

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 Pedo, *Secretary*
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 John Reilly
Susan Pedo Erik Smith
Martin Daley Megan Daly
Brad Chevalier

Date: October 14, 2011

AGENDA

The regular meeting of the City of Albany Industrial Development Agency will be held on **Thursday, October 20, 2011 at 12:15PM** at the 21 Lodge Street, Albany, NY 12207 (Conference Room)

Roll Call

Reading of Minutes of the Regular Meeting of September 15, 2011

Approval of Minutes of the Regular Meeting of September 15, 2011

Reports of Committees

Report of Chief Executive Officer

Report of Chief Financial Officer

- Financial Report

Communications

Unfinished Business

- 4-6 Sheridan, LLC Project Synopsis
- 4-6 Sheridan, LLC Project SEQR Resolution
- 4-6 Sheridan, LLC Project PILOT Deviation Resolution
- 4-6 Sheridan, LLC Project Final Approving Resolution

New Business

- City of Albany Industrial Development Agency Operating Budget for 2012
 - Teresian House Nursing Home Company, Inc. Project Authorizing Execution of Documents in Connection with Resignation of Trustee Resolution
 - Living Resources Corporation Project Authorizing Execution of Documents in Connection with Resignation of Trustee Resolution
 - Albany Institute of History & Art Project Authorizing Execution of Documents in Connection with Resignation of Trustee Resolution
- For more information on the above projects please see the materials from the Finance Committee meeting that was held on October 13, 2011.

Other Business

Adjournment

* The next regularly scheduled meeting is Thursday, November 17, 2011 at 21 Lodge Street, Albany, NY 12207

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*
Susan Pedo, *Secretary*
Kathy Sheehan, *Treasurer*
Martin Daley

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

IDA MINUTES OF REGULAR MEETING Thursday, September 15, 2011

Attending: Tony Ferrara, Bill Bruce, Susan Pedo, Kathy Sheehan & Martin Daley

Absent:

Also Present: Joe Scott, Patrick Jordan, Megan Daly, Amy Gardner, & Brad Chevalier.

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

Roll Call

Chairman Ferrara reported that all Board Members were present.

Reading of Minutes of the Regular Meeting of August 18th, 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 August 18th, 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 Kathy Sheehan 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

Penta on Broadway, LLC Project Synopsis

Joe Scott presented a summary of the project to the Board outlining the project and the requests of the IDA. Charles Rosentein, from Penta on Broadway, LLC representing the project was present to answer questions. Mr. Scott reviewed each action item pertaining to this project with the Board.

Penta on Broadway, LLC SEQR Resolution

Joe Scott reviewed the Resolution with the Board explaining that the findings determined that this project would not have a significant effect on the environment.

Chairman Ferrara presented the Penta on Broadway, LLC SEQR Resolution to the Board. A motion to adopt the Resolution was made by Susan Pedo and seconded by Kathy Sheehan. A vote being taken, the Resolution passed unanimously.

Penta on Broadway, LLC PILOT Deviation Resolution

Joe Scott reviewed the Resolution with the Board and assured the Board that the financial assistance does not include the mortgage recording tax.

Chairman Ferrara presented Penta on Broadway, LLC PILOT Deviation Resolution to the Board. A motion to adopt the Resolution was made by Bill Bruce and seconded by Martin Daley. A vote being taken, the Resolution passed unanimously.

Penta on Broadway, LLC Approving Resolution

Chairman Ferrara presented the Penta on Broadway, LLC Approving Resolution to the Board. A motion to adopt the Resolution was made by Kathy Sheehan and seconded by Bill Bruce. A vote being taken, the Resolution passed unanimously.

True North Albany Extended Stay, LLC Project Settlement & Order Resolution

Pat Jordan reviewed the resolution with the Board. True North Albany Extended Stay, LLC had initiated proceedings against the City in New York State Supreme Court challenging the assessment for 22 Holland Avenue for the years 2009, 2010, and 2011. The parties agreed to resolve their differences without further litigation upon the terms of the Stipulation and Order provided to the Board for its review. Mr. Jordan discussed how the Stipulation and Order affects the PILOT agreement made in 2008.

Chairman Ferrara presented the True North Albany Extended Stay, LLC Project Settlement & Order Resolution to the Board. A motion to adopt the Resolution was made by Martin Daley and seconded by Kathy Sheehan. A vote being taken, the Resolution passed unanimously.

Reports of Committees

None

Report of Chief Executive Officer

Megan Daly spoke on Mike Yevoli's behalf in his absence. Ms. Daly reported that the Common Council is continuing to seek applicants to fill the two vacant board seats. The Common Council now has seven candidates for the two positions.

Report of Chief Financial Officer

In Erik Smith's absence a decision was made to defer the financial report until the following Board Meeting.

Communications

None

Other Business

None

There being no further business, Chairman Ferrara adjourned the meeting at 1:00PM.

Respectfully submitted,

Susan Pedo, Secretary

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

City of Albany IDA
2011 Monthly Cash Position
September 2011

	ACTUAL									PROJECTED			
	January	February	March	April	May	June	July	August	September	October	November	December	YTD Total
Beginning Balance	\$ 250,836	\$ 238,790	\$ 244,415	\$ 265,007	\$ 252,265	\$ 255,430	\$ 255,393	\$ 240,131	\$ 402,640	\$ 487,743	\$ 528,790	\$ 517,628	\$ 250,836
Revenue													
Fee Revenue													
Application Fee	\$ -	\$ 4,500	\$ -	\$ -	\$ 6,000	\$ 3,000	\$ -	\$ -	\$ 1,500	\$ -	\$ -	\$ -	\$ 15,000
Agency Fee	-	-	\$ 25,159	-	-	-	46,875	162,477	92,168	75,000	-	60,375	462,054
Administrative Fee	500	-	-	-	-	-	9,344	-	500	-	-	-	10,344
Modification Fee	1,000	1,500	-	-	-	48,219	-	-	-	-	-	-	50,719
Subtotal - Fee Revenue	\$ 1,500	\$ 6,000	\$ 25,159	\$ -	\$ 6,000	\$ 51,219	\$ 56,219	\$ 162,477	\$ 94,168	\$ 75,000	\$ -	\$ 60,375	\$ 538,117
Other Revenue													
Loan Repayments - Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loan Repayments - Principal	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	37	33	39	37	38	26	26	32	43	30	30	30	400
Sale of Agency Property	-	-	-	-	-	-	-	-	-	-	-	-	-
NYS BIC	-	-	-	-	-	-	-	-	-	-	-	-	-
Misc	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - Other Revenue	\$ 37	\$ 33	\$ 39	\$ 37	\$ 38	\$ 26	\$ 26	\$ 32	\$ 43	\$ 30	\$ 30	\$ 30	\$ 400
Total - Revenue	\$ 1,537	\$ 6,033	\$ 25,198	\$ 37	\$ 6,038	\$ 51,244	\$ 56,245	\$ 162,510	\$ 94,211	\$ 75,030	\$ 30	\$ 60,405	\$ 538,517
Expenditures													
Management Contract	\$ 8,333	\$ -	\$ -	\$ 1,053	\$ 2,708	\$ 2,917	\$ 5,417	\$ -	\$ 8,958	\$ 10,208	\$ 11,042	\$ 22,709	\$ 73,345
APA Contract	5,250	-	-	5,250	-	-	5,250	-	-	5,250	-	-	21,000
Audits	-	-	4,500	2,100	-	-	-	-	-	-	-	-	6,600
Agency Counsel	-	-	-	-	-	42,000	-	-	-	-	-	21,000	63,000
ED Support	-	-	-	4,224	-	5,250	-	-	-	18,375	-	21,125	48,974
Sub-lease AHCC	-	-	-	-	-	-	60,556	-	-	-	-	100,000	160,556
NYS BIC	-	-	-	-	-	-	-	-	-	-	-	-	-
D & O Insurance	-	-	-	-	-	1,010	-	-	-	-	-	-	1,010
Misc.	-	409	105	153	165	105	285	-	150	150	150	150	1,821
Other Legal Expenses	-	-	-	-	-	-	-	-	-	-	-	50,000	50,000
Total - Expenditures	\$ 13,583	\$ 409	\$ 4,605	\$ 12,779	\$ 2,873	\$ 51,282	\$ 71,507	\$ -	\$ 9,108	\$ 33,983	\$ 11,192	\$ 214,984	\$ 426,305
Ending Balance	\$ 238,790	\$ 244,415	\$ 265,007	\$ 252,265	\$ 255,430	\$ 255,393	\$ 240,131	\$ 402,640	\$ 487,743	\$ 528,790	\$ 517,628	\$ 363,049	\$ 363,049

City of Albany IDA

Fee Detail by Month

September 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
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ 500	\$ 1,000	\$ 1,500
<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
	TOTAL	\$ 4,500	\$ -	\$ -	\$ 1,500	\$ 6,000
<i>March</i>	FC DCI, LLC	\$ -	\$ 18,695	\$ -	\$ -	\$ 18,695
	Morris St. Development	-	6,464	-	-	6,464
	TOTAL	\$ -	\$ 25,159	\$ -	\$ -	\$ 25,159
<i>April</i>		\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>May</i>	Sixty State Place, LLC	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500
	Albany Hotel, Inc	1,500	-	-	-	1,500
	Penta on Braodway	1,500	-	-	-	1,500
	SRS Albany, LLC	1,500	-	\$ -	-	1,500
	TOTAL	\$ 6,000	\$ -	\$ -	\$ -	\$ 6,000
<i>June</i>	Downtown Albany Revitaliztion, LLC	\$ 1,500	\$ -	\$ -	\$ -	\$ 1,500
	Swan Street Lots, LP	1,500	-	-	-	1,500
	CSR Series 2007A	-	-	-	7,969	7,969
	CSR Series 2007B	-	-	-	40,250	40,250
		-	-	-	-	-
	TOTAL	\$ 3,000	\$ -	\$ -	\$ 48,219	\$ 51,219

City of Albany IDA

Fee Detail by Month

September 2011

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>July</i>	AMRI	\$ -	\$ -	\$ 1,000	\$ -	\$ 1,000
	CSR Series 2007B			7,844		
	Albany Medical Center			500		
	39 Sheridan Realty, LLC	-	46,875	-	-	-
	TOTAL	\$ -	\$ 46,875	\$ 9,344	\$ -	\$ 56,219
<i>August</i>	SRS Albany, LLC	\$ -	\$ 162,477	-	-	162,477
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
	TOTAL	\$ -	\$ 162,477	\$ -	\$ -	\$ 162,477
<i>September</i>	Columbia 425 NS, LLC	\$ -	\$ 30,543	\$ -	\$ -	\$ 30,543
	AMRI	-	60,625	-	-	60,625
	Brighter Choice	-	-	500	-	500
	Hampton Plaza		1,000			
	TMG - NY AlbanyI, L.P.	1,500	-	-	-	1,500
		-	-	-	-	-
	TOTAL	\$ 1,500	\$ 92,168	\$ 500	\$ -	\$ 94,168
<i>October</i>	Albany Hotel, Inc	\$ -	\$ 75,000	\$ -	-	75,000
		-	-	-	-	-
		-	-	-	-	-
	TOTAL	\$ -	\$ 75,000	\$ -	\$ -	\$ 75,000
<i>November</i>		\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
<i>December</i>	Sixty State Place, LLC	\$ -	\$ 48,750	\$ -	\$ -	\$ 48,750
	Penta on Braodway	-	11,625	-	-	11,625
		-	-	-	-	-
	TOTAL	\$ -	\$ 60,375	\$ -	\$ -	\$ 60,375
	2011 TOTAL	\$ 15,000 <i>Application Fee</i>	\$ 462,054 <i>Agency Fee</i>	\$ 10,344 <i>Administration Fee</i>	\$ 50,719 <i>Modification Fee</i>	\$ 538,117 <i>TOTAL FEE</i>

City of Albany IDA
2012 PROPOSED Budget

			2012 PROPOSED Budget	2011 APPROVED Budget	2011 Projected	YTD Variance to Budget
REVENUE						
Fees ⁽¹⁾			\$ 370,000	\$ 305,868	\$ 538,117	\$ 232,249
Project Benefit Agreement Revenue			100,000	-	-	-
CRC Grant/Administrative Fee			155,000	-	-	-
Interest			500	500	400	(100)
TOTAL REVENUE			<u>\$ 625,500</u>	<u>\$ 306,368</u>	<u>\$ 538,517</u>	<u>\$ 232,149</u>
EXPENSES						
<i>Economic Development and Community Development Support ⁽²⁾</i>						
Capitalize Albany Corporation Economic Development Support			\$ 250,000	\$ 115,000	\$ 48,974	\$ (66,026)
Sub-Lease AHCC			50,000	100,000	100,000	-
Capitalize Albany Corporation Management Contract			250,000	40,999	73,345	32,346
Agency Counsel			42,000	17,219	21,000	3,781
Albany Parking Authority Contract ⁽³⁾			23,100	23,100	21,000	(2,100)
Audits			7,000	6,600	6,600	-
D & O Insurance			1,200	1,200	1,010	(190)
Miscellaneous			2,200	2,250	1,821	(429)
TOTAL EXPENSES			<u>\$ 625,500</u>	<u>\$ 306,368</u>	<u>\$ 273,749</u>	<u>\$ (32,619)</u>
Surplus/(Deficit)			<u>\$ -</u>	<u>\$ -</u>	<u>\$ 264,768</u>	<u>\$ 264,768</u>

⁽¹⁾ 2012 actual and estimated project activity includes:

Projects	Estimated Project Amount	Estimated Fee
Estimated project activity	\$ 37,000,000	\$ 370,000
Total	<u>\$ 37,000,000</u>	<u>\$ 370,000</u>

⁽²⁾ ED Support includes: Funds for further economic development- Administrative and Program Expenses.

⁽³⁾ APA has indicated that the rate changes bi-annually and is effective through 2012.

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY
LEASE/LEASEBACK TRANSACTION
4-6 SHERIDAN, LLC PROJECT**

I. PROJECT IDENTIFICATION:

1. Project Applicant: 4-6 Sheridan, 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 a parcel of land containing approximately 4,200 square feet and located at 4-6 Sheridan Avenue in the City of Albany, Albany County, New York (the "Land"), together with the existing facility containing approximately 21,000 square feet of space located on the Land (the "Facility").
 - (B) Construction/Renovations: the renovation and reconstruction of 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 hereinafter 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 tenants for use by the tenants for commercial, retail and/or residential uses and other directly and indirectly related activities.

II. PRIOR ACTION ON PROJECT:

3. Preliminary Inducement Proceedings:
 - (A) Public Hearing Resolution: adopted on August 18, 2011.
 - (B) Public Hearing:
 - (1) Mailed to Affected Taxing Jurisdictions: August 31, 2011.
 - (2) Date Posted: August 31, 2011.
 - (3) Published in Albany Times Union: September 3, 2011.
 - (4) Date of Public Hearing: September 15, 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) PILOT Deviation: The Company requested a deviation from the Agency's Uniform Tax Exemption Policy.
 - (B) Procedure: PILOT Deviation Letter Mailed to Affected Tax Jurisdictions: September 2, 2011.

III. PROPOSED AGENCY ACTION ON October 20, 2011:

5. SEQR Resolution: Unlisted Action.
6. PILOT Deviation Approval Resolution: Approving the terms of the requested PILOT deviation.

7. Approving Resolution: Approving the Company's project and the proposed financial assistance.

IV. DETAILS OF PROPOSED STRAIGHT LEASE TRANSACTION:

8. Relationship of Agency to Company: The Agency will acquire, renovate, reconstruct and install the Project Facility and lease the Project Facility to the Company pursuant to the Lease Agreement.
9. Business Terms:
- (A) The Agency fee is estimated to be \$13,125.00 (¾ of 1% of the Project costs of \$1,750,000 (est)).
 - (B) The Agency will grant a PILOT deviation in the amount described in the PILOT Deviation Letter mailed on September 2, 2011 and will require the Company to pay the mortgage recording tax for the Project.
10. 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.
11. Proposed Closing Date: _____, 2011.
12. Special Agency Counsel: Hodgson Russ LLP, Albany, New York.

**SEQR RESOLUTION
4-6 SHERIDAN, 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 October 20, 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

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Megan Daly	Department of Development and Planning
Erik Smith	CFO - Capitalize Albany Corporation
Bradley Chevalier	Economic Development Specialist, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1011-__

RESOLUTION DETERMINING THAT ACTION TO UNDERTAKE A PROJECT FOR THE BENEFIT OF 4-6 SHERIDAN, 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, 4-6 Sheridan, 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 a parcel of land containing approximately 4,200 square feet and located at 4-6 Sheridan Avenue in the City of Albany, Albany County, New York (the "Land") together with the existing facility containing approximately 21,000 square feet of space located on the Land (the "Facility"), (2) the renovation and reconstruction of the Facility and (3) 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 be owned by the Company and leased to various tenants for use by the tenants for commercial, retail and/or 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, the Agency has also received a notification of local action from the City of Albany Planning Board (the "Planning Board"), dated February 10, 2011, in which the Planning Board determined to issue a negative declaration pursuant to SEQRA with respect to the Project and a copy of such negative declaration is attached as Exhibit A (the "Planning Board SEQR Determination"); 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, the EAF, and the Planning Board SEQR Determination (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: (A) (1) the acquisition of an interest in a parcel of land containing approximately 4,200 square feet and located at 4-6 Sheridan Avenue in the City of Albany, Albany County, New York (the "Land") together with the existing facility containing approximately 21,000 square feet of space located on the Land (the "Facility"), (2) the renovation and reconstruction of the Facility and (3) 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 be owned by the Company and leased to various tenants for use by the tenants for commercial, retail and/or 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	___

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 October 20, 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 20th day of October, 2011.

(Assistant) Secretary

(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 4-6 Sheridan, 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 4-6 Sheridan, LLC Project.

4. Project Description: The Project (the "Project") consists of the following: (A) (1) the acquisition of an interest in a parcel of land containing approximately 4,200 square feet and located at 4-6 Sheridan Avenue in the City of Albany, Albany County, New York (the "Land") together with the existing facility containing approximately 21,000 square feet of space located on the Land (the "Facility"), (2) the renovation and reconstruction of the Facility and (3) 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 be owned by the Company and leased to various tenants for use by the tenants for commercial, retail and/or 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 4-6 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 October 20, 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: October __, 2011

CITY OF ALBANY INDUSTRIAL
DEVELOPMENT AGENCY

BY: _____
Chief Executive Officer

EXHIBIT A
PLANNING BOARD SEQR DETERMINATION
- SEE ATTACHED -

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

ADDRESS OF SUBJECT PROPERTY: 4-6 Sheridan Avenue

IN THE MATTER OF: Site Plan Approval for conversion of the upper floors of a 16,475 +/- s.f. building to fifteen (15) residential dwelling units.

APPLICANT: 4-6 Sheridan, LLC c/o Harris A. Sanders, Architects, P.C.
ADDRESS: 252 Washington Avenue, Albany, NY 12210

CASE NUMBER: 2-11, 803

Date Received: 1/21/11
Preliminary Presentation: 2/10/11
SEQR Determination: 2/10/11
Date of Decision: 2/10/11

RECEIVED

2011 MAR -1 PM 3:43

OFFICE OF THE CITY CLERK
ALBANY, N.Y.

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

Relevant Considerations:

Owner/Applicant: 4-6 Sheridan, LLC

Parcel size: 0.09 acres.

Location: The property is located on Sheridan Avenue between North Pearl and Chapel Streets.

Zoning: Central Business (C-3). No approvals of the Board of Zoning Appeals are required.

Surrounding Uses: *North:* Parking Lot owned by First Reformed Church. *West:* 4,393 sq. ft. commercial / office structure with first floor restaurant / bar (d/b/a Victory Café). *East:* 7,299 sq. ft. commercial structure with first floor restaurant / nightclub (d/b/a The Assembly). *South:* Mixed retail and office uses along North Pearl Street and Columbia Street.

Proposed Project: The applicant is proposing to rehabilitate the upper four floor of an existing 16,475 square foot structure for use as fifteen (15) dwelling units. The dwelling units will consists of ten (10) studio apartments and five (5) one-bedroom apartments.

The first floor of the structure is to remain for commercial use, anticipated to accommodate a restaurant / bar.

Proposed dwelling units are as follows:

Unit #	Type	Sq. Ft.
2A	Studio	831
2B	Studio	1,151
2C	Studio	634
3A	One Bedroom	769
3B	Studio	593
3C	Studio	626
3D	Studio	880
4A	One Bedroom	769
4B	Studio	594
4C	Studio	632
4D	One Bedroom	824
5A	One Bedroom	769
5B	Studio	594
5C	Studio	632
5D	One Bedroom	8831

SEQR status: The project is an unlisted action as per SEQR. No coordinated review is required.

Traffic: There will be no parking provided at the site and no increase in traffic is anticipated as a result of the project.

Bike/Pedestrian/Transit: The property in question is located in Downtown Albany and is served by excellent transit service in the vicinity.

Water/Sewer: Existing water and sewer service to the building will be utilized.

Stormwater: There is no increase in impervious area and therefore no storm water provisions are required.

Archeology: There will be no excavation digging or site disturbances as a result of the project.

Landscaping: The existing street front building maintains almost 100% lot coverage, limiting provisions for landscaping.

Lighting: Traditional lighting will be utilized.

Solid Waste: The applicant does not detail solid waste provisions, but it is presumed that a trash disposal area will be located on the premises.

Signage: No signage is anticipated for the proposed apartment building. Signage would need to be review by the Historic Resources Commission, as this building is located in the Downtown Albany Historic District.

Actions Taken:


The Board issued a **Negative Declaration** for this **Unlisted Action** as per the provisions of SEQR, as the environmental impacts are negligible or non-existent.

The Board **Approved** the site plan with the following conditions:

1. The applicant shall submit plans depicting the size, material and location of the existing water and sewer service, as requested by the Department of Water & Water Supply.
2. The applicant shall establish traffic access and delivery patterns to be agreed upon with the Division of Traffic Safety.
3. The applicant shall obtain all necessary permits and approval from the Division of Engineering.

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 February 10, 2011.

Date: **2/10/11**

Signature: 

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.

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.

SHORT ENVIRONMENTAL ASSESSMENT FORM

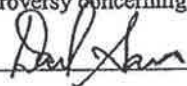
INSTRUCTIONS:

In order to answer the questions in this short EAF it is assumed that the preparer will use currently available information concerning the project and the likely impacts of the action. It is not expected that additional studies research or other investigations will be undertaken.

ENVIRONMENTAL ASSESSMENT

1. Will the project result in a large physical change to the project site or physically alter more than 10 acres of land?..... ☐ Yes ☒ No
2. Will there be a major change to any unique or unusual landform found on this site?..... ☐ Yes ☒ No
3. Will project alter or have a large effect on an existing body of water?..... ☐ Yes ☒ No
4. Will project have a potentially large impact on groundwater quality?..... ☐ Yes ☒ No
5. Will project significantly affect drainage flow or air quality?..... ☐ Yes ☒ No
6. Will project affect any threatened or endangered plant or animal species... ☐ Yes ☒ No
7. Will project result in a major adverse impact on air quality?..... ☐ Yes ☒ No
8. Will project have a major effect on visual character of the community or scenic views or vistas known to be or important to the community?... ☐ Yes ☒ No
9. Will project adversely impact any site or structure of historic, prehistoric or paleontological importance or any site designated as a critical environmental area by a local agency?..... ☐ Yes ☒ No
10. Will project have a major effect on existing or future recreational opportunities?..... ☐ Yes ☒ No
11. Will project result in major traffic problems or cause a major impact on existing transportation systems?..... ☐ Yes ☒ No
12. Will project regularly cause objectionable odors, noise, glare, vibration, or electrical disturbances as a result of the project's operation?..... ☐ Yes ☒ No
13. Will project have any impact on public health or safety?..... ☐ Yes ☒ No
14. Will project affect the existing community by directly causing a growth? in permanent population of more than 5% over a one-year period or have a major negative effect on the character of the community or neighborhood?..... ☐ Yes ☒ No
15. Is there any public controversy concerning the project?..... ☐ Yes ☒ No

PREPARER'S SIGNATURE:



TITLE: ARCHITECT

REPRESENTING: 4-6 SHERIDAN, LLC

DATE: JAN 18, 2011

**PILOT DEVIATION APPROVAL RESOLUTION
4-6 SHERIDAN, 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 October 20, 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

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Megan Daly	Department of Development and Planning
Erik Smith	CFO - Capitalize Albany Corporation
Bradley Chevalier	Economic Development Specialist, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1011-__

**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 4-6 SHERIDAN, 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, 4-6 Sheridan, 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 a parcel of land containing approximately 4,200 square feet and located at 4-6 Sheridan Avenue in the City of Albany, Albany County, New York (the "Land") together with the existing facility containing approximately 21,000 square feet of space located on the Land (the "Facility"), (2) the renovation and reconstruction of the Facility and (3) 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 be owned by the Company and leased to various tenants for use by the tenants for commercial, retail and/or 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 August 18, 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 August 31, 2011 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is to be located, (B) caused notice of the Public Hearing to be posted on August 31, 2011 on a bulletin board located in the City Hall Rotunda located in the City of Albany, Albany County, New York, (C) caused notice of the Public Hearing to be published on September 3, 2011 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, Albany County, New York, (D) conducted the Public Hearing on September 15, 2011, at 12:00 o'clock p.m., local time at the offices of the City of Albany Industrial Development Agency located at 21 Lodge Street in City of Albany, Albany County, New York, and (E) prepared a report of the Public Hearing (the "Report") which fairly summarizes the views presented at said Public Hearing and shall file the same in the files 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 October 20, 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 September 2, 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 Peto	VOTING	_____
Hon. Kathy Sheehan	VOTING	_____
Martin Daley	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 October 20, 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 20th day of October, 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

September 2, 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 4-6 Sheridan, LLC Project

Gentlemen:

4-6 Sheridan, 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 a parcel of land containing approximately .09 acres and located at 4-6 Sheridan Avenue in the City of Albany, Albany County, New York (the "Land") together with the existing facility containing approximately 21,000 square feet of space located on the Land (the "Facility"), (2) the renovation and reconstruction of the Facility and (3) 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 be owned by the Company and leased to various tenants for use by the tenants for commercial, retail and/or 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.

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 fifteen 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. Under the terms of the Proposed PILOT Agreement, the Company will pay (a) a base PILOT payment equal to one hundred percent (100%) of the normal taxes due on the Land and the existing assessed value of the Facility, and (b) an additional amount based on the increase in assessed value of the Project Facility (such increase in the assessed value due to the undertaking of the Project shall be referred to as the “Improvements”), such increased amount to be adjusted by the abatement as described as follows:

Years	Amount of Abatement on Increased Assessment
1 - 10	100%
11	83.33%
12	66.67%
13	50.00%
14	33.33%
15	16.67%
16 and thereafter	0%

The actual amount of both the base PILOT payment and the additional amount described in clauses (a) and (b) above will vary over the term of the Proposed PILOT Agreement as the assessed value of the Land, the existing Facility and the Improvements change and as the tax rates of the local taxing entities change during the term of the Proposed PILOT Agreement.

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 September 15, 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 September 15, 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 reconstruction and renovation of an existing building to be owned by the Company and leased to various tenants for commercial, retail and/or residential uses and other directly and indirectly related activities.

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

One (1) parcel of land together with an existing building located thereon. The building is currently vacant and was formerly utilized as a restaurant and brewery.

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 25-40 construction jobs over the approximately one-year construction period with a payroll of approximately \$600,000.

The Company has estimated that the Project will create approximately 42-53 full-time jobs within the first year of operation. Further, the Company expects that the Project will also result in the retention and creation of employment in the retail, restaurant and entertainment

operations located in the downtown.

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

As described in Exhibit A to this letter, the amount of estimated PILOT payments on the Project Facility would start at approximately \$17,305 and end at \$69,801 over a 15-year period, resulting in approximately \$447,761 of PILOT payments paid by the Company.

Note also that the period and the amount of the real property tax abatement during the first 15 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 Company and the Project are eligible for the real property abatement program provided 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 Company's business model, the rents to be paid by the potential tenants, 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 act to reduce the vacancy rate in downtown and increase the number of market rent residential projects in downtown, which is critical to building the market. This 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 \$1,750,000.

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.

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.

Hon. Gerald D. Jennings, Mayor
Hon Michael G. Breslin, County Executive
Dr. Raymond Colucciello, Superintendent
September 2, 2011
Page 6

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

Year	Existing Real Property Taxes (Without IDA involvement)*	New Pilot Payments (With IDA)	Total (Differences) (Abatement Savings)	Percent of Abatement on Improved Assessment
Current Year	16,801	16,801	0	0
Year 1**	17,305	17,305	0	100%
Year 2	17,824	17,824	0	100%
Year 3	18,359	18,359	0	100%
Year 4	18,910	18,910	0	100%
Year 5	19,477	19,477	0	100%
Year 6	20,061	20,061	0	100%
Year 7	20,663	20,663	0	100%
Year 8	21,283	21,283	0	100%
Year 9	32,882	21,922	10,961	100%
Year 10	45,158	22,579	22,579	100%
Year 11	58,142	31,009	27,133	83.33%
Year 12	71,863	39,924	31,939	66.67%
Year 13	74,019	49,346	24,673	50.00%
Year 14	76,239	59,297	16,942	33.33%
Year 15***	78,527	69,801	8,725	16.67%
Year 16	80,882	80,882	0	0%

*Assumes 485a PILOT Payment Schedule

**Beginning of proposed PILOT

***End of proposed PILOT (Taxes to be paid on full assessment thereafter)

**APPROVING RESOLUTION
4-6 SHERIDAN, 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 October 20, 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

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Megan Daly	Department of Development and Planning
Erik Smith	CFO - Capitalize Albany Corporation
Bradley Chevalier	Economic Development Specialist, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1011-__

**RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION
WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR 4-6
SHERIDAN, 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, 4-6 Sheridan, 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 a parcel of land containing approximately 4,200 square feet and located at 4-6 Sheridan Avenue in the City of Albany, Albany County, New York (the "Land") together with the existing facility containing approximately 21,000 square feet of space located on the Land (the "Facility"), (2) the renovation and reconstruction of the Facility and (3) 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 be owned by the Company and leased to various tenants for use by the tenants for commercial, retail and/or 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 August 18, 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 August 31, 2011 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is to be located, (B) caused notice of the Public Hearing to be posted on August 31, 2011 on a bulletin board located in the City Hall Rotunda located in the City of Albany, Albany County, New York, (C) caused notice of the Public Hearing to be published on September 3, 2011 in the Albany Times Union, a newspaper of general circulation available to the residents of the City of Albany, Albany County, New York, (D) conducted the Public Hearing on September 15, 2011, at 12:00 o'clock p.m., local time at the offices of the City of Albany Industrial Development Agency located at 21 Lodge Street in City of Albany, Albany County, New York, and (E) prepared a report of the Public Hearing (the "Report") which fairly summarizes the views presented at said Public Hearing and shall file the same in the files 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 October 20, 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, the “financial assistance” (within the meaning of Section 854(14) of the Act) to be granted by the Agency to the Company with respect to the Project consists of the following: exemptions from certain sales and use taxes, real property taxes and real property transfer taxes (collectively, the “Financial Assistance”). The Agency is not granting to the Company an exemption from mortgage recording taxes; 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 October 20, 2011. The Chief Executive Officer of the Agency caused a letter dated September 2, 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 October 20, 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 \$1,750,000;

(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, reconstruct and install 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	_____

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 October 20, 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 20th day of October, 2011.

(Assistant) Secretary

(SEAL)

**RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION
WITH RESIGNATION OF TRUSTEE
TERESIAN HOUSE NURSING HOME COMPANY, INC. 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 October 20, 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

ABSENT:

ISSUER STAFF PRESENT INCLUDED THE FOLLOWING:

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Megan Daly	Department of Development and Planning
Erik Smith	CFO - Capitalize Albany Corporation
Bradley Chevalier	Economic Development Specialist, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Issuer Counsel
A. Joseph Scott, III, Esq.	Bond Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1011-__

RESOLUTION AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS BY CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY (THE "ISSUER") IN CONNECTION WITH THE RESIGNATION OF HSBC BANK USA, NATIONAL ASSOCIATION, AS TRUSTEE TO THE FOLLOWING ISSUES: (A) TAX-EXEMPT CIVIC FACILITY REVENUE BONDS (TERESIAN HOUSE NURSING HOME COMPANY, INC. REFUNDING PROJECT - LETTER OF CREDIT SECURED), SERIES 2007A IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$13,360,000 ISSUED BY THE ISSUER ON JUNE 28, 2007 AND (B) TAXABLE CIVIC FACILITY REVENUE BONDS (TERESIAN HOUSE NURSING HOME COMPANY, INC. REFUNDING PROJECT - LETTER OF CREDIT SECURED), SERIES 2007B IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$185,000 ISSUED BY THE ISSUER ON JUNE 28, 2007.

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 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 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, the Issuer has issued its (A) \$13,360,000 original aggregate principal amount of Tax-Exempt Civic Facility Revenue Bonds (Teresian House Nursing Home Company, Inc. Refunding Project - Letter of Credit Secured), Series 2007A (the "Series 2007A Bonds") and (B) \$185,000 aggregate principal amount of Taxable Civic Facility Revenue Bonds (Teresian House Nursing Home Company, Inc. Refunding Project - Letter of Credit Secured), Series 2007B (the "Series 2007B Bonds" and collectively with the Series 2007A Bonds, the "Bonds") under a trust indenture dated as March 1, 2004 (the "Indenture"), by and between the Issuer and HSBC Bank USA, National Association, as trustee (the "Resigning Trustee") with consent thereto of Teresian House Nursing Home Company, Inc. (the "Institution"); and

WHEREAS, the Issuer appointed the Resigning Trustee as the trustee (the "Trustee"), bond registrar (the "Registrar") and paying agent (the "Paying Agent") under the Indenture; and

WHEREAS, Section 706 of the Indenture provides that the Trustee may at any time resign with respect to the Bonds by giving sixty (60) days written notice of such resignation to the Issuer, to the Institution and to each Owner of Bonds then outstanding, effective at the end of said sixty (60) day period but not prior to the appointment and acceptance of appointment by a successor Trustee under Section 709 of the Indenture; and

WHEREAS, Section 708 of the Indenture provides that, if the Trustee shall resign, the Owners of a majority in aggregate principal amount of Bonds then Outstanding may appoint a successor Trustee; provided, that, in the case of a vacancy, the Issuer may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by Bondholders in the manner set forth in Section 708 of the Indenture, at which time such temporary Trustee shall be superseded by such trustee so appointed by such Bondholders; and

WHEREAS, Section 709 of the Indenture provides that any successor Trustee appointed in accordance with the Indenture shall execute, acknowledge and deliver to the Issuer and to its predecessor Trustee an instrument accepting such appointment under the Indenture, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all rights, powers duties and obligations of the predecessor Trustee; and

WHEREAS, The Bank of New York Mellon is the proposed successor trustee to the Bonds (the "Successor Trustee") and the Issuer has been requested by the Institution (the "Request") to appoint the Successor Trustee as the Trustee and to enter into certain resignation agreements and other documents in connection with the resignation of the Resigning Trustee and the appointment of the Successor Trustee (collectively, the "Trustee Documents"); 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 satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the Request; and

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

WHEREAS, copies of the drafts of the Trustee Documents have been presented to the Issuer at or prior to this meeting;

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)(19) and (20) of the Regulations, the Request 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 Request.

Section 2. The Issuer further hereby finds and determines that since compliance by the Issuer with the Request will not result in the Issuer providing more than \$100,000 of "financial assistance" (as such quoted term is defined in the Act) to the Institution, Section 859-a of the Act does not require a public hearing to be held with respect to the Request.

Section 3. Subject to (A) compliance with the terms and conditions in the Indenture, (B) approval of the Trustee Documents by Issuer Counsel and Bond Counsel, (C) acceptance of the Successor Trustee by the Institution, (D) prior execution of the Trustee Documents by the other parties thereto and (E) payment by the Institution of all fees and expenses of the Issuer in connection with the Request and the execution and delivery of the Trustee Documents, including the fees of Issuer Counsel and Bond Counsel, the Issuer hereby authorizes the execution by the Issuer of the Trustee Documents.

Section 4. Subject to the satisfaction of the conditions described in Sections 3 hereof, the Chairman (or Vice Chairman) of the Issuer is hereby authorized to execute and deliver the Trustee Documents to the Institution, 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 form 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.

Section 5. 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 Trustee 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 Issuer with all of the terms, covenants and provisions of the Trustee Documents binding upon the Issuer.

Section 6. All action taken by the Issuer in connection with the Request and the execution of the Trustee Documents, prior to the date of this Resolution is hereby ratified and confirmed.

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	_____

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 October 20, 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 20th day of October, 2011.

(Assistant) Secretary

(SEAL)

**RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION
WITH RESIGNATION OF TRUSTEE
LIVING RESOURCES CORPORATION 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 October 20, 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 Peto	Secretary
Hon. Kathy Sheehan	Treasurer
Martin Daley	Member

ABSENT:

ISSUER STAFF PRESENT INCLUDED THE FOLLOWING:

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Megan Daly	Department of Development and Planning
Erik Smith	CFO - Capitalize Albany Corporation
Bradley Chevalier	Economic Development Specialist, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Issuer Counsel
A. Joseph Scott, III, Esq.	Bond Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1011-__

RESOLUTION AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS BY CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY (THE "ISSUER") IN CONNECTION WITH THE RESIGNATION OF HSBC BANK USA, NATIONAL ASSOCIATION, AS TRUSTEE TO THE FOLLOWING ISSUES: (A) TAX-EXEMPT CIVIC FACILITY REVENUE BONDS (LIVING RESOURCES CORPORATION PROJECT - LETTER OF CREDIT SECURED), SERIES 2007A IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$7,240,000 ISSUED BY THE ISSUER ON FEBRUARY 28, 2007 AND (B) TAXABLE CIVIC FACILITY REVENUE BONDS (LIVING RESOURCES CORPORATION PROJECT - LETTER OF CREDIT SECURED), SERIES 2007B IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT OF \$405,000 ISSUED BY THE ISSUER ON FEBRUARY 28, 2007.

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 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 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, the Issuer has issued its (A) \$7,240,000 original aggregate principal amount of Tax-Exempt Civic Facility Revenue Bonds (Living Resources Corporation Project - Letter of Credit Secured), Series 2007A (the "Series 2007A Bonds") and (B) \$405,000 original aggregate principal amount of Taxable Civic Facility Revenue Bonds (Living Resources Corporation Project - Letter of Credit Secured), Series 2007B (the "Series 2007B Bonds" and collectively with the Series 2007A Bonds, the "Bonds") under a trust indenture dated as of February 1, 2007 (the "Indenture"), by and between the Issuer and HSBC Bank USA, National Association, as trustee (the "Resigning Trustee") with consent thereto of Living Resources Corporation (the "Institution"); and

WHEREAS, the Issuer appointed the Resigning Trustee as the trustee (the "Trustee"), bond registrar (the "Registrar") and paying agent (the "Paying Agent") under the Indenture; and

WHEREAS, Section 706 of the Indenture provides that the Trustee may at any time resign with respect to the Bonds by giving sixty (60) days written notice of such resignation to the Issuer, to the Institution and to each Owner of Bonds then outstanding, effective at the end of said sixty (60) day period but not prior to the appointment and acceptance of appointment by a successor Trustee under Section 709 of the Indenture; and

WHEREAS, Section 708 of the Indenture provides that, if the Trustee shall resign, the Owners of a majority in aggregate principal amount of Bonds then Outstanding may appoint a successor Trustee; provided, that, in the case of a vacancy, the Issuer may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by Bondholders in the manner set forth in Section 708 of the Indenture, at which time such temporary Trustee shall be superseded by such trustee so appointed by such Bondholders; and

WHEREAS, Section 709 of the Indenture provides that any successor Trustee appointed in accordance with the Indenture shall execute, acknowledge and deliver to the Issuer and to its predecessor Trustee an instrument accepting such appointment under the Indenture, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all rights, powers duties and obligations of the predecessor Trustee; and

WHEREAS, Manufacturers and Traders Trust Company is the proposed successor trustee to the Bonds (the "Successor Trustee") and the Issuer has been requested by the Institution (the "Request") to

appoint the Successor Trustee as the Trustee and to enter into certain resignation agreements and other documents in connection with the resignation of the Resigning Trustee and the appointment of the Successor Trustee (collectively, the "Trustee Documents"); 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 satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the Request; and

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

WHEREAS, copies of the drafts of the Trustee Documents have been presented to the Issuer at or prior to this meeting;

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)(19) and (20) of the Regulations, the Request 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 Request.

Section 2. The Issuer further hereby finds and determines that since compliance by the Issuer with the Request will not result in the Issuer providing more than \$100,000 of "financial assistance" (as such quoted term is defined in the Act) to the Institution, Section 859-a of the Act does not require a public hearing to be held with respect to the Request.

Section 3. Subject to (A) compliance with the terms and conditions in the Indenture, (B) approval of the Trustee Documents by Issuer Counsel and Bond Counsel, (C) acceptance of the Successor Trustee by the Institution, (D) prior execution of the Trustee Documents by the other parties thereto and (E) payment by the Institution of all fees and expenses of the Issuer in connection with the Request and the execution and delivery of the Trustee Documents, including the fees of Issuer Counsel and Bond Counsel, the Issuer hereby authorizes the execution by the Issuer of the Trustee Documents.

Section 4. Subject to the satisfaction of the conditions described in Sections 3 hereof, the Chairman (or Vice Chairman) of the Issuer is hereby authorized to execute and deliver the Trustee Documents to the Institution, 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 form 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.

Section 5. 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 Trustee 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 Issuer with all of the terms, covenants and provisions of the Trustee Documents binding upon the Issuer.

Section 6. All action taken by the Issuer in connection with the Request and the execution of the Trustee Documents, prior to the date of this Resolution is hereby ratified and confirmed.

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	_____

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 October 20, 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 20th day of October, 2011.

(Assistant) Secretary

(SEAL)

**RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION
WITH RESIGNATION OF TRUSTEE
ALBANY INSTITUTE OF HISTORY AND ART 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 October 20, 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

ABSENT:

ISSUER STAFF PRESENT INCLUDED THE FOLLOWING:

Michael J. Yevoli	CEO - Capitalize Albany Corporation
Megan Daly	Department of Development and Planning
Erik Smith	CFO - Capitalize Albany Corporation
Bradley Chevalier	Economic Development Specialist, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Issuer Counsel
A. Joseph Scott, III, Esq.	Bond Counsel

The following resolution was offered by _____, seconded by _____, to wit:

Resolution No. 1011-__

RESOLUTION AUTHORIZING THE EXECUTION OF CERTAIN DOCUMENTS BY CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY (THE "ISSUER") IN CONNECTION WITH THE RESIGNATION OF HSBC BANK USA, NATIONAL ASSOCIATION, AS TRUSTEE TO THE FOLLOWING ISSUE: TAX-EXEMPT CIVIC FACILITY REVENUE BONDS (ALBANY INSTITUTE OF HISTORY AND ART PROJECT - LETTER OF CREDIT SECURED), SERIES 2004A IN THE ORIGINAL AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$2,075,000 ISSUED BY THE ISSUER ON JUNE 1, 2004.

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 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 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, the Issuer has issued its \$4,130,000 original aggregate principal amount of Civic Facility Revenue Refunding Bonds (Albany Institute of History and Art Project - Letter of Credit Secured), Series 2004A (the "Bonds") under a trust indenture dated as June 1, 1999 (the "Indenture"), by and between the Issuer and HSBC Bank USA, National Association, as trustee (the "Resigning Trustee") with consent thereto of Albany Institute of History and Art. (the "Institution"); and

WHEREAS, the Issuer appointed the Resigning Trustee as the trustee (the "Trustee"), bond registrar (the "Registrar") and paying agent (the "Paying Agent") under the Indenture; and

WHEREAS, Section 706 of the Indenture provides that the Trustee may at any time resign with respect to the Bonds by giving sixty (60) days written notice of such resignation to the Issuer, to the Institution and to each Owner of Bonds then outstanding, effective at the end of said sixty (60) day period but not prior to the appointment and acceptance of appointment by a successor Trustee under Section 709 of the Indenture; and

WHEREAS, Section 708 of the Indenture provides that, if the Trustee shall resign, the Owners of a majority in aggregate principal amount of Bonds then Outstanding may appoint a successor Trustee; provided, that, in the case of a vacancy, the Issuer may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by Bondholders in the manner set forth in Section 708 of the Indenture, at which time such temporary Trustee shall be superseded by such trustee so appointed by such Bondholders; and

WHEREAS, Section 709 of the Indenture provides that any successor Trustee appointed in accordance with the Indenture shall execute, acknowledge and deliver to the Issuer and to its predecessor Trustee an instrument accepting such appointment under the Indenture, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all rights, powers duties and obligations of the predecessor Trustee; and

WHEREAS, Manufacturers and Traders Trust Company is the proposed successor trustee to the Bonds (the "Successor Trustee") and the Issuer has been requested by the Institution (the "Request") to appoint the Successor Trustee as the Trustee and to enter into certain resignation agreements and other documents in connection with the resignation of the Resigning Trustee and the appointment of the Successor Trustee (collectively, the "Trustee Documents"); 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 satisfy the requirements contained in SEQRA prior to making a final determination whether to proceed with the Request; and

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

WHEREAS, copies of the drafts of the Trustee Documents have been presented to the Issuer at or prior to this meeting;

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)(19) and (20) of the Regulations, the Request 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 Request.

Section 2. The Issuer further hereby finds and determines that since compliance by the Issuer with the Request will not result in the Issuer providing more than \$100,000 of "financial assistance" (as such quoted term is defined in the Act) to the Institution, Section 859-a of the Act does not require a public hearing to be held with respect to the Request.

Section 3. Subject to (A) compliance with the terms and conditions in the Indenture, (B) approval of the Trustee Documents by Issuer Counsel and Bond Counsel, (C) acceptance of the Successor Trustee by the Institution, (D) prior execution of the Trustee Documents by the other parties thereto and (E) payment by the Institution of all fees and expenses of the Issuer in connection with the Request and the execution and delivery of the Trustee Documents, including the fees of Issuer Counsel and Bond Counsel, the Issuer hereby authorizes the execution by the Issuer of the Trustee Documents.

Section 4. Subject to the satisfaction of the conditions described in Sections 3 hereof, the Chairman (or Vice Chairman) of the Issuer is hereby authorized to execute and deliver the Trustee Documents to the Institution, 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 form 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.

Section 5. 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 Trustee 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 Issuer with all of the terms, covenants and provisions of the Trustee Documents binding upon the Issuer.

Section 6. All action taken by the Issuer in connection with the Request and the execution of the Trustee Documents, prior to the date of this Resolution is hereby ratified and confirmed.

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	_____

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 October 20, 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 20th day of October, 2011.

(Assistant) Secretary

(SEAL)