPROVAL RESOLUTION  
39 SHERIDAN REALTY, LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on May 6, 2011 at 12:15 p.m., local time.

The meeting was called to order by the (Vice) Chairman of the Agency and, upon roll being called, the following members of the Agency were:

**PRESENT:**

Anthony J. Ferrara	Chairman
Willard A. Bruce	Vice Chairman
Susan Pedo	Secretary
Hon. Kathy Sheehan	Treasurer
Martin Daley	Member
Gary Simpson	Member
Prairie Wells	Member

**ABSENT:**

**AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:**

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Joshua Poupore	Communications Officer - Capitalize Albany Corporation
Jeffrey Sullivan	Department of Development and Planning
John J. Reilly, Esq.	Corporation Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Resolution No. 0511-\_\_

**RESOLUTION AUTHORIZING A DEVIATION FROM THE AGENCY’S UNIFORM  
TAX EXEMPTION POLICY IN CONNECTION WITH THE PROPOSED PAYMENT IN  
LIEU OF TAX AGREEMENT TO BE ENTERED INTO BY THE AGENCY IN  
CONNECTION WITH THE PROPOSED 39 SHERIDAN REALTY, LLC PROJECT.**

WHEREAS, City of Albany Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as



the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in January, 2011, 39 Sheridan Realty, LLC, a New York limited liability company (the “Company”) submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in parcels of land containing approximately 1.38 acres of land located at 49 Sheridan Avenue, 67 Sheridan Avenue, and 69 Sheridan Avenue in the City of Albany, Albany County, New York (collectively, the “Land”), together with the following existing buildings: (a) a building located at 49 Sheridan Avenue containing approximately 81,490 square feet of space (the “49 Sheridan Facility”), and (b) a building located at 67 Sheridan containing approximately 4,800 square feet of space (the “67 Sheridan Facility” and together with the 49 Sheridan Facility, being collectively referred to as the “Existing Facilities”), (2) the complete demolition of the 67 Sheridan Facility and the partial demolition of the 49 Sheridan Facility, (3) the renovation and expansion of the 49 Sheridan Facility (the “Facility”), and (4) the acquisition and installation therein and thereon of various machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to be owned and operated by the Company and leased to various tenants for residential uses and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on February 17, 2011 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on March 4, 2011 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public hearing to be posted on March 7, 2011 on a bulletin board located at the City Hall Rotunda located at 24 Eagle Street, in the City of Albany, Albany County, New York, (C) caused notice of the Public Hearing to be published on March 5, 2011 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, Albany, New York, (D) conducted the Public Hearing on March 17, 2011 at 12:00 o’clock p.m., local time at offices of the City of Albany Industrial Development Agency, 21 Lodge Street in the City of Albany, Albany County, and (E) prepared a report of the Public Hearing (the “Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”), and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (the “Regulations”, and collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on May 6, 2011 (the “SEQR Resolution”), the Agency determined (A) that the Project constituted an “Unlisted Action” under SEQRA, (B) that the Project would not have a “significant effect on the environment” pursuant to SEQRA and, therefore, that no environmental impact statement need be prepared with respect to the Project, and (C) as a consequence of the foregoing, to prepare a negative declaration with respect to the Project; and

WHEREAS, in connection with the Project, the Company has requested that the Agency deviate from its uniform tax exemption policy with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility, which proposed deviation is outlined in the letter dated April 26, 2011 (the “Pilot Deviation Letter”), a copy of which Pilot Deviation Letter is attached hereto as Exhibit A; and

WHEREAS, pursuant to Section 874(4) of the Act, prior to taking final action on such request for a deviation from the Agency’s uniform tax exemption policy, the Agency must give the chief executive officers of the County and each city, town, village and school district in which the Project Facility is located (collectively, the “Affected Tax Jurisdictions”) written notice of the proposed deviation from the Agency’s uniform tax exemption policy and the reasons therefor no fewer than ten (10) days prior to the meeting of the Agency at which the members of the Agency shall consider whether to approve such proposed deviation; and

WHEREAS, pursuant to Section 856(15) of the Act, unless otherwise agreed by the affected tax jurisdictions, payments in lieu of taxes must be allocated among the affected tax jurisdictions in proportion to the amount of real property tax and other taxes which would have been received by each affected tax jurisdiction had the Project Facility not been tax exempt due to the status of the Agency; and

WHEREAS, by the Pilot Deviation Letter, the Chief Executive Officer notified the chief executive officers of the Affected Tax Jurisdictions of the proposed deviation from the Agency’s uniform tax exemption policy and further notified said chief executive officers that the members of the Agency would consider whether to approve such proposed deviation at this meeting;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby finds and determines as follows:

(A) The Agency has considered any and all responses from the Affected Tax Jurisdictions to the Pilot Deviation Letter.

(B) The Agency has reviewed and responded to all written comments received from any Affected Tax Jurisdiction with respect to the proposed deviation.

(C) The Agency has given all representatives from an Affected Tax Jurisdictions in attendance at this meeting the opportunity to address the members of the Agency regarding the proposed deviation.

Section 2. Based upon (A) the findings and determinations in Section 1 above, (B) comments received at the Public Hearing, (C) input received at this meeting from the Affected Tax Jurisdictions with respect to the

proposed deviation, (D) the Agency's knowledge of the Project and (E) such further investigation of the Project and the effect of the proposed deviation as the Agency has deemed appropriate, the Agency hereby determines to deviate from the Agency's uniform tax exemption policy with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility for the reasons set forth in the Pilot Deviation Letter. Based upon the aforementioned, the Agency hereby approves a deviation from the Agency's uniform tax exemption policy, such deviation to be as described in the Pilot Deviation Letter.

Section 3. Upon preparation by counsel to the Agency of a payment in lieu of tax agreement with respect to the Project Facility reflecting the terms of this Resolution (the "Payment in Lieu of Tax Agreement") and approval of same by the Chairman (or Vice Chairman) of the Agency, the Chairman (or Vice Chairman) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Payment in Lieu of Tax Agreement, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in such form as is approved by the Chairman (or Vice Chairman), the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Payment in Lieu of Tax Agreement, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Payment in Lieu of Tax Agreement binding upon the Agency.

Section 5. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Anthony J. Ferrara	VOTING	_____
Willard A. Bruce	VOTING	_____
Susan Pedo	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
Gary Simpson	VOTING	_____
Prairie Wells	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF ALBANY                    )

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on May 6, 2011 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this \_\_\_\_ day of May, 2011.

\_\_\_\_\_  
(Assistant) Secretary

(SEAL)

**EXHIBIT A**

**PILOT DEVIATION LETTER**

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY**

21 Lodge Street  
Albany, New York 12207  
Tel: 518-434-2532  
Fax: 518-434-9846

April 26, 2011

Hon. Gerald D. Jennings, Mayor  
City of Albany  
City Hall  
Eagle Street  
Albany, New York 12207

Hon. Michael G. Breslin, County Executive  
Office of the County Executive  
County Office Building  
112 State Street, Room 200  
Albany, New York 12207

Dr. Raymond Colucciello  
Superintendent of Schools  
Albany City School District  
Academy Park  
Albany, New York 12207

RE: Proposed Deviation from Uniform Tax Exemption Policy by  
City of Albany Industrial Development Agency in connection  
with its Proposed 39 Sheridan Realty, LLC Project

Gentlemen:

In January, 2011, 39 Sheridan Realty, LLC, a New York limited liability company (the "Company") presented an application (the "Application") to the Agency, a copy of which Application is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in parcels of land containing approximately 1.38 acres of land located at 49 Sheridan Avenue, 67 Sheridan Avenue, and 69 Sheridan Avenue in the City of Albany, Albany County, New York (collectively, the "Land"), together with the following existing buildings: (a) a building located at 49 Sheridan Avenue containing approximately 81,490 square feet of space (the "49 Sheridan Facility"), and (b) a building located at 67 Sheridan containing approximately 4,800 square feet of space (the "67 Sheridan Facility" and together with the 49 Sheridan Facility, being collectively referred to as the "Existing Facilities"), (2) the complete demolition of the 67 Sheridan Facility and the partial demolition of the 49 Sheridan Facility, (3) the renovation and expansion of the 49 Sheridan Facility (the "Facility"), and (4) the acquisition and installation therein and thereon of various machinery and equipment (the "Equipment") (the Land, the Facility and the Equipment hereinafter collectively referred to as the "Project Facility"), all of the foregoing to be owned and operated by the Company and leased to various tenants for residential uses and other directly and indirectly related activities; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the

Hon. Gerald D. Jennings, Mayor  
Hon Michael G. Breslin, County Executive  
Dr. Raymond Colucciello, Superintendent  
April 26, 2011  
Page 2

Company and agreed upon by the Agency.

In connection with the Application, the Company has made a request to the Agency (the "PILOT Request") that the Agency enter into a payment in lieu of tax agreement (the "Proposed PILOT Agreement") which terms would deviate from the Agency's Uniform Tax Exemption Policy (the "Policy"). The Proposed Agreement would not provide any abatements for any special assessments levied on the Project Facility. The Proposed PILOT Agreement would provide that the Company be granted a thirty year payment in lieu of tax agreement on the Facility and any portion of the Equipment assessable as real property pursuant to the New York Real Property Tax Law (collectively, with the Facility, the "Improvements"). Under the terms of the Proposed PILOT Agreement, the Company will pay (a) a base PILOT payment equal to \$21,577, which amount will increase over the term of the Proposed PILOT Agreement, and (b) an additional amount based on the increase in assessed value of the Project Facility, such increased amount to be adjusted by the abatement as described as follows:

<b>Years</b>	<b>Amount of Abatement</b>
1-8	100%
9	80%
10-20	lesser of a 55% abatement or fixed payment of \$75,000
21-30	15%
30 and thereafter	0%

The estimated payment terms of the Proposed PILOT Agreement are attached as Exhibit A to this letter.

The terms of the Proposed PILOT Agreement deviate from the Agency's Policy. The Policy provides that, for a facility similar to the Project Facility, payments in lieu of taxes will normally be determined as follows: a 50% abatement in real property taxes on the Improvements in year one of the payment in lieu of tax agreement with a 10% per year decrease in such abatement over the term of the five year payment in lieu of tax agreement.

As provided in the Agency's Policy, the amount of the assessed value of the Project Facility is not fixed and will change as the assessed value is established annually by the Assessor of the City of Albany.

The purpose of this letter is to inform you of such PILOT Request and that the Agency is considering whether to grant the PILOT Request and to approve a Proposed PILOT Agreement conforming to the terms of the PILOT Request. The Agency expects to consider whether to approve the terms of the Proposed PILOT Agreement at its meeting scheduled for May 6, 2011 at 12:15 p.m., local time at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York (the "Meeting"). As described later in this letter, during the meeting on May 6, 2011, the Agency will review the terms of the PILOT Request and, based on the discussions during such meeting the terms of the PILOT Request may be modified.

This letter is forwarded to you for purposes of complying with Section 874 of the General Municipal Law of the State of New York, which requires written notice prior to the Agency taking final action with respect to the Proposed PILOT Agreement (if said Proposed PILOT Agreement may deviate from the provisions of the Agency's Policy).

The Agency considered the following factors in considering the proposed deviation:

1. The nature of the proposed Project:

The Project involves the demolition of one building and the reconstruction and renovation of an existing building to be owned by the Company and leased to various tenants for residential and other directly and indirectly related activities.

2. The nature of the property before the undertaking of the Project:

Three (3) parcels of land together with 2 existing buildings located thereon. The buildings are currently vacant and were formerly used as private manufacturing business operations.

3. The economic condition of the area at the time of the application and the economic multiplying effect that the Project will have on the area:

At the time of the filing of the Application, the economic condition of the area in which the Project Facility is to be located is generally average to poor. The area is strategically targeted for adding downtown residential development, based on the presence of vacant or underutilized buildings to be converted, as well as the emerging residential projects that are occurring proximate to this building. This will create a neighborhood district, a goal of the City of Albany's economic development strategy; Capitalize Albany.

The Project will create construction jobs, thus generating revenue for the City of Albany and surrounding areas. The major positive impact of the Project is the creation of downtown housing, which is consistent with the downtown development plan of the City of Albany. New residents in the downtown area will provide economic growth for the business and entertainment facilities located in the downtown, and result in further residential development. Additional benefits created by the Project are described in the Application.

4. The extent to which the Project will create or retain permanent, private sector jobs and the number of jobs to be created or retained and the salary range of such jobs:

The Project will create approximately 50 construction jobs over the approximately one-year construction period with a payroll of approximately \$2,592,000.

The Project will create approximately 1 full-time job within the first year of operation. While the Project will not directly create significant new permanent employment, the resulting retention and creation of employment in the surrounding retail, restaurant and entertainment operations is expected to be significant.

5. The estimated value of tax exemptions to be provided:

As described in the Application, the amount of estimated PILOT payments on the Project Facility would start at approximately \$21,364 and end at \$168,397 over a 30-year period, resulting in approximately \$2,656,789 of PILOT payments paid by the Company.

Note also that the period and the amount of the real property tax abatement during the first 12 years of the term of the Proposed PILOT Agreement is similar to the benefits offered under Section 485-a of the Real Property Tax Law. The balance of the payment terms were reviewed with the Company and determined based on the covenants and restrictions of the financing to be incurred by the Company to undertake the Project.

6. The economic impact of the Proposed PILOT Agreement on affected tax jurisdictions:

The economic impact of the Project PILOT Agreement is positive as the Company will be paying more PILOT payments than is currently being paid on the Project Facility. In addition, the development of the Project Facility is expected to spur additional development in the downtown sections of the City of Albany.

7. The impact of the proposed Project on existing and proposed businesses and economic development projects in the vicinity:

The impact of the Project is a positive one on the community, as it creates multi-family housing in the area. In addition it will significantly reduce the vacancy rate in downtown and add the first large scale rental market residential project in downtown, which is critical to building the market. This level and scale of development will build investor and bank confidence in the market and will serve to attract additional mid and large scale residential redevelopment projects. The local restaurants and entertainment facilities will benefit from the undertaking of the Project.

8. The amount of private sector investment generated or likely to be generated by the proposed Project:

The investment by the Company will be approximately \$6,250,000.

9. The effect of the proposed Project on the environment:

It is likely that the Project will not have a significant effect on the environment.

10. The likelihood of accomplishing the proposed Project in a timely fashion:

It is anticipated that the Project will be accomplished in a timely fashion.

11. The extent to which the Proposed PILOT Agreement will require the provision of additional services including, but not limited to, additional educational, transportation, police, emergency medical or fire services:

It is not anticipated that the Project will have a tremendous burden upon the educational facilities for any school district within the City of Albany, Albany County. After the completion of the Project, the employment at the Project is not anticipated to generate a substantial burden on the highways of the City of Albany or the surrounding area. All necessary emergency medical and police services are available.



Hon. Gerald D. Jennings, Mayor  
Hon Michael G. Breslin, County Executive  
Dr. Raymond Colucciello, Superintendent  
April 26, 2011  
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12. Anticipated tax revenues:

The Company has requested a deviation from the Policy in order to pass the real property tax savings on to the proposed tenants at the Project in the form of market lease payments.

13. The extent to which the Proposed PILOT Agreement will provide a benefit (economic or otherwise) not otherwise available within the municipality in which the Project Facility is located:

The benefit is a positive one economically, in that the Project will promote the development of the downtown of the City of Albany.

The Agency will consider the Proposed PILOT Agreement (and the proposed deviation from the Agency's Policy) at the Meeting. The discussion at the Meeting will include a review of (a) the terms of the PILOT Request, (b) other projects where the Agency has approved a deviation from its Policy, and (c) the information contained in this letter and other materials provided by the Company supporting the PILOT Request. Based on the discussion at the Meeting, and the review of any comments received by the Agency with respect to the PILOT Request, the Agency may determine to modify the terms of the PILOT Request.

The Agency would welcome any written comments that you might have on this proposed deviation from the Agency's Policy. In accordance with Section 874 of the General Municipal Law, prior to taking final action at the Meeting, the Agency will review and respond to any written comments received from any affected tax jurisdiction with respect to the proposed deviation. The Agency will also allow any representative of any affected tax jurisdiction present at the Meeting to address the Agency regarding the proposed deviation.

If you have any questions or comments regarding the foregoing, please do not hesitate to contact me at the above telephone number.

Sincerely yours,

/s/ Michael J. Yevoli  
Michael J. Yevoli  
Chief Executive Officer

# EXHIBIT A

## ESTIMATED PILOT PAYMENTS

Calendar Year	Assessment* (Tax Status Date)	Project Year	(A)	(B)	Total Municipal Benefit (B-A)	(C)	% of Abatement of Project at full assessment (B/C)
			Existing Real Property Taxes (W/out IDA involvement) (& w/out Project)	New Pilot Payments (With IDA) (& proposed project)		Taxes (W/out Pilot) (With Project Fully Assessed)	
2010	1,075,000	-1	37,711.53	37,711.53	0.00	37,711.53	
2011	500,000	0	21,364.12	21,364.12	0.00	60,674.05	
2012	500,000	1	21,577.76	21,577.76	0.00	148,914.16	14.49%
2013	500,000	2	21,793.54	21,793.54	0.00	149,939.53	14.53%
2014	500,000	3	22,011.47	22,011.47	0.00	151,438.92	14.53%
2015	500,000	4	22,231.59	22,231.59	0.00	152,953.31	14.53%
2016	500,000	5	22,453.90	22,453.90	0.00	154,482.85	14.53%
2017	500,000	6	22,678.44	22,678.44	0.00	156,027.67	14.53%
2018	500,000	7	22,905.23	22,905.23	0.00	157,587.95	14.53%
2019	500,000	8	23,063.43	23,063.43	0.00	158,676.40	14.53%
2020	1,088,000	9	23,294.06	42,188.79	18,894.73	160,263.17	26.32%
2021	2,028,800	10	23,527.01	75,000.00	51,472.99	161,865.80	46.33%
2022	2,875,520	11	23,762.28	75,000.00	51,237.72	163,484.46	45.88%
2023	3,327,104	12	24,073.62	75,000.00	50,926.38	165,626.52	45.28%
2024	3,440,000	13	24,314.36	75,000.00	50,685.64	167,282.79	44.83%
2025	3,440,000	14	24,557.50	75,000.00	50,442.50	168,955.61	44.39%
2026	3,440,000	15	24,803.08	75,000.00	50,196.92	170,645.17	43.95%
2027	3,440,000	16	25,051.11	75,000.00	49,948.89	172,351.62	43.52%
2028	3,440,000	17	25,301.62	75,000.00	49,698.38	174,075.14	43.08%
2029	3,440,000	18	25,554.63	75,000.00	49,445.37	175,815.89	42.66%
2030	3,440,000	19	25,810.18	75,000.00	49,189.82	177,574.05	42.24%
2031	3,440,000	20	26,068.28	75,000.00	48,931.72	179,349.79	41.82%
2032	3,440,000	21	26,328.97	153,971.79	127,642.82	181,143.29	85.00%
2033	3,440,000	22	26,592.26	155,511.51	128,919.25	182,954.72	85.00%
2034	3,440,000	23	26,858.18	157,066.63	130,208.45	184,784.27	85.00%
2035	3,440,000	24	27,126.76	158,637.29	131,510.53	186,632.11	85.00%
2036	3,440,000	25	27,398.03	160,223.66	132,825.63	188,498.43	85.00%
2037	3,440,000	26	27,672.01	161,825.90	134,153.89	190,383.41	85.00%
2038	3,440,000	27	27,948.73	163,444.16	135,495.43	192,287.25	85.00%
2039	3,440,000	28	28,228.22	165,078.60	136,850.38	194,210.12	85.00%
2040	3,440,000	29	28,510.50	166,729.39	138,218.89	196,152.22	85.00%
2041	3,440,000	30	28,795.60	168,396.68	139,601.08	198,113.74	85.00%
Totals	Years 1 - 30	Totals	750,292.35	2,656,789.77	1,906,497.42	5,162,470.36	

\*49, 67 & 69 Sheridan

**CITY OF ALBANY IDA - APPROVING RESOLUTION  
39 SHERIDAN REALTY, LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on May 6, 2011 at 12:15 p.m., local time.

The meeting was called to order by the (Vice) Chairman of the Agency and, upon roll being called, the following members of the Agency were:

**PRESENT:**

Anthony J. Ferrara	Chairman
Willard A. Bruce	Vice Chairman
Susan Pedo	Secretary
Hon. Kathy Sheehan	Treasurer
Martin Daley	Member
Gary Simpson	Member
Prairie Wells	Member

**ABSENT:**

**AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:**

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Joshua Poupore	Communications Officer - Capitalize Albany Corporation
Jeffrey Sullivan	Department of Development and Planning
John J. Reilly, Esq.	Corporation Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Resolution No. 0511-\_\_

**RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION  
WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR 39  
SHERIDAN REALTY, LLC (THE "COMPANY").**

WHEREAS, City of Albany Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial facilities,

among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in January, 2011, 39 Sheridan Realty, LLC, a New York limited liability company (the “Company”) submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in parcels of land containing approximately 1.38 acres of land located at 49 Sheridan Avenue, 67 Sheridan Avenue, and 69 Sheridan Avenue in the City of Albany, Albany County, New York (collectively, the “Land”), together with the following existing buildings: (a) a building located at 49 Sheridan Avenue containing approximately 81,490 square feet of space (the “49 Sheridan Facility”), and (b) a building located at 67 Sheridan containing approximately 4,800 square feet of space (the “67 Sheridan Facility” and together with the 49 Sheridan Facility, being collectively referred to as the “Existing Facilities”), (2) the complete demolition of the 67 Sheridan Facility and the partial demolition of the 49 Sheridan Facility, (3) the renovation and expansion of the 49 Sheridan Facility (the “Facility”), and (4) the acquisition and installation therein and thereon of various machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to be owned and operated by the Company and leased to various tenants for residential uses and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on February 17, 2011 (the “Public Hearing Resolution”), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chief Executive Officer of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on March 4, 2011 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public hearing to be posted on March 7, 2011 on a bulletin board located at the City Hall Rotunda located at 24 Eagle Street, in the City of Albany, Albany County, New York, (C) caused notice of the Public Hearing to be published on March 5, 2011 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, Albany, New York, (D) conducted the Public Hearing on March 17, 2011 at 12:00 o’clock p.m., local time at offices of the City of Albany Industrial Development Agency, 21 Lodge Street in the City of Albany, Albany County, and (E) prepared a report of the Public Hearing (the “Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”), and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (the “Regulations”, and collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on May 6, 2011 (the “SEQR Resolution”), the Agency determined (A) that the Project constituted an “Unlisted Action” under SEQRA, (B) that the Project would not have a “significant effect on the environment” pursuant to SEQRA and, therefore, that no environmental impact statement need be prepared with respect to the Project, and (C) as a consequence of the foregoing, to prepare a negative declaration with respect to the Project; and

WHEREAS, by resolution adopted by the members of the Agency on May 6, 2010 (the “Commercial Findings Resolution”), the Agency determined that Project constituted a “commercial project” within the meaning of the Act; and

WHEREAS, the Agency’s Uniform Tax Exemption Policy (the “Policy”) provides a standardized method for the determination of payments in lieu of taxes for a facility similar to the Project Facility. In connection with the Application, the Company made a request to the Agency (the “Pilot Request”) that the Agency deviate from the Policy with respect to Project Facility. In connection with the Pilot Request, the Chief Executive Officer of the Agency sent a notice to the chief executive officers of the “Affected Tax Jurisdictions” (as defined in the Act) pursuant to Section 874(4) of the Act, informing said individuals that the Agency had received the Pilot Request and that the members of the Agency would consider said request at a meeting of the members of the Agency scheduled to be held on May 6, 2011. The Chief Executive Officer of the Agency caused a letter dated April 26, 2011 (the “Pilot Deviation Notice Letter”) to be mailed to the chief executive offices of the Affected Tax Jurisdictions, informing said individuals that the Agency would, at its meeting on May 6, 2011, consider a proposed deviation from the Policy with respect to the payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility (the “Payment in Lieu of Tax Agreement”) and the reasons for the proposed deviation; and

WHEREAS, the Agency has given due consideration to the Application, and to representations by the Company that (A) the granting by the Agency of the Financial Assistance with respect to the Project will be an inducement to the Company to undertake the Project in City of Albany, New York and (B) the completion of the Project will not result in the removal of a plant or facility of any proposed occupant of the Project Facility from one area of the State of New York to another area in the State of New York and will not result in the abandonment of one or more plants or facilities of any occupant of the Project Facility located in the State of New York; and

WHEREAS, the Agency desires to encourage the Company to preserve and advance the job opportunities, health, general prosperity and economic welfare of the people of City of Albany, New York by undertaking the Project in City of Albany, New York; and

WHEREAS, in order to consummate the Project and the granting of the Financial Assistance described in the notice of the Public Hearing, the Agency proposes to enter into the following documents (hereinafter collectively referred to as the “Agency Documents”): (A) a certain lease to agency (the “Lease to Agency” or the “Underlying Lease”) by and between the Company, as landlord, and the Agency, as tenant, pursuant to which the Company will lease to the Agency a portion of the Land and all improvements now or hereafter located on said portion of the Land (collectively, the “Leased Premises”); (B) a certain license agreement (the “License to Agency” or the “License Agreement”) by and between the Company, as licensor, and the Agency, as licensee, pursuant to which the Company will grant to the Agency (1) a license to enter upon the balance of the Land (the “Licensed Premises”) for the purpose of undertaking and completing the Project and (2) in the event of an occurrence of an Event of Default by

the Company, an additional license to enter upon the Licensed Premises for the purpose of pursuing its remedies under the Lease Agreement (as hereinafter defined); (C) a lease agreement (and a memorandum thereof) (the "Lease Agreement") by and between the Agency and the Company, pursuant to which, among other things, the Company agrees to undertake the Project as agent of the Agency and the Company further agrees to lease the Project Facility from the Agency and, as rental thereunder, to pay the Agency's administrative fee relating to the Project and to pay all expenses incurred by the Agency with respect to the Project; (D) a payment in lieu of tax agreement (the "Payment in Lieu of Tax Agreement") by and between the Agency and the Company, pursuant to which the Company will agree to pay certain payments in lieu of taxes with respect to the Project Facility; (E) if the Company intends to finance the Project with borrowed money, one or more mortgages and any other security documents and related documents (collectively, the "Mortgage") from the Agency and the Company to the Company's lenders with respect to the Project (the "Lender"), which Mortgage will grant liens on and security interests in the Project Facility to secure one or more loans from the Lender to the Company with respect to the Project (collectively, the "Loan"); (F) all building loan and other agreements requested by the Lender in connection with the Loan (collectively with the Mortgage, the "Loan Documents"); and (G) various certificates relating to the Project (the "Closing Documents");

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. All action taken by the Chief Executive Officer of the Agency with respect to the Public Hearing with respect to the Project is hereby ratified and confirmed.

Section 2. The law firm of Hodgson Russ LLP is hereby appointed Special Counsel to the Agency with respect to all matters in connection with the Project. Special Counsel for the Agency is hereby authorized, at the expense of the Company, to work with the Company, counsel to the Company, counsel to the Agency and others to prepare, for submission to the Agency, all documents necessary to effect the transactions contemplated by this Resolution. Special Counsel has prepared and submitted an initial draft of the Agency Documents to staff of the Agency.

Section 3. The Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act;

(B) The Project constitutes a "project," as such term is defined in the Act;

(C) The Project site is located entirely within the boundaries of City of Albany, New York;

(D) It is estimated at the present time that the costs of the planning, development, acquisition, construction, reconstruction and installation of the Project Facility (collectively, the "Project Costs") will be approximately \$6,250,000;

(E) The completion of the Project will not result in the removal of a plant or facility of the Company or any other proposed occupant of the Project Facility from one area of the State of New York to another area of the State of New York or in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project Facility located in the State of New York;

(F) The granting of the Financial Assistance by the Agency with respect to the Project will promote and maintain the job opportunities, general prosperity and economic welfare of the citizens of City of Albany, New York and the State of New York and improve their standard of living, and thereby serve the public purposes of the Act;

(G) The Agency has reviewed the Hearing Report and has fully considered all comments contained therein; and

(H) It is desirable and in the public interest for the Agency to enter into the Agency Documents.

Section 4. In consequence of the foregoing, the Agency hereby determines to: (A) proceed with the Project; (B) acquire the Project Facility; (C) lease the Project Facility to the Company pursuant to the Lease Agreement; (D) enter into the Payment in Lieu of Tax Agreement; (E) secure the Loan by entering into the Loan Documents; and (F) grant the Financial Assistance with respect to the Project.

Section 5. The Agency is hereby authorized (A) to acquire a license in the Licensed Premises pursuant to the License Agreement, (B) to acquire a leasehold interest in the Leased Premises pursuant to the Underlying Lease, (C) to acquire title to the Equipment pursuant to a bill of sale (the "Bill of Sale to Agency") from the Company to the Agency, and (D) to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisitions are hereby approved, ratified and confirmed.

Section 6. The Agency is hereby authorized to acquire, construct and install the Project Facility as described in the Lease Agreement and to do all things necessary or appropriate for the accomplishment thereof, and all acts heretofore taken by the Agency with respect to such acquisition, construction and installation are hereby ratified, confirmed and approved.

Section 7. The Chairman (or Vice Chairman) of the Agency, with the assistance of Agency Counsel and/or Special Counsel, is authorized to negotiate and approve the form and substance of the Agency Documents.

Section 8. (A) The Chairman (or Vice Chairman) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Agency Documents, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in the forms thereof as the Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

(B) The Chairman (or Vice Chairman) of the Agency is hereby further authorized, on behalf of the Agency, to designate any additional Authorized Representatives of the Agency (as defined in and pursuant to the Lease Agreement).

Section 9. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Agency Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing Resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Agency Documents binding upon the Agency.

Section 10. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Anthony J. Ferrara	VOTING	_____
Willard A. Bruce	VOTING	_____
Susan Pedo	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
Gary Simpson	VOTING	_____
Prairie Wells	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.



STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF ALBANY                    )

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on May 6, 2011 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this \_\_\_\_ day of May, 2011.

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(Assistant) Secretary

(SEAL)

**RESOLUTION AUTHORIZING AMENDMENTS  
THE COLLEGE OF SAINT ROSE PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Issuer”) was convened in public session at the offices of the Issuer located at 21 Lodge Street in the City of Albany, Albany County, New York on May 6, 2011 at 12:15 p.m., local time.

The meeting was called to order by the (Vice) Chairman of the Issuer and, upon roll being called, the following members of the Issuer were:

**PRESENT:**

Anthony J. Ferrara	Chairman
Willard A. Bruce	Vice Chairman
Susan Pedo	Secretary
Hon. Kathy Sheehan	Treasurer
Martin Daley	Member
Gary Simpson	Member
Prairie Wells	Member

**ABSENT:**

**ISSUER STAFF PRESENT INCLUDED THE FOLLOWING:**

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Joshua Poupore	Communications Officer – Capitalize Albany Corporation
Jeffrey Sullivan	Department of Development and Planning
John J. Reilly, Esq.	Corporation Counsel
A. Joseph Scott, III, Esq.	Bond Counsel

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Resolution No. \_\_\_\_\_

**RESOLUTION AUTHORIZING CERTAIN AMENDMENTS TO THE FINANCING  
DOCUMENTS RELATING TO THE CITY OF ALBANY INDUSTRIAL  
DEVELOPMENT AGENCY’S (THE “ISSUER”) FLOATING RATE CIVIC  
FACILITY REVENUE BONDS (THE COLLEGE OF SAINT ROSE PROJECT),  
SERIES 2007A AND FLOATING RATE CIVIC FACILITY REVENUE BONDS  
(THE COLLEGE OF SAINT ROSE PROJECT), SERIES 2007B (TAXABLE).**

WHEREAS, City of Albany Industrial Development Agency (the “Issuer”) is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 325 of the 1974 Laws of New York, as amended, constituting

Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of various facilities, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Issuer is authorized and empowered under the Act to issue its revenue bonds to finance the cost of the acquisition, construction, reconstruction and installation of one or more "projects" (as defined in the Act), to acquire, construct, reconstruct and install said projects or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, on June 27, 2007, the Issuer issued its Floating Rate Civic Facility Revenue Bonds (The College of Saint Rose Project), Series 2007A (Auction Rate Securities) in the aggregate principal amount of \$34,000,000 (the "Series 2007A Bonds") and its Floating Rate Civic Facility Revenue Bonds (The College of Saint Rose Project), Series 2007B (Auction Rate Securities) (Taxable) in the aggregate principal amount of \$6,600,000 (the "Series 2007B Bonds", and collectively with the Series 2007A Bonds, the "Initial Bonds") for the benefit of The College of Saint Rose, a New York not-for-profit education corporation (the "Institution"); and

WHEREAS, the Initial Bonds were issued pursuant to a resolution adopted by the members of the Issuer on April 19, 2007 (the "Initial Bond Resolution") and a trust indenture dated as of June 1, 2007 (the "Initial Indenture") by and between the Issuer and Manufacturers and Traders Trust Company, as trustee (the "Trustee") for the holders of the Initial Bonds and any additional bonds issued by the Issuer under the Initial Indenture (the "Additional Bonds", and collectively with the Initial Bonds, the "Bonds"); and

WHEREAS, the Initial Bonds were issued for the purpose of financing a portion of the costs of a project (the "Initial Project") consisting of the following: (A)(1) the acquisition of an interest or interests in (a) various portions of the Institution's approximately 29-acre campus generally located on, but not limited to, Madison Avenue, Western Avenue, Morris Street, Partridge Street, Yates Street and State Street in the City of Albany, and having a mailing address of 432 Western Avenue in the City of Albany, Albany County, New York (collectively, the "Campus"), together with various academic, residential and other buildings located thereon (collectively, the "Existing Facility") and (b) various parcels of land located at 542 and 544 Yates Street, 196 Partridge Street, 423 and 425 Western Avenue and 936, 946 and 1006 Madison Avenue in the City of Albany, Albany County, New York (collectively, the "Additional Land") (the Campus and the Additional Land being collectively referred to as the "Land"), together with various buildings located thereon (collectively, the "Additional Facility"), (2) the renovation and the making of upgrades to the Existing Facility and the Additional Facility and the construction of an approximately 50,000 square foot arts center on the Land (the "New Facility") (the New Facility, the Additional Facility and the Existing Facility being collectively referred to as the "Initial Facility"), (3) the acquisition and installation thereon and therein of various machinery and equipment (the "Initial Equipment") (the Initial Land, the Initial Facility and the Initial Equipment hereinafter collectively referred to as the "Initial Project Facility"), and (4) the refunding of the Issuer's Civic Facility Revenue Bonds (The College of Saint Rose Project), Series 2001A in the original aggregate principal amount of \$22,575,000 (the "Prior Bonds"), which Prior Bonds provided financing for previously completed projects, including but not limited to new academic buildings, improvements to dormitories, surface parking and office renovation/expansion; all of the foregoing to constitute an educational facility and other directly and indirectly related activities for use by the Institution; (B) the financing of all or a

portion of the costs of the foregoing by the issuance of the Initial Bonds; (C) the payment of a portion of the costs incidental to the issuance of the Initial Bonds, including issuance costs of the Initial Bonds and any reserve funds as may be necessary to secure the Initial Bonds; (D) the granting of certain other “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from real estate transfer taxes and mortgage recording taxes (collectively with the Initial Bonds, the “Initial Financial Assistance”); and (E) the sale of the Initial Project Facility to the Institution pursuant to the provisions of an installment sale agreement dated as of June 1, 2007 (the “Initial Installment Sale Agreement”) by and between the Issuer and the Institution; and

WHEREAS, as security for the Initial Bonds and the Institution’s obligations under the Financing Documents (as defined in the Initial Indenture), the Institution and the Issuer executed and delivered to the Trustee a mortgage dated as of June 1, 2007 (the “Mortgage”), which Mortgage, among other things, granted to the Trustee a first mortgage lien on, and security interest in, the Initial Project Facility; and

WHEREAS, as further security for the Initial Bonds, the Issuer executed and delivered to the Trustee a pledge and assignment dated as of June 1, 2007 (the “Pledge and Assignment”) from the Issuer to the Trustee, which Pledge and Assignment assigned to the Trustee certain of the Issuer’s rights under the Installment Sale Agreement. Pursuant to the Pledge and Assignment, installment purchase payments made by the Institution under the Installment Sale Agreement were paid directly to the Trustee; and

WHEREAS, the (A) Institution’s obligation (1) to make all installment purchase payments under the Installment Sale Agreement and (2) to perform all obligations related thereto and (B) Issuer’s obligation to repay the Initial Bonds were further secured by a guaranty dated as of June 1, 2007 (the “Guaranty”) from the Institution to the Trustee (the above described documents being collectively referred to as the “2007 Documents”); and

WHEREAS, (A) the Initial Bonds were initially issued in a mode (the “Auction Rate Mode”) whereby each series of the Initial Bonds bore interest at the “ARS Rate” and (B) pursuant to the Initial Indenture, the Institution with the consent of the Issuer may convert the interest rate mode on either or both series of the Initial Bonds from the Auction Rate Mode to either a mode whereby such series of the Initial Bonds bears interest at a “Fixed Rate” (the “Fixed Rate Mode”) or a mode whereby such series of the Initial Bonds bears interest at a “Variable Rate” (the “Variable Rate Mode”), and, while a series of the Initial Bonds is in the Variable Rate Mode, such series of the Initial Bonds may bear interest at the “Daily Rate”, the “Weekly Rate” or the “Commercial Paper Rate” (as each such quoted term not defined herein is defined in the Initial Indenture); and

WHEREAS, the Initial Bonds were initially purchased by Banc of America Securities LLC, as underwriter (the “Underwriter”), pursuant to a bond purchase agreement dated as of June 21, 2007 (the “Initial Bond Purchase Agreement”) by and among the Underwriter, the Institution and the Issuer; and

WHEREAS, the security for the Initial Bonds included, among other things, one or more financial guaranty insurance policies (each, a “Bond Insurance Policy”) issued by MBIA Insurance Corporation (the “Bond Insurer”), which Bond Insurance Policy provides for the payment of the principal of and interest and sinking fund installments on the related Initial Bonds which shall have become due, to the extent that the Trustee has not received sufficient funds from the Issuer or the Institution for such payment; and

WHEREAS, on July 3, 2008, the Initial Bonds were converted from the Auction Rate Mode to the Variable Rate Mode (the “Variable Rate Conversion”), and following the Variable Rate Conversion, each series of the Initial Bonds now bears interest at the Daily Rate; and

WHEREAS, in connection with the Variable Rate Conversion, the Institution entered into a reimbursement agreement (the "Reimbursement Agreement") with Bank of America, National Association (the "Bank"), pursuant to which Reimbursement Agreement the Bank agreed to provide additional security for the Initial Bonds, said additional security to be in the form of an irrevocable transferable direct-pay letter of credit in favor of the Trustee securing each series of the Initial Bonds (each, a "Letter of Credit"), each said Letter of Credit to be in a maximum amount (which shall decline at fixed intervals) equal to aggregate of (1) the principal amount of the related series of the Initial Bonds outstanding, plus (2) the number of days' interest thereon set forth in said Letter of Credit, at an assumed interest rate set forth in said Letter of Credit; and

WHEREAS, further in connection with the Variable Rate Conversion, (A) the mandatory purchase of the outstanding Initial Bonds was funded with proceeds of the purchase thereof by Banc of America Securities LLC, as remarketing agent (the "Remarketing Agent") pursuant to the provisions of a remarketing agreement dated as of July 2, 2008 (the "Initial Remarketing Agreement") by and among the Remarketing Agent, the Institution and the Issuer and immediately thereafter, the Issuer and the Trustee, at the request of the Institution and with the consent of the Remarketing Agent, as holder of 100% of the outstanding Initial Bonds, entered into the following documents (the "First Supplemental Bond Documents"): (1) a first amendment to indenture dated as of July 3, 2008 (the "First Amendment to Indenture", and collectively with the Initial Indenture, the "Indenture"), pursuant to which the Issuer and the Trustee amended the Initial Indenture, and (2) a first amendment to installment sale agreement dated as of July 3, 2008 (the "First Amendment to Installment Sale Agreement", and collectively with the Initial Installment Sale Agreement, the "Installment Sale Agreement"), which made conforming amendments to the Initial Installment Sale Agreement and (B) the Remarketing Agent remarketed the Initial Bonds in accordance with the terms of a remarketing agreement dated as of July 2, 2008 the (the "Remarketing Agreement") by and between the Institution and the Remarketing Agent; and

WHEREAS, to assist in the remarketing of the Initial Bonds, the Remarketing Agent distributed a preliminary remarketing circular dated June 20, 2008 (the "Preliminary Remarketing Circular") and a final remarketing circular dated July 3, 2008 (the "Final Remarketing Circular"); and

WHEREAS, in connection with the proposed issuance by City of Albany Capital Resource Corporation (the "CRC") of its Tax-Exempt Revenue Bonds (The College of Saint Rose Project), Series 2011A in the maximum aggregate principal amount of not to exceed \$25,000,000 (the "Series 2011 Bonds"), the Institution is requesting (A) the Bond Insurer to waive certain provisions, including but not limited to, the Additional Debt Test as set forth in Section 3 of the Guaranty and consent to certain other subordinations, waivers and releases contained in the 2007 Documents, as amended, and (B), as described in the request (the "Request") attached hereto as Exhibit A, for the Issuer and the other parties to enter into certain additional amendments to the 2007 Documents, as amended (collectively, the "Additional Amendments"), to provide for, among other modifications, (1) the addition of a new interest rate mode on each series of Initial Bonds, the "Monthly Mode", (2) the election of the conversion from the Daily Rate to the Monthly Mode, (3) the release of certain parcels of real estate from the 2007 Documents, and (4) the cancelation of the Bond Insurance Policy, thereby eliminating the Bond Insurer; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), the Issuer must determine the potential environmental significance of the execution and delivery of the Additional Amendments (the "Transaction");

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. Pursuant to SEQRA, the Issuer hereby finds and determines that:

(A) Pursuant to Sections 617.5(c)(23) of the Regulations, the Transaction is a “Type II action” (as said quoted term is defined in the Regulations); and

(B) Therefore, the Issuer hereby determines that no environmental impact statement or any other determination or procedure is required under the Regulations with respect to the Transaction.

Section 2. The Issuer hereby finds and determines that:

(A) By virtue of the Act, the Issuer has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(B) The Transaction will enhance the marketability of the Initial Bonds; and

(C) It is desirable and in the public interest for the Issuer to enter into the Additional Amendments intended to be executed by the Issuer (the “Issuer Documents”).

Section 3. In consequence of the foregoing, the Issuer hereby determines to: (A) authorize the conversion of each series of Initial Bonds to the Monthly Mode; (B) authorize the Chief Executive Officer of the Issuer to select the interest rate reset period in the Monthly Mode to be applicable to each series of the Initial Bonds; (C) execute and deliver the Issuer Documents; (D) authorize the use of an official statement or a remarketing circular in connection with the remarketing of the Initial Bonds, and (E) authorize the Chairman and the Chief Executive Officer to take any and all actions required to implement the Request.

Section 4. The form and substance of the Issuer Documents are hereby approved.

Section 5. The Chairman (or Vice Chairman) of the Issuer is hereby authorized, on behalf of the Issuer, to execute and deliver the Issuer Documents and the other documents related thereto (collectively with the Issuer Documents, the “Amended Documents”), and, where appropriate, the Secretary (or Assistant Secretary) of the Issuer is hereby authorized to affix the seal of the Issuer thereto and to attest the same, all in substantially the forms thereof presented to this meeting, with such changes, variations, omissions and insertions as the Chairman (or Vice Chairman) shall approve, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

(B) The Chairman, Vice Chairman and/or Chief Executive Officer of the Issuer are hereby further authorized to execute any documentation requested by the Remarketing Agent to indicate the Issuer’s approval of an official statement or a remarketing circular.

Section 6. The officers, employees and agents of the Issuer are hereby authorized and directed for and in the name and on behalf of the Issuer to do all acts and things required or provided for by the provisions of the Amended Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of this Resolution and to cause compliance by the Issuer with all of the terms, covenants and provisions of the Amended Documents binding upon the Issuer.

Section 7. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Anthony J. Ferrara	VOTING	_____
Willard A. Bruce	VOTING	_____
Susan Pedo	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
Gary Simpson	VOTING	_____
Prairie Wells	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF ALBANY                    )

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the "Issuer"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Issuer, including the Resolution contained therein, held on May 6, 2011 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Issuer had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Issuer present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Issuer this 6<sup>th</sup> day of May, 2011.

---

Authorized Officer

(SEAL)



EXHIBIT A  
REQUEST

# The College of Saint Rose

432 Western Avenue, Albany, NY 12203-1490

1.800.637.8556

www.strose.edu

**VICE PRESIDENT FOR FINANCE AND ADMINISTRATION**  
ph (518) 454.5216 fax (518) 454.2018

April 20, 2011

MBIA Insurance Corporation  
Attn: Insured Portfolio Management  
113 King Street  
Armonk, NY 10504

Re: *City of Albany Industrial Development Agency*  
*Floating Rate Civic Facility Revenue Bonds (The College of Saint Rose Project,*  
*Series 2007A) and City of Albany Industrial Development Agency*  
*Floating Rate Civic Facility Revenue Bonds (The College of Saint Rose Project,*  
*Series 2007B)(Taxable)(Collectively, the "2007 Bonds")*  
*MBIA Insurance Corporation Policy Number: INC-1486 (the "Policy")*

Gentlemen:

On behalf of The College of Saint Rose (the "College"), I am hereby requesting that MBIA Insurance Corporation ("MBIA") consent to the waiver of, and amendments to, certain provisions in the financing documents pertaining to the 2007 Bonds, including amendments discontinuing the above-referenced Policy.

The 2007 Bonds were originally issued as "auction rate securities" in the aggregate principal amount of \$40,600,000 and were insured by MBIA through the Policy. In July 2008, the 2007 Bonds were re-offered as variable rate demand bonds backed not only by the Policy, but also by a Letter of Credit issued by the Bank of America (the "Bank"). The 2007 Bonds were also secured by a Mortgage dated as of June 1, 2007 from the City of Albany Industrial Development Agency (the "Agency") and the College to Manufacturers and Traders Trust Company, as Trustee (the "2007 Trustee") and a pledge of the Gross Revenues of the College made by the College to the Agency pursuant to the Installment Sale Agreement dated as of June 1, 2007 between the College and the Agency and assigned by the Agency to the 2007 Trustee pursuant to a Pledge and Assignment dated as of June 1, 2007 from the Agency to the 2007 Trustee. The Agency's obligation to pay the 2007 Bonds was also secured by a Guaranty dated as of June 1, 2007 from the College to the 2007 Trustee (the "Guaranty").

In order to continue to attract high caliber students and remain competitive, the College needs to construct a new 92,000± square foot student dormitory, containing 225 beds and related improvements, and to renovate an existing student dormitory. The cost of the project is estimated to be \$25,000,000. The College would like to finance approximately \$21,000,000 of the costs of the Project through the issuance by the City of Albany Capital Resource Corporation of fixed rate, tax-exempt bonds (the "CRC Bonds"); the balance of the costs would be paid by the College from its own funds. The CRC Bonds would be secured by a mortgage on the new

student dormitory. That property was not included in the Mortgage securing the 2007 Bonds. The CRC Bonds would also be secured by a pledge of the College's Gross Revenues. That pledge would be subject and subordinate to the pledge of the Gross Revenues securing the 2007 Bonds. As explained in more detail below, in order to issue the CRC Bonds, certain provisions in the financing documents pertaining to the 2007 Bonds need to be waived and other provisions need to be amended.

Specifically, the Guaranty relating to the 2007 Bonds sets forth certain financial covenants which the College is required to maintain. The issuance of the CRC Bonds would not be permitted by the Additional Debt Test as set forth in Section 3 of the Schedule C to the Guaranty. The covenant requires the College to have adjusted unrestricted net assets of at least 60% of long-term debt including proposed debt. On an FY'10 (June 30, 2010) pro-forma basis the ratio would be .523 after giving effect to the CRC Bonds. Otherwise, the College has been and expects to be in compliance with the Guaranty's covenants. It should also be noted that the ratio is estimated to be at .86 in FY'11 even after giving effect to the CRC Bonds. Additionally, in order to issue the CRC Bonds, two small parcels of land (the "Parcels") would need to be released from the lease between the College and the Agency and from the Installment Sale Agreement. It should be noted that the Parcels were not included in the Mortgage securing the 2007 Bonds and so releasing them from the Lease and the Installment Sale Agreement will have no effect on the security for the 2007 Bonds.

Accordingly, the College is respectfully requesting that MBIA (1) waive the Additional Debt Test in the Guaranty; (2) consent to the subordinate pledge of the Gross Revenues; and (3) consent to the release of the Parcels from the lease to the Agency and from the Installment Sale Agreement.

Further, in connection with the foregoing, the College would like to make the following additional amendments (the "Additional Amendments") to the Financing Documents relating to the 2007 Bonds. First, the College proposes to cancel the Policy and eliminate any reference to it and to MBIA in the 2007 Financing Documents; the Bank has agreed to the termination of the Policy in its renewal of the Letter of Credit. Second, the College intends to eliminate the financial covenants from the Guaranty and, instead, be bound by the financial covenants set forth in the to be amended Reimbursement Agreement. The College proposes to implement the foregoing by first amending the 2007 Indenture to add a new "Monthly Mode," which amendment requires the consent of MBIA. The amendment would also provide that when the College converts to the Monthly Mode, all 2007 Bonds must be tendered to the Trustee. Immediately after the amendment became effective, the College would exercise its right to convert the 2007 Bonds to the Monthly Mode. The Letter of Credit would then be drawn upon to pay the 2007 Bonds and the Bonds would be held, briefly, by the Bank. At that time, the Bank would consent to the amendment to the 2007 Financing Documents deleting the financial covenants in the Guaranty and the references to the Policy in the 2007 Financing Documents and the Policy would be cancelled. The 2007 Bonds would then be remarketed. The College has discussed this plan with the Bank and the Bank has agreed in principle. We expect to have the Bank's approval prior to the issuance of the CRC Bonds.

MBIA Insurance Corporation

April 20, 2011

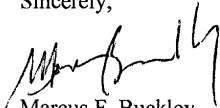
Page 3

The reason that the College is not asking that all of the waivers, consents and amendments be obtained at the same time is one of timing. That is, in order to complete the new dormitory and the renovations to the existing dormitory on schedule, construction needs to begin and the CRC Bonds need to be issued as soon as possible. Additionally, interest rates are moving higher and so it is in the College's best interest that the CRC be issued as expeditiously as possible. However, the exiting notice provisions in the 2007 Indenture prevent the addition of the new Monthly Mode and the conversion to that mode to be done expeditiously. The College expects that the Additional Amendments will be fully in place and that the Policy would be cancelled within ninety (90) days of the issuance of the CRC Bonds. Accordingly, the College requests that MBIA also consent to the amendment of the 2007 Financing Documents to permit the addition of the Monthly Mode.

I have attempted to set forth in this letter the overall plan the College would like MBIA to consider and approve. However, I presume that you will have questions on the plan. Please do not hesitate to contact Tom Cullinan at RBC Capital Markets (518-432-5072), our attorney, Stephen Reilly (518-487-7671) or me (518-454-5216) for further information.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Marcus F. Buckley', with a stylized flourish at the end.

Marcus F. Buckley  
Vice President for Finance and Administration

**AMENDMENT RESOLUTION  
COMMUNITY CENTER SUBLEASE**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on May 6, 2011 at 12:15 p.m., local time.

The meeting was called to order by the (Vice) Chairman of the Agency and, upon roll being called, the following members of the Agency were:

**PRESENT:**

Anthony J. Ferrara	Chairman
Willard A. Bruce	Vice Chairman
Susan Pedo	Secretary
Hon. Kathy Sheehan	Treasurer
Martin Daley	Member
Gary Simpson	Member
Prairie Wells	Member

**ABSENT:**

**AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:**

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Joshua Poupore	Communications Officer - Capitalize Albany Corporation
Jeffrey Sullivan	Department of Development and Planning
John J. Reilly, Esq.	Corporation Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Resolution No. 0511-\_\_

WHEREAS, City of Albany Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the “Enabling Act”) and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the “Act”) to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreation facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, reconstruct, renovate and install one or more “projects” (as defined in the Act) or to cause said projects to be acquired, reconstructed, renovated and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, in February 2002 (the “Closing Date”), the Agency entered into a sublease agreement dated as of February 1, 2002 (the “Sublease Agreement”) by and between the New Covenant Charter School (the “Institution”) and the Agency for the purpose of subleasing from the Institution a portion of the New Covenant Charter School facility located on 50 North Lark Street in the City of Albany (the “Project Facility”) for use as a community center (the “Community Center”) to benefit the residents of the City of Albany; and

WHEREAS, in connection with the acquisition, construction and installation of the Project Facility the Agency issued its Tax-Exempt Civic Facility Revenue Bonds (New Covenant Charter School Project), Series 2005A and Taxable Civic Facility Revenue Bonds (New Covenant Charter School Project), Series 2005B (the “Bonds”) under a resolution adopted by the members of the Agency on April 28, 2005 (the “Bond Resolution”) and a trust indenture dated as of May 1, 2005 (the “Indenture”) by and between the Agency and U.S. Bank National Association, as trustee (the “Trustee”); and

WHEREAS, the Community Center is managed and operated by the City of Albany (the “City”); and

WHEREAS, the Institution is no longer operating a charter school in the Project Facility and, accordingly, is no longer occupying the Project Facility; and

WHEREAS, in light of the change in use of the Project Facility, the Trustee and the owners of the Bonds have requested that the Sublease Agreement be modified (the “Modification”) to reflect a change in the allocation of the utility fees and other general charges relating to the Project Facility; and

WHEREAS, the City has reviewed the terms of the proposed changes and desires that the Modification be implemented so as to ensure that the residents of the City of Albany continue to receive the benefits of the Community Center; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the “Regulations” and collectively with the SEQR Act, “SEQRA”), the Agency must satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the Modification; and

WHEREAS, pursuant to SEQRA, the Agency has examined the Modification in order to make a determination as to whether the Modification is subject to SEQRA, and it appears that the Modification constitutes a Type II action under SEQRA;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. Based upon an examination of the Modification, the Agency hereby makes the following determinations:

(A) The Modification constitutes a “Type II action” pursuant to 6 NYCRR 617.5(c)(23), and therefore that, pursuant to 6 NYCRR 617.6(a)(1)(i), the Agency has no further responsibilities under SEQRA with respect to the Modification.

(B) That no public hearing under Section 859-a of the Act is required to be held with respect to the Modification.

Section 2. The Agency hereby authorizes the execution and delivery of the Modification and any related documents (collectively, the “Modification Documents”), as finalized and completed by the Chief Executive Officer and reviewed by Agency Special Counsel.

Section 3. The Chairman (or Vice Chairman) of the Agency is hereby authorized to execute and deliver the Modification Documents, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, with such changes, variations, omissions and insertions as the Chairman (or Vice Chairman) shall approve, with the advice and direction of the Chief Executive Officer, the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Modification Documents, and to execute and deliver all such additional certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing Resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Modification Documents binding upon the Agency.

Section 5. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Anthony J. Ferrara	VOTING	_____
Willard A. Bruce	VOTING	_____
Susan Pedo	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
Gary Simpson	VOTING	_____
Prairie Wells	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF ALBANY                    )

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on May 6, 2011 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this \_\_\_\_ day of May, 2011.

\_\_\_\_\_  
(Assistant) Secretary

(SEAL)



**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: The Spanos Corporation

APPLICANT'S ADDRESS: 10100 Trinity Parkway, 5th Floor

CITY: Stockton, STATE: CA ZIP CODE: 95219

PHONE NO.: 209-478-7954 FAX NO.: 209-478-3415 E-MAIL: nfaklis@agspanos.com

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

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

NAME OF ATTORNEY: Paul Goldman/Segel, Goldman, Mazzotta & Siegel, P.C.

ATTORNEY'S ADDRESS: 9 Washington Square

CITY: Albany, STATE: NY ZIP CODE: 12205

PHONE NO.: 518-452-0941 FAX NO.: 518-452-0417 E-MAIL: pgoldman@sgmalbany.com

-----  
NOTE: PLEASE READ THE INSTRUCTIONS ON PAGE 2 HEREOF BEFORE FILLING OUT THIS FORM.  
-----

## INSTRUCTIONS

1. The Agency will not approve any application unless, in the judgment of the Agency, said application and the summary contains sufficient information upon which to base a decision whether to approve or tentatively approve an action.
2. Fill in all blanks, using "none" or "not applicable" or "N/A" where the question is not appropriate to the project which is the subject of this application (the "Project").
3. If an estimate is given as the answer to a question, put "(est)" after the figure or answer which is estimated.
4. If more space is needed to answer any specific question, attach a separate sheet.
5. When completed, return eight (8) copies of this application to the Agency at the address indicated on the first page of this application.
6. The Agency will not give final approval to this application until the Agency receives a completed environmental assessment form concerning the Project which is the subject of this application.
7. Please note that Article 6 of the Public Officers Law declares that all records in the possession of the Agency (with certain limited exceptions) are open to public inspection and copying. If the applicant feels that there are elements of the Project which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the applicant's competitive position, the applicant may identify such elements in writing and request that such elements be kept confidential in accordance with Article 6 of the Public Officers Law.
8. The applicant will be required to pay to the Agency all actual costs incurred in connection with this application and the Project contemplated herein (to the extent such expenses are not paid out of the proceeds of the Agency's bonds issued to finance the project). The applicant will also be expected to pay all costs incurred by general counsel and bond counsel to the Agency. The costs incurred by the Agency, including the Agency's general counsel and bond counsel, may be considered as a part of the project and included as a part of the resultant bond issue.
9. The Agency has established an application fee of One Thousand Five Hundred Dollars (\$1,500) to cover the anticipated costs of the Agency in processing this application. A check or money order made payable to the Agency must accompany each application. THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS ACCOMPANIED BY THE APPLICATION FEE.

FOR AGENCY USE ONLY

1. Project Number	
2. Date application Received by Agency	_____, 20____
3. Date application referred to attorney for review	_____, 20____
4. Date copy of application mailed to members	_____, 20____
5. Date notice of Agency meeting on application posted	_____, 20____
6. Date notice of Agency meeting on application mailed	_____, 20____
7. Date of Agency meeting on application	_____, 20____
8. Date Agency conditionally approved application	_____, 20____
9. Date scheduled for public hearing	_____, 20____
10. Date Environmental Assessment Form ("EAF") received	_____, 20____
11. Date Agency completed environmental review	_____, 20____
12. Date of final approval of application	_____, 20____

## SUMMARY OF PROJECT

Applicant: The Spanos Corporation

Contact Person: Nick Faklis

Phone Number: 209-478-7954

Occupant: The Spanos Corporation

Project Location: 255 Patroon Creek Boulevard, Albany, NY

Approximate Size of Project Site: 6.5 acres

Description of Project: 300 unit luxury multi-family property.

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

Employment Impact: Existing Jobs 8

New Jobs The 8 jobs referenced above were newly created positions.

Project Cost: \$ \$42,188,000

Type of Financing: ☐ Tax-Exempt ☐ Taxable ☒ Straight Lease

Amount of Bonds Requested: \$ N/A

Estimated Value of Tax-Exemptions:

N.Y.S. Sales and Compensating Use Tax:	\$ <u>N/A</u>
Mortgage Recording Taxes:	\$ <u>N/A</u>
Real Property Tax Exemptions:	\$ <u>see explanation</u>
Other (please specify):	\$ <u>N/A</u>

The company is seeking a pilot agreement pursuant to the attached proposal appended to this application.



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

A. Identity of Company:

1. Company Name: The Spanos Corporation

Present Address: 10100 Trinity Parkway, 5th Floor

Stockton, CA

Zip Code: 95219

Employer's ID No.: 68-0347944

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? USA  
What State? California Date Incorporated? Type of  
Corporation? Authorized to do business in New York?  
Yes ☒; No ☐). Incorporated 12/02/1994

b. ☐ Partnership (if so, indicate type of partnership \_\_\_\_\_,  
Number of general partners \_\_\_\_\_, Number of limited partners \_\_\_\_\_).

c. ☐ Limited liability company,  
Date created? \_\_\_\_\_.

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: The Company and its affiliates have many other multi-family housing projects across the country.

B. Management of Company:

1. List all owners, officers, members, directors and partners (complete all columns for each person):  
See attached.

NAME (First, Middle, Last) HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS

2. Is the Company or management of the Company now a plaintiff or a defendant in any civil or criminal litigation? Yes X ; No \_\_\_\_.

civil matters covered by insurance in the ordinary course of business of the Company.

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. The Company has various liability claims which are covered by insurance. The claims are of a nature which are typical to owners & managers

C. Principal Owners of Company: of multifamily construction and housing projects in the ordinary course of business.

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:  
See attached.

NAME	ADDRESS	PERCENTAGE OF HOLDING

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

II. DATA REGARDING PROPOSED PROJECT

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

Acquisition of an approximately 6.5 acre parcel of land located at 255 Patroon Creek Boulevard, acquisition of a 300-unit multifamily housing development & associated parking facility and acquisition of personal property installed therein.

B. Location of Proposed Project:

1. Street Address 255 Patroon Creek Boulevard
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: 6.5 acres  
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:  
281,850 square feet (net)  
372,300 square feet (gross)
  - b. Are existing buildings in operation? Yes X; No \_\_\_\_.  
If yes, describe present use of present buildings:  
300 multi-family units
  - c. Are existing buildings abandoned? Yes \_\_\_\_; No X. About to be abandoned? Yes \_\_\_\_; No X. If yes, describe:
  - d. Attach photograph of present buildings. Attached

3. Utilities serving project site:  
Water-Municipal: Municipal  
Other (describe)  
Sewer-Municipal: Municipal  
Other (describe)  
Electric-Utility:  
Other (describe) National Grid  
Heat-Utility:  
Other (describe) National Grid
4. Present legal owner of project site: The Spanos Corporation
- a. If the Company owns project site, indicate date of purchase: 10/24, 2007; Purchase price: \$ 4,050,000.
- 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    . 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-O District
- b. Are there any variances or special permits affecting the site? Yes X; No     . If yes, list below and attach copies of all such variances or special permits:  
The project has received a parking variance from the City of Albany.

D. Buildings:

1. Does part of the project consist of a new building or buildings? Yes X; No     . If yes, indicate number and size of new buildings: The Company constructed 300 units of multi-family housing and associated parking on the land.
2. Does part of the project consist of additions and/or renovations to the existing buildings? Yes     ; No X. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation:
3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed or expanded:  
300 multi-family units and associated parking facility.



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: The Company purchased and installed various equipment for use in the multi-family units.
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:  
The equipment, such as appliances, fixtures are used by tenants living in the building.

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?  
Leasing of and maintenance of 300 multi-family units
3. Does the Project include facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities? Yes \_\_\_\_; No X. If yes, please provide detail:
4. If the answer to question 3 is yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project? N/A %
5. If the answer to question 3 is yes, and the answer to question 4 is more than 33.33%, indicate whether any of the following apply to the Project: N/A

- a. Will the Project be operated by a not-for-profit corporation? Yes\_\_\_\_; No\_\_\_\_. If yes, please explain: N/A
- b. Is the Project likely to attract a significant number of visitors from outside the economic development region in which the Project will be located? Yes\_\_\_\_; No\_\_\_\_. If yes, please explain: N/A
- c. Would the Project occupant, but for the contemplated financial assistance from the Agency, locate the related jobs outside the State of New York? Yes\_\_\_\_; No\_\_\_\_. If yes, please explain: N/A
- d. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonably accessible to the residents of the city, town or village within which the Project will be located, because of a lack of reasonably accessible retail trade facilities offering such goods or services? Yes\_\_\_\_; No\_\_\_\_. If yes, please provide detail: N/A
- e. Will the Project be located in one of the following: (i) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (ii) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most recent census data, has (x) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? Yes\_\_\_\_; No\_\_\_\_. If yes, please explain: N/A
6. If the answers to any of subdivisions c. through e. of question 5 is yes, will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York? Yes\_\_\_\_; No\_\_\_\_. If yes, please explain: N/A
7. Will the completion of the Project result in the removal of a plant or facility of the Company or another proposed occupant of the Project (a "Project Occupant") from one area of the State of New York to another area of the State of New York? Yes\_\_\_\_; No X\_\_\_\_. If yes, please explain:

8. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Company located in the State of New York? Yes \_\_\_\_; No X. If yes, please provide detail:

9. If the answer to either question 7 or question 8 is yes, indicate whether any of the following apply to the Project:

- 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.

N/A

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

N/A

H. Construction Status:

1. Has construction work on this project begun? Yes \_\_\_\_; 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.:

N/A This project is completed.



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:

\$ \_\_\_\_\_

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 \_\_\_\_; No X. N/A

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 \_\_\_\_; No \_\_\_\_ N/A

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: The Company has leased the property for residential multi-family use.

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: 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? The project is 99% leased.

#### 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	3	3	2		8
Present Part Time	---	---	---	---	
Present Seasonal	---	---	---	---	
First Year Full Time	3	3	2		8
First Year Part Time	---	---	---	---	
First Year Seasonal	---	---	---	---	
Second Year Full Time	3	3	2		8
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. See attached

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	\$ 4,066,000
Buildings	\$ 34,122,000
<del>Machinery and equipment</del> Garage	\$ 4,000,000
Utilities, roads and appurtenant costs	\$ _____
Architects and engineering fees	\$ _____
Costs of Bond issue (legal, financial	



and printing)	\$ _____
Construction loan fees and interest	
(if applicable)	\$ _____
Other (specify)	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
 TOTAL PROJECT COST	 \$ 42,188,000

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

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: N/A Dollars;
  - b. Maturity requested: N/A 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 \_\_\_\_; No X. If yes, what is the approximate amount of financing to be secured by mortgages? \$ \_\_\_\_\_. The financing for the Project is in place and no mortgage tax exemption is requested.

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 \_\_\_\_; No X. 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? \$ N/A.

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>N/A</u>
b.	Mortgage Recording Taxes:	\$ <u>N/A</u>
c.	Real Property Tax Exemptions:	\$ <u>*</u>
d.	Other (please specify):	\$ <u>N/A</u>
		\$ <u>N/A</u>

\* See attached PILOT request from Applicant.

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.

See attached PILOT request from Applicant.

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:

THE SPANOS CORPORATION

(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 Corporation)

STATE OF California )

COUNTY OF SAN JOAQUIN ) SS.:

Nick Faklis deposes and says that he is the  
(Name of chief executive of applicant)  
Vice President of THE SPANOS CORPORATION  
(Title) (Company Name)

the corporation 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 corporation. 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 corporation.

  
\_\_\_\_\_  
(officer of applicant)

Sworn to before me this  
\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

See attached  
guarant.  
mh  
\_\_\_\_\_  
(Notary Public)

**California Jurat**

State of California  
County of San Joaquin

Subscribed and sworn to (or affirmed) before me on this 28<sup>th</sup> day of January, 2011, by Nick Faklis, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

(Seal)

Signature

*Nannette P. Hatch*



**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: City of Albany Industrial Development Agency  
Application (Verification Form – 1 Page)  
(Re Patroon Creek in Albany)

Document Date: Not Dated (Except Certification Page Dated 1/28/11.)

Number of Pages: 29 in Entire Document

Signer(s) Other Than Named Above: None

VERIFICATION

(If applicant is sole proprietor)

STATE OF \_\_\_\_\_ )  
 ) SS.:  
COUNTY OF \_\_\_\_\_ )

\_\_\_\_\_, deposes and says

(Name of Individual)

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.

\_\_\_\_\_  
Sworn to before me this  
\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
(Notary Public)



VERIFICATION

(If applicant is partnership)

STATE OF \_\_\_\_\_ )  
 ) SS.:  
COUNTY OF \_\_\_\_\_ )

\_\_\_\_\_, deposes and says

(Name of Individual)

that he is one of the members of the firm of \_\_\_\_\_,  
(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  
\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
(Notary Public)

## VERIFICATION

(If applicant is limited liability company)

STATE OF \_\_\_\_\_ )  
 ) SS.:  
COUNTY OF \_\_\_\_\_ )

\_\_\_\_\_, deposes and says

(Name of Individual)

that he is one of the members of the firm of \_\_\_\_\_ (Partnership Name)

the partnership 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 partnership.

Sworn to before me this  
day of \_\_\_\_\_, 20\_\_.

(Notary Public)

NOTE: THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 22 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.

THE SPANOS CORPORATION

(Applicant)

BY: 

Name:  
Title:

Nick Faklis  
Vice President

Sworn to before me this  
\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

(Notary Public)

*See attached  
guar.  
nh*

**California Jurat**

State of California  
County of San Joaquin

Subscribed and sworn to (or affirmed) before me on this 28<sup>th</sup> day of January, 2011, by Nick Faklis, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

(Seal)

Signature

*Nannette P. Hatch*



**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: City of Albany Industrial Development Agency  
Application (Hold Harmless Agreement – 1 Page)  
(Re Patroon Creek in Albany)

Document Date: Not Dated (Except Certification Page Dated 1/28/11.)

Number of Pages: 29 in Entire Document

Signer(s) Other Than Named Above: None



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"): The Spanos Corporation
2. Brief Identification of the Project: 300 unit luxury multi-family property
3. Estimated Amount of Project Benefits Sought:
  - A. Amount of Bonds Sought: \$ N/A
  - B. Value of Sales Tax Exemption Sought: \$ N/A
  - C. Value of Real Property Tax Exemption Sought: \$ see proposal attached
  - D. Value of Mortgage Recording Tax Exemption Sought: \$ N/A

### PROJECTED PROJECT INVESTMENT

A. Land-Related Costs		
1. Land acquisition		\$ 4,066,000
2. Site preparation		\$ 0
3. Landscaping		\$ 0
4. Utilities and infrastructure development		\$ 0
5. Access roads and parking development		\$ 0
6. Other land-related costs (describe)		\$ 0
B. Building-Related Costs		
1. Acquisition of existing structures		\$ 0
2. Renovation of existing structures		\$ 0
3. New construction costs		\$ 34,122,000
4. Electrical systems		\$ 0
5. Heating, ventilation and air conditioning		\$ 0
6. Plumbing		\$ 0
7. Other building-related costs (describe) Garage		\$ 4,000,000

C.	Machinery and Equipment Costs	
1.	Production and process equipment	\$ 0
2.	Packaging equipment	\$ 0
3.	Wharehousing equipment	\$ 0
4.	Installation costs for various equipment	\$ 0
5.	Other equipment-related costs (describe)	\$ 0
D.	Furniture and Fixture Costs	
1.	Office furniture	\$ 0
2.	Office equipment	\$ 0
3.	Computers	\$ 0
4.	Other furniture-related costs (describe)	\$ 0
E.	Working Capital Costs	
1.	Operation costs	\$ 0
2.	Production costs	\$ 0
3.	Raw materials	\$ 0
4.	Debt service	\$ 0
5.	Relocation costs	\$ 0
6.	Skills training	\$ 0
7.	Other working capital-related costs (describe)	\$ 0
F.	Professional Service Costs	
1.	Architecture and engineering	\$ 0
2.	Accounting/legal	\$ 0
3.	Other service-related costs (describe) Insurance	\$ 0
G.	Other Costs	
1.		\$ 0
2.		\$ 0
H.	Summary of Expenditures	
1.	Total Land-Related Costs	\$ 4,066,000
2.	Total Building-Related Costs	\$ 38,122,000
3.	Total Machinery and Equipment Costs	\$ 0
4.	Total Furniture and Fixture Costs	\$ 0
5.	Total Working Capital Costs	\$ 0
6.	Total Professional Service Costs	\$ 0
7.	Total Other Costs	\$

\$ 42,188,000

### 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	\$ 2,393,158	\$ 2,023,158* **
2	\$ 2,488,884	\$ 2,448,884**
3	\$ 2,588,440	\$ 2,548,440**
4	\$ 2,691,977	\$ 2,651,997**
5	\$ 2,799,656	\$ 2,759,656**

\*Includes projected IDA Fee \*\*Includes Community Benefit Fee of  
PROJECTED CONSTRUCTION EMPLOYMENT IMPACT \$40,000 over 10 years

- 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	230	\$ 9,430,000	\$ 754,400
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	3	3	2	
Year 1	3	3	2	
Year 2	3	3	2	
Year 3	3	3	2	
Year 4	3	3	2	
Year 5	3	3	2	

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

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:  
.37%

A. Provide a brief description of how the project expects to meet this percentage: Three of the eight employees are City of Albany residents.

**PROJECTED OPERATING IMPACT**

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

Additional Purchases (1 <sup>st</sup> year following project completion)	\$ <u>0</u>
Additional Sales Tax Paid on Additional Purchases	\$ <u>0</u>
Estimated Additional Sales (1 <sup>st</sup> full year following project completion)	\$ <u>0</u>
Estimated Additional Sales Tax to be collected on additional sales (1 <sup>st</sup> full year following project completion)	\$ <u>0</u>

II. Please provide estimates for the impact of Project on existing real property taxes and new payments in lieu of taxes ("Pilot Payments"): See attached proposed pilot calculations.



Year	Existing Real Property Taxes (Without IDA involvement)	New Pilot Payments (With IDA)	Total (Difference)
Current Year	76,230	76,230	-0-
Year 1	76,230	76,230	-0-
Year 2	76,230	76,230	-0-
Year 3	76,230	76,230	-0-
Year 4	76,230	76,230	-0-
Year 5	76,230	76,230	-0-
Year 6	?	300,000	?
Year 7	?	550,000	?
Year 8	?	550,000	?
Year 9	?	625,000	?
Year 10	?	625,000	

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

Local retail & service industries will benefit from the new people living in the City of Albany.

### CERTIFICATION

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

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

Date Signed: JANUARY 28, 2008 11

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

Name: Nick Faklis

Title: VICE PRESIDENT

Phone Number: 209-478-7954

Address: 10100 Trinity Parkway, 5th Floor  
Stockton, CA 95219

Signature: 

## CREATION OF NEW JOB SKILLS

New Job Skills	Number of Positions Created	Wage Rate
Manager	1	\$ 50,000
Assistant Manager	1	31,200
Leasing Agent	1	31,200
Maintenance Supervisor	1	45,760
Maintenance Engineer	1	33,280
Maintenance Engineer	1	33,280
Housekeeper	1	24,960
Housekeeper	1	24,960

-29-

PILOT Proposal  
The Alexander

# Units

300

Year/Assessment Roll	Current Payment	Proposed PILOT Payment
2011	\$ 76,230.000	\$ 76,230.00
2012	\$ 76,230.000	\$ 76,230.00
2013	\$ 76,230.000	\$ 76,230.00
2014	\$ 76,230.000	\$ 76,230.00
2015	\$ 76,230.000	\$ 76,230.00
2016	\$ 76,230.000	\$ 76,230.00
2017	\$ -	\$ 300,000.00
2018	\$ -	\$ 550,000.00
2019	\$ -	\$ 550,000.00
2020		\$ 625,000.00
2021		\$ 625,000.00
2022		\$ 625,000.00
2023		\$ 650,000.00
2024		\$ 650,000.00
2025		\$ 650,000.00
2026		\$ 650,000.00
2027		\$ 650,000.00
2028		\$ 675,000.00
2029		\$ 675,000.00
2030		\$ 675,000.00
2031		\$ 700,000.00
2032		\$ 700,000.00
2033		\$ 700,000.00
2034		\$ 700,000.00

Note 1: IDA Fee is to be Paid - \$330,000 (excludes garage cost)

Note 2: Fee for Community Benefits to the City of Albany - \$400,000



## Fact Sheet (Corporation) The Spanos Corporation

"S" Corporation

<b>State Incorporated:</b>	California	<b>Fiscal Year:</b>	Ends September 30
<b>Date Incorporated:</b>	12/2/94	<b>Corporation No.</b>	C1754552
<b>Status:</b>	Active	<b>Tax I.D. No.</b>	68-0347944

<b>Officers:</b>	Dean A. Spanos	President
	Michael A. Spanos	Executive Vice President
	Steven L. Cohen	Executive Vice President / Chief Financial Officer
	Jeremiah T. Murphy	Executive Vice President
	Dea Spanos Berberian	Secretary
	Charles E. Raffo	Vice President
	James N. Kourafas	Vice President

<b>Directors:</b>	Dean A. Spanos	Michael A. Spanos
	Dea Spanos Berberian	Alexis Spanos Ruhl

<b>Shareholders:</b>	Dean A. Spanos	26,000 Shares	26 Percent
	Michael A. Spanos	26,000 Shares	26 Percent
(Into Trusts)	Dea Spanos Berberian	20,000 Shares	20 Percent
	Alexis Spanos Ruhl	20,000 Shares	20 Percent
	A. G. Spanos	8,000 Shares	8 Percent

<b>Total Shares Issued</b>	100,000	<b>Date of Shareholders' Meeting:</b>
<b>Total Shares Authorized:</b>	100,000	2 <sup>nd</sup> Monday of Every January.











## City of Albany IDA Application

### Addendum to page 14

#### Type of Employment

##### Professional / Managerial –

There are three employees in the category. They would include the Property Manager, Assistant Manager, and Leasing Agent positions. The duties of these employees include the leasing of apartment units, approval of rental applications, handling resident issues, and collection of rent.

##### Skilled –

There are three employees in the category. They would include the Maintenance Supervisor and two Maintenance employees. The duties of these employees include, the day-to-day maintenance of the property such as handling resident requests for service, preparing apartment units for move-in, servicing the common areas of the property (i.e. pool, exercise facility, etc.), and preventative care of the property.

##### Unskilled –

There are two employees in this category. They would include the housekeepers. The duties of the housekeepers are to get apartment units cleaned for move-in and cleaning of the common areas of the property (office, corridors, and amenity facilities).

**PUBLIC HEARING RESOLUTION  
THE SPANOS CORPORATION PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on May 6, 2011 at 12:15 p.m., local time.

The meeting was called to order by the (Vice) Chairman of the Agency and, upon roll being called, the following members of the Agency were:

**PRESENT:**

Anthony J. Ferrara	Chairman
Willard A. Bruce	Vice Chairman
Susan Pedo	Secretary
Hon. Kathy Sheehan	Treasurer
Martin Daley	Member
Gary Simpson	Member
Prairie Wells	Member

**ABSENT:**

**AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:**

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Joshua Poupore	Communications Officer - Capitalize Albany Corporation
Jeffrey Sullivan	Department of Development and Planning
John J. Reilly, Esq.	Corporation Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Resolution No. 0511-\_\_

**RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF THE SPANOS CORPORATION.**

WHEREAS, the Agency is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and

furnishing of commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, The Spanos Corporation, a California business corporation (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 6.5 acres located at 255 Patroon Creek Boulevard, in the City of Albany, New York (the “Land”) together with the 372,300 square foot facility located on the Land (the “Facility”), and (2) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), all of the foregoing to constitute multi-family apartments that will be owned by the Company and leased to various tenants; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from real property taxes (the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to Section 859-a of the Act, prior to the Agency providing any “financial assistance” (as defined in the Act) of more than \$100,000 to any project, the Agency, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project; and

WHEREAS, the Agency desires to provide for compliance with the provisions of Section 859-a of the Act with respect to the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby authorizes the Chief Executive Officer of the Agency, after consultation with the members of the Agency and Agency Counsel, (A) to establish the time, date and place for a public hearing of the Agency to hear all persons interested in the Project (the “Public Hearing”); (B) to cause the Public Hearing to be held in the City of Albany, New York, and to cause notice of such Public Hearing to be given to the public by publishing a notice or notices of such Public Hearing in a newspaper of general circulation available to the residents of the governmental units where the Project Facility is or is to be located, such notice or notices to comply with the requirements of Section 859-a of the Act; (C) to cause notice of the Public Hearing to be given to the chief executive officer of the county and of each city, town, village and school district in which the Project Facility is or is to be located to comply with the requirements of Section 859-a of the Act; (D) to conduct such Public Hearing; (E) to cause a report of the Public Hearing fairly summarizing the views presented at such Public Hearing (the “Report”) to be prepared; and (F) to cause a copy of the Report to be made available to the members of the Agency.

Section 2. The Chairman, Vice Chairman and/or Chief Executive Officer of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such

further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 3. All action taken by the Chief Executive Officer of the Agency in connection with the Public Hearing with respect to the Project prior to the date of this Resolution is hereby ratified and confirmed.

Section 4. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Anthony J. Ferrara	VOTING	_____
Willard A. Bruce	VOTING	_____
Susan Peto	VOTING	_____
Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
Gary Simpson	VOTING	_____
Prairie Wells	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF ALBANY                    )

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on May 6, 2011 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 6th day of May, 2011.

---

(Assistant) Secretary

(SEAL)



**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:** SRS ALBANY LLC (Attention: Joseph R. Nicolla cc: Marc Goldstein)

**APPLICANT'S ADDRESS:** 302 WASHINGTON AVENUE EXTENSION

**CITY:** ALBANY **STATE:** NEW YORK **ZIP CODE:** 12203

**PHONE NO.:** 518-862-9133 **FAX NO.:** 518-862-9443 **E-MAIL:** jnicolla@aol.com;  
mgoldstein@columbiadev.com

**NAME OF PERSON(S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO THIS APPLICATION:**

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

**NAME OF ATTORNEY:** Segel, Goldman, Mazzotta & Siegel P.C. Attention: Debra J. Lambek, Esq.

**ATTORNEY'S ADDRESS:** 9 Washington Square

**CITY:** Albany **STATE:** New York **ZIP CODE:** 12205

**PHONE NO.:** 518-452-0941 **FAX NO.:** 518-452-0417 **E-MAIL:** debra@sgmalbany.com

-----  
**NOTE: PLEASE READ THE INSTRUCTIONS ON PAGE 2 HEREOF BEFORE FILLING OUT THIS FORM.**  
-----

## INSTRUCTIONS

1. The Agency will not approve any application unless, in the judgment of the Agency, said application and the summary contains sufficient information upon which to base a decision whether to approve or tentatively approve an action.
2. Fill in all blanks, using "none" or "not applicable" or "N/A" where the question is not appropriate to the project which is the subject of this application (the "Project").
3. If an estimate is given as the answer to a question, put "(est)" after the figure or answer which is estimated.
4. If more space is needed to answer any specific question, attach a separate sheet.
5. When completed, return eight (8) copies of this application to the Agency at the address indicated on the first page of this application.
6. The Agency will not give final approval to this application until the Agency receives a completed environmental assessment form concerning the Project which is the subject of this application.
7. Please note that Article 6 of the Public Officers Law declares that all records in the possession of the Agency (with certain limited exceptions) are open to public inspection and copying. If the applicant feels that there are elements of the Project which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the applicant's competitive position, the applicant may identify such elements in writing and request that such elements be kept confidential in accordance with Article 6 of the Public Officers Law.
8. The applicant will be required to pay to the Agency all actual costs incurred in connection with this application and the Project contemplated herein (to the extent such expenses are not paid out of the proceeds of the Agency's bonds issued to finance the project). The applicant will also be expected to pay all costs incurred by general counsel and bond counsel to the Agency. The costs incurred by the Agency, including the Agency's general counsel and bond counsel, may be considered as a part of the project and included as a part of the resultant bond issue.
9. The Agency has established an application fee of One Thousand Five Hundred Dollars (\$1,500) to cover the anticipated costs of the Agency in processing this application. A check or money order made payable to the Agency must accompany each application. THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS ACCOMPANIED BY THE APPLICATION FEE.

FOR AGENCY USE ONLY

1. Project Number	
2. Date application Received by Agency	_____, 20____
3. Date application referred to attorney for review	_____, 20____
4. Date copy of application mailed to members	_____, 20____
5. Date notice of Agency meeting on application posted	_____, 20____
6. Date notice of Agency meeting on application mailed	_____, 20____
7. Date of Agency meeting on application	_____, 20____
8. Date Agency conditionally approved application	_____, 20____
9. Date scheduled for public hearing	_____, 20____
10. Date Environmental Assessment Form ("EAF") received	_____, 20____
11. Date Agency completed environmental review	_____, 20____
12. Date of final approval of application	_____, 20____

## SUMMARY OF PROJECT

Applicant:	SRS ALBANY LLC
Contact Person:	JOSEPH R. NICOLLA
Phone Number:	(518) 862-9133
Occupant:	Project will be occupied by Capital District Regional Off-Track Betting Corporation and Shop Rite Supermarkets, Inc.
Project Location:	711 Central Avenue (s/b/l no. 64.28-2-3), 733 Central Avenue (s/b/l no. 64.28-2-1), 35 Grant Avenue (s/b/l no. 64.28-2-29), 729 Central Avenue (s/b/l no. 64.28-2-2), and 870 Third Street (s/b/l no. 64.28-2-33) and 145 Hunter Avenue (s/b/l no. 65.28-2-21) and 149 Hunter Avenue (s/b/l no. 65.28-2-30).
Approximate Size of Project Site:	approximately 7.95 acres
Description of Project:	Acquisition of an interest in an approximately 7.95 acre parcel of land located on Central Avenue, City of Albany, County of Albany, State of New York; demolition of existing facility on the land; construction on the land of an approximately 23,644 square foot facility and a 65,000 square foot supermarket facility, together with a surface parking lot and related amenities and improvements; and acquisition and installation in the facilities of personal property, fixtures, equipment and machinery thereon.
Type of Project:	<input type="checkbox"/> Manufacturing <input type="checkbox"/> Warehouse/Distribution <input type="checkbox"/> Commercial <input type="checkbox"/> Not-For-Profit <input checked="" type="checkbox"/> Other-Specify retail and supermarket facility
Employment Impact:	Existing Jobs 40 New Jobs 335
Project Cost:	\$ 21,700,891
Type of Financing:	<input type="checkbox"/> Tax-Exempt <input type="checkbox"/> Taxable <input checked="" type="checkbox"/> Straight Lease
Amount of Bonds Requested:	\$ n/a
Estimated Value of Tax-Exemptions:	
	N.Y.S. Sales and Compensating Use Tax: \$ 1,171,153.00
	Mortgage Recording Taxes: \$ 187,500.00 *
	Real Property Tax Exemptions: \$ PILOT Benefits *
	Other (please specify): \$

\* are only requested on supermarket facility

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

A. Identity of Company:

1. Company Name: SRS Albany LLC

Present Address: 302 Washington Avenue Extension, Albany

Zip Code: 12203

Employer's ID No.: 27-5018332

2. If the Company differs from the Applicant, give details of relationship:  
Shop Rite Supermarkets, Inc. is joining in this application for the purpose of obtaining a sales tax exemption regarding the purpose of equipment for the facility.

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.          <sup>x</sup> Limited liability company,  
Date created?          January 18, 2011         .
- 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
Joseph R. Nicolla 435 Ridgehill Road Schenectady, NY 12303	General Manager	Various other real estate development projects in the capital region

2. Is the Company or management of the Company now a plaintiff or a defendant in any civil or criminal litigation? Yes ☐; No ☒.
3. Has any person listed above ever been convicted of a criminal offense (other than a minor traffic violation)? Yes ☐; No ☒.
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 ☒.
- (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. n/a

C. Principal Owners of Company:

Please see attached chart

1. Principal owners of Company: Is Company publicly held? Yes ☐; No ☒.
- If yes, list exchanges where stock traded:

2. If no, list all stockholders having a 5% or more interest in the Company:

Please see attached chart.

NAME	ADDRESS	PERCENTAGE OF HOLDING

Page 6, C. Principal Owners of Company:

Members:

Campus Associates, L.L.C., 302 Washington Avenue Extension, Albany, NY 12203, 51.84%  
LDFT LLC, 302 Washington Avenue Extension, Albany, NY 12203, 18%  
Clifton Associates 4, LLC, 302 Washington Avenue Extension, Albany, NY 12203, 28%  
Marc D. Goldstein, 29 Orchard Park Drive, Clifton Park, NY 12065, 2.18%

D. Company's Principal Bank(s) of account: Manufacturers and Traders Trust Company

## II. DATA REGARDING PROPOSED PROJECT

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

Acquisition of an approximately 7.95 acre parcel of land located on Central Avenue, City of Albany, County of Albany, State of New York; demolition of existing facility on the land; construction on the land of an approximately 23,644 square foot facility and a 65,000 square foot supermarket facility, together with a surface parking lot and related amenities and improvements; and acquisition and installation in the facilities of personal property, fixtures, equipment and machinery thereon.

### B. Location of Proposed Project:

- |    |                |                |   |
|----|----------------|----------------|---|
| 1. | Street Address | Central Avenue | (to be known as 709 and 711 Central Avenue) |
| 2. | City of        | Albany         |   |
| 3. | Town of        |                |   |
| 4. | Village of     |                |   |
| 5. | County of      | Albany         |   |

### C. Project Site:

1. Approximate size (in acres or square feet) of Project site: 7.95 acres  
Is a map, survey or sketch of the project site attached? Yes ☒; No ☐. survey attached
2. Are there existing buildings on project site? Yes ☒; No ☐.
  - a. If yes, indicate number and approximate size (in square feet) of each existing building: 1 approximately 58,000 sq. ft. building

- b. Are existing buildings in operation? Yes ☒; No ☐.  
If yes, describe present use of present buildings:  
office / retail facility for Capital District Regional Off-Track Betting Corporation ("OTB")

- c. Are existing buildings abandoned? Yes ☐; No ☒. About to be abandoned? Yes ☐; No ☒. If yes, describe:

the existing building will be demolished and a new facility will be constructed along with a supermarket facility.

- d. Attach photograph of present buildings.



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: Capital District Regional Off-Track Betting Corporation
- a. If the Company owns project site, indicate date of purchase:  
     n/a, 20\_\_\_; Purchase price: \$\_\_\_.
- b. If Company does not own the Project site, does Company have option signed with owner to purchase the Project site? Yes x; No \_\_\_\_\_. If yes, indicate date option signed with owner: April 15, 2011; and the date the option expires: open \_\_\_\_, 20\_\_\_.
- 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 x. If yes, describe:

5. a. Zoning District in which the project site is located: C-2 Highway

- b. Are there any variances or special permits affecting the site? Yes x; No \_\_\_\_\_. If yes, list below and attach copies of all such variances or special permits: Parking Lot Permit

D. Buildings:

1. Does part of the project consist of a new building or buildings? Yes x; No \_\_\_\_\_. If yes, indicate number and size of new buildings: 23,644 square foot facility and 65,000 square foot supermarket facility

2. Does part of the project consist of additions and/or renovations to the existing buildings? Yes \_\_\_\_; No x. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation: n/a

3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed or expanded:  
     supermarket facility

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: Applicant and Shop Rite will purchase equipment, furniture and other tangible personal property including without limitation tenant improvements.

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: n/a

3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed: equipment will be used by the grocery store and retail facility in the operation of their facilities.

F. Project Use:

1. What are the principal products to be produced at the Project? bakery, deli, meat, fish and grocery retail
2. What are the principal activities to be conducted at the Project? retail grocery store and retail facility
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: grocery store
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 %
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     ; No x. 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     ; No     . If yes,  
please explain: n/a

7. Will the completion of the Project result in the removal of a plant or facility of  
the Company or another proposed occupant of the Project (a "Project Occupant") from  
one area of the State of New York to another area of the State of New York? Yes     ;  
No x. If yes, please explain:

8. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Company located in the State of New York? Yes   x  ; No   . 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.

City of Albany Planning Board Approval and City of Albany Zoning Board Approval

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

Site plan approval and parking lot permit

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: n/a

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 \_\_\_\_.
- The Applicant desires the contractor, BBL Construction Services, LLC, also be designated as "agent" of the Agency for purposes of constructing the project.
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: Shop Rite Supermarkets, Inc.  
Present Address: 175 North Main Street  
City: Florida State: New York Zip: 10921  
Employer's ID No.: 22-1705981  
Sublessee is: x Corporation: \_\_\_\_ Partnership: \_\_\_\_ Sole Proprietorship  
Relationship to Company: n/a  
Percentage of Project to be leased or subleased: 73% of grocery store  
Use of Project intended by Sublessee: retail grocery store  
Date of lease or sublease to Sublessee: 1/28/2011  
Term of lease or sublease to Sublessee: 20 years  
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 x; 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: Capital District Regional Off-Track Betting Corporation  
Present Address: 51 Smith Street  
City: Schenectady State: NY Zip: 12305  
Employer's ID No.:  
Sublessee is:  
x Corporation: Partnership: Sole Proprietorship  
Relationship to Company: n/a  
Percentage of Project to be leased or subleased: 27%  
Use of Project intended by Sublessee: office / retail facility  
Date of lease or sublease to Sublessee: tbd  
Term of lease or sublease to Sublessee: 49 years  
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 x ; 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? 73%

#### 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	17				17
Present Part Time	23				23
Present Seasonal					
First Year Full Time	17	50			67
First Year Part Time	23	250			273
First Year Seasonal					
Second Year Full Time	17	60			77
Second Year Part Time	23	275			298
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	\$ 5,670,000.00
Buildings	\$ 9,904,414.00
Machinery and equipment costs	\$ 4,735,000.00
Utilities, roads and appurtenant costs	\$ --
Architects and engineering fees	\$ 321,000.00 estimate
Costs of Bond issue (legal, financial	

and printing)	\$ 336,500.00
Construction loan fees and interest (if applicable)	\$ 287,000.00
Other (specify)	\$ _____
miscellaneous	\$ 4,500.00
IDA fee	\$ 162,477.00
Development fee	\$ 280,000.00
 TOTAL PROJECT COST	 \$ 21,700,891.00

B. Have any of the above expenditures already been made by applicant?  
 Yes x ; No \_\_\_\_\_. (If yes, indicate particular.) architecture and 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; n/a  
 b. Maturity requested: \_\_\_\_\_ Years. n/a

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 skating, skateboard and ice skating): Yes \_\_\_\_; No \_\_\_\_  
 i. racquet sports facility (including racquetball and racquetball court): Yes \_\_\_\_; No \_\_\_\_  
 j. hot tub facility: Yes \_\_\_\_; No \_\_\_\_  
 k. suntan facility: Yes \_\_\_\_; No \_\_\_\_  
 l. 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? \$ 15,000,000.00.

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? \$ 14,639,414.

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:	\$ 1,171,153.00
b.	Mortgage Recording Taxes:	\$ 187,500.00
c.	Real Property Tax Exemptions:	\$ <u>PILOT benefits</u>
d.	Other (please specify):	\$ <u>                                  </u>
		\$ <u>                                  </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.

The Company is seeking the 485-b PILOT offered by the Agency's uniform tax policy.

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:

SRS ALBANY LLC

(Applicant)

BY: \_\_\_\_\_



Joseph R. Nicolla, General Manager

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 Corporation)

STATE OF \_\_\_\_\_ )

\_\_\_\_\_ ) SS.:

COUNTY OF \_\_\_\_\_ )

\_\_\_\_\_ deposes and says that he is the  
(Name of chief executive of applicant)

\_\_\_\_\_ of \_\_\_\_\_  
(Title) (Company Name)

the corporation 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 corporation. 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 corporation.

\_\_\_\_\_  
(officer of applicant)

Sworn to before me this  
\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
(Notary Public)

(If applicant is sole proprietor)

\_\_\_\_\_, deposes and says

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.

(Notary Public)

VERIFICATION

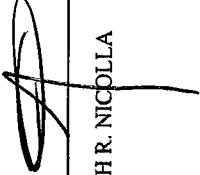
(If applicant is ~~partner~~ ~~member~~ limited liability company)

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

JOSEPH R. NICOLLA, deposes and says  
(Name of Individual)  
that he is one of the members of the firm of SRS ALBANY 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  
26 day of April, 2011

  
JOSEPH R. NICOLLA

  
(Notary Public)

PAMELA GUIDI  
Notary Public, State of New York  
No. 01GU6157990  
Qualified in Albany County  
Commission Expires Dec. 18, 2014

(If applicant is limited liability company)

\_\_\_\_\_, deposes and says  
(Name of Individual)  
that he is one of the members of the firm of \_\_\_\_\_

(Notary Public)

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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.

SRS ALBANY LLC

(Applicant)

BY: \_\_\_\_\_

Joseph R. Nicolla, General Manager

Sworn to before me this

20 day of April, 2011

Pamela Guidi  
(Notary Public)

PAMELA GUIDI  
Notary Public, State of New York  
No. 01GU8157990  
Qualified in Albany County  
Commission Expires Dec. 18, 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"):	SRS Albany LLC
2. Brief Identification of the Project:	ShopRite / OTB Project
3. Estimated Amount of Project Benefits Sought:	
A. Amount of Bonds Sought:	\$ n/a
B. Value of Sales Tax Exemption Sought	\$ 1,171,153.00
C. Value of Real Property Tax Exemption Sought	\$ see chart attached
D. Value of Mortgage Recording Tax Exemption Sought	\$ 187,500.00

**PROJECTED PROJECT INVESTMENT**

A. Land-Related Costs	
1. Land acquisition	\$ 5,670,000.00
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	\$ 9,904,414.00
2. Renovation of existing structures	\$
3. New construction costs	\$
4. Electrical systems	\$
5. Heating, ventilation and air conditioning	\$
6. Plumbing	\$
7. Other building-related costs (describe)	\$



<b>C. Machinery and Equipment Costs</b>		
1. Production and process equipment		\$ 4,735,000.00
2. Packaging equipment		\$
3. Warehousing equipment		\$
4. Installation costs for various equipment		\$
5. Other equipment-related costs (describe)		\$
<b>D. Furniture and Fixture Costs</b>		
1. Office furniture		\$ 0.00
2. Office equipment		\$
3. Computers		\$
4. Other furniture-related costs (describe)		\$
<b>E. Working Capital Costs</b>		
1. Operation costs		\$ 0.00
2. Production costs		\$
3. Raw materials		\$
4. Debt service		\$
5. Relocation costs		\$
6. Skills training		\$
7. Other working capital-related costs (describe)		\$
<b>F. Professional Service Costs</b>		
1. Architecture and engineering		\$ 321,000.00
2. Accounting/legal		\$
3. Other service-related costs (describe)		\$
<b>G. Other Costs</b>		
1. Financing		\$ 336,500.00
2. Construction		\$ 287,000.00
3. Miscellaneous		\$4,500.00
<b>H. Summary of Expenditures</b>		
1. Total Land-Related Costs		\$ 5,670,000.00
2. Total Building-Related Costs		\$ 9,904,414.00
3. Total Machinery and Equipment Costs		\$ 4,735,000.00
4. Total Furniture and Fixture Costs		\$ 0.00
5. Total Working Capital Costs		\$ 0.00
6. Total Professional Service Costs		\$ 321,000.00
7. Total Other Costs		\$ 1,033,250.00

\* IDA fee

\$125,250.00

\* Development fee

\$280,000.00

**PROJECTED PROFIT**

- I. Please provide projected profit as defined by earnings after income tax but before depreciation and amortization: All IDA benefits are being passed along to the tenants.

YEAR	Without IDA benefits	With IDA benefits
1	\$	\$
2	\$	\$
3	\$	\$
4	\$	\$
5	\$	\$

**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	--	\$ --	\$ --
Year 1	200*	\$ 2,704,000.00	\$ 405,600.00
Year 2	--	\$ --	\$ --
Year 3	--	\$ --	\$ --
Year 4	--	\$ --	\$ --
Year 5	--	\$ --	\$ --

\* equivalent of 20 full time jobs - 1 year

**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	40			
Year 1	40	300		
Year 2	40	335		
Year 3				
Year 4				
Year 5				

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		300		
Year 2		335		
Year 3				
Year 4				
Year 5				

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:  
20%

A. Provide a brief description of how the project expects to meet this percentage: We anticipate that job openings will be listed in the local Job Development Authority Office which will provide a source of local employment applicants for the Project.

**PROJECTED OPERATING IMPACT**

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

Additional Purchases (1<sup>st</sup> year following project completion)

\$ n/a

Additional Sales Tax Paid on Additional Purchases

\$ n/a

Estimated Additional Sales (1<sup>st</sup> full year following project completion)

\$ n/a

Estimated Additional Sales Tax to be collected on additional sales (1<sup>st</sup> full year following project completion)

\$ n/a

II. Please provide estimates for the impact of Project on existing real property taxes and new payments in lieu of taxes ("Pilot Payments"): The existing real property is tax exempt. This Project will result in placing the property on the tax rolls for the City of Albany.

Year	Existing Real Property Taxes (Without IDA involvement)	New Pilot Payments (With IDA)	Total (Difference)
Current Year	0	0	0
Year 1	0	137,934	137,934
Year 2	0	164,430	164,430
Year 3	0	192,392	192,392
Year 4	0	221,884	221,884
Year 5	0	252,972	252,972
Year 6	0		
Year 7	0		
Year 8	0		
Year 9	0		
Year 10	0		

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

The development of this Project with result in the continued development and employment opportunities in the City of Albany. This Project will result in increased business, sales tax revenues, and additional growth and tremendous job creation for the area.

Shoprite - OTB Albany

485B Estimate

Tax Rates	
County	\$ 3.261490
City	\$ 12.821190
School	\$ 24.316330
Library	\$ 1.597570
	\$ 41.996580

Tax Rates	
County	\$ 3.261490
City	\$ 12.821190
School	\$ 24.316330
Library	\$ 1.597570
	\$ 41.996580

Assumed Yearly Increase

												Land												Building																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				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Year 1	\$	700,000	\$	42.00	\$	29,398	\$	5,168,800	\$	42.00	\$	217,072	50%	\$	108,536	\$	137,934	\$	2.12																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												
Year 2	\$	700,000	\$	43.26	\$	30,280	\$	5,168,800	\$	43.26	\$	223,584	40%	\$	134,150	\$	164,430	\$	2.53																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												
Year 3	\$	700,000	\$	44.55	\$	31,188	\$	5,168,800	\$	44.55	\$	230,292	30%	\$	161,204	\$	192,392	\$	2.96																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												
Year 4	\$	700,000	\$	45.89	\$	32,124	\$	5,168,800	\$	45.89	\$	237,200	20%	\$	189,760	\$	221,884	\$	3.41																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												
Year 5	\$	700,000	\$	47.27	\$	33,087	\$	5,168,800	\$	47.27	\$	244,316	10%	\$	219,885	\$	252,972	\$	3.89																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												

Assumed Yearly Increase 3.00%

Land					Building				
Assessed	Tax per	Land	Assessed	Tax per	Building	485B	Adjusted	Total	Total
Value	\$1,000	Taxes	Value	\$1,000	Taxes	Savings	Taxes	Land & Bldg	psf
\$ 700,000	\$ 42.00	\$ 29,398	\$ 5,168,800	\$ 42.00	\$ 217,072	0%	\$ 217,072	\$ 246,470	\$ 3.79
\$ 700,000	\$ 43.26	\$ 30,280	\$ 5,168,800	\$ 43.26	\$ 223,584	0%	\$ 223,584	\$ 253,864	\$ 3.91
\$ 700,000	\$ 44.55	\$ 31,188	\$ 5,168,800	\$ 44.55	\$ 230,292	0%	\$ 230,292	\$ 261,480	\$ 4.02
\$ 700,000	\$ 45.89	\$ 32,124	\$ 5,168,800	\$ 45.89	\$ 237,200	0%	\$ 237,200	\$ 269,324	\$ 4.14
\$ 700,000	\$ 47.27	\$ 33,087	\$ 5,168,800	\$ 47.27	\$ 244,316	0%	\$ 244,316	\$ 277,404	\$ 4.27
					<b>\$ 1,308,540</b>				

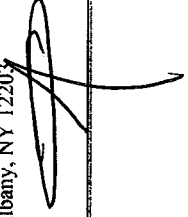
\$ 338,929

\$ 338,929

### 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.

<b>Date Signed:</b> April _____, 200 <u>1</u>	<b>Name of Person Completing Project Questionnaire on behalf of the Company.</b>
	<b>Name:</b> Joseph R. Nicolla
	<b>Title:</b> General Manager of SRS Albany LLC
	<b>Phone Number:</b> 518-862-9133
	<b>Address:</b> 302 Washington Avenue Extension Albany, NY 12203
	<b>Signature:</b> 

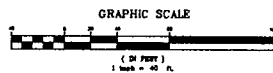
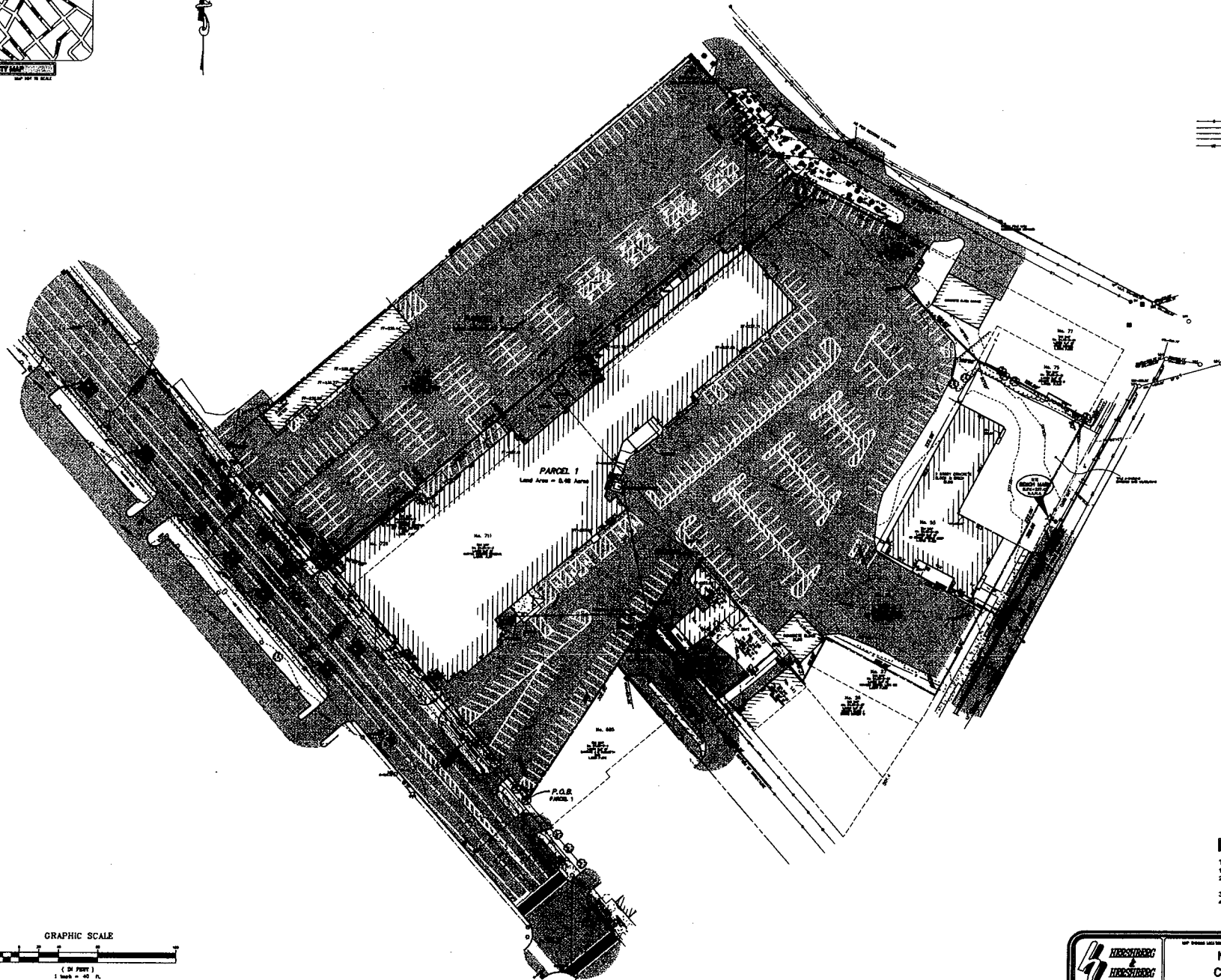
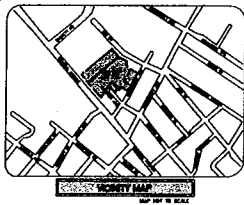
SCHEDULE A

CREATION OF NEW JOB SKILLS

Please list the projected new job skills for the new permanent jobs to be created at the Project as a result of the undertaking of the Project by the Company.

New Job Skills	Number of Positions Created	Wage Rate
Management/Professional	35	\$40,000 to \$75,000
Administrative	50	\$25,000 to \$40,000
Clerical	250	\$15,000 to \$29,000

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





**PUBLIC HEARING RESOLUTION  
SRS ALBANY, LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on May 6, 2011 at 12:15 p.m., local time.

The meeting was called to order by the (Vice) Chairman of the Agency and, upon roll being called, the following members of the Agency were:

**PRESENT:**

Anthony J. Ferrara	Chairman
Willard A. Bruce	Vice Chairman
Susan Pedo	Secretary
Hon. Kathy Sheehan	Treasurer
Martin Daley	Member
Gary Simpson	Member
Prairie Wells	Member

**ABSENT:**

**AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:**

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Erik Smith	CFO - Capitalize Albany Corporation
Joshua Poupore	Communications Officer - Capitalize Albany Corporation
Jeffrey Sullivan	Department of Development and Planning
John J. Reilly, Esq.	Corporation Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by \_\_\_\_\_, seconded by \_\_\_\_\_, to wit:

Resolution No. 0511-\_\_

**RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A PUBLIC HEARING REGARDING A PROPOSED PROJECT TO BE UNDERTAKEN FOR THE BENEFIT OF SRS ALBANY, LLC.**

WHEREAS, the Agency is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and

furnishing of commercial facilities, among others, for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more “projects” (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, SRS ALBANY, LLC, a New York limited liability company (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in parcels of land containing approximately 7.95 acres and located at the following addresses in the City of Albany, New York: (i) 711 Central Avenue (s/b/l no. 64.28-2-3), (ii) 733 Central Avenue (s/b/l no. 64.28-2-1), (iii) 35 Grant Avenue (s/b/l no. 64.28-2-29), (iv) 729 Central Avenue (s/b/l no. 64.28-2-2), (v) 870 Third Street (s/b/l no. 64.28-2-33), (vi) 145 Hunter Avenue (s/b/l no. 65.28-2-21), and (vii) 149 Hunter Avenue (s/b/l no. 65.28-2-30) (the “Land”) together with the 58,000 square foot facility located on a portion of the Land (the “Existing Facility”), (2) the demolition of the Existing Facility, (3) the construction on the Land of two new buildings: (i) the first building to contain approximately 23,644 square feet (“Building One”), and (ii) the second building to contain approximately 65,000 square feet of space (“Building Two” and together with Building One, being collectively referred to as the “Facility”) and (4) the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”), the Facility and portions of the Equipment will be owned by the Company and leased to various tenants, including Off Track Betting and Shop Rite, and the balance of the Equipment to be owned by Shop Rite, all of the foregoing to constitute retail, supermarket and service facilities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, pursuant to Section 859-a of the Act, prior to the Agency providing any “financial assistance” (as defined in the Act) of more than \$100,000 to any project, the Agency, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project; and

WHEREAS, the Agency desires to provide for compliance with the provisions of Section 859-a of the Act with respect to the Project;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. The Agency hereby authorizes the Chief Executive Officer of the Agency, after consultation with the members of the Agency and Agency Counsel, (A) to establish the time, date and place for a public hearing of the Agency to hear all persons interested in the Project (the “Public Hearing”); (B) to cause the Public Hearing to be held in the City of Albany, New York, and to cause notice of such Public Hearing to be given to the public by publishing a notice or notices of such Public Hearing in a newspaper of general circulation available to the residents of the governmental units where

the Project Facility is or is to be located, such notice or notices to comply with the requirements of Section 859-a of the Act; (C) to cause notice of the Public Hearing to be given to the chief executive officer of the county and of each city, town, village and school district in which the Project Facility is or is to be located to comply with the requirements of Section 859-a of the Act; (D) to conduct such Public Hearing; (E) to cause a report of the Public Hearing fairly summarizing the views presented at such Public Hearing (the "Report") to be prepared; and (F) to cause a copy of the Report to be made available to the members of the Agency.

Section 2. The Chairman, Vice Chairman and/or Chief Executive Officer of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 3. All action taken by the Chief Executive Officer of the Agency in connection with the Public Hearing with respect to the Project prior to the date of this Resolution is hereby ratified and confirmed.

Section 4. This Resolution shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to a vote on roll call, which resulted as follows:

Anthony J. Ferrara	VOTING	_____
Willard A. Bruce	VOTING	_____
Susan Peto	VOTING	_____
Kathy Sheehan	VOTING	_____
Martin Daley	VOTING	_____
Gary Simpson	VOTING	_____
Prairie Wells	VOTING	_____

The foregoing Resolution was thereupon declared duly adopted.

STATE OF NEW YORK                    )  
  ) SS.:  
COUNTY OF ALBANY                    )

I, the undersigned (Assistant) Secretary of City of Albany Industrial Development Agency (the “Agency”), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on May 6, 2011 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the “Open Meetings Law”), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached Resolution is in full force and effect and has not been amended, repealed or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 6th day of May, 2011.

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(Assistant) Secretary

(SEAL)