

Albany Industrial Development Agency

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

Tracy Metzger, *Chair*
Darius Shahinfar, *Treasurer*
Susan Pedo, *Secretary*
C. Anthony Owens
Lee Eck
Dominick Calsolaro
Robert Schofield

Chief Executive Officer
Mark Opalka, *Chief Financial Officer*
John Reilly, *Agency Counsel*

To: Tracy Metzger Sarah Reginelli
Darius Shahinfar John Reilly
Susan Pedo Joe Scott
Anthony Owens Mark Opalka
Lee Eck Brad Chevalier
Dominick Calsolaro Andy Corcione
Robert Schofield Amy Gardner

Date: September 14, 2014

AGENDA

A regular meeting of the City of Albany Industrial Development Agency will be held on **Thursday, September 18th at 12:15 PM** at 21 Lodge Street, Albany, NY 12207

Roll Call

Approval of Minutes of the Board Meeting of June 19th, 2014

Approval of Minutes of the Board Meeting of June 19th, 2014

Reports of Committees

Report of Chief Financial Officer

- Financial Report

Unfinished Business

- Park South Partners LLC – Project Synopsis
- Park South Partners LLC – Resolution Confirming SEQR Determination
- Park South Partners LLC – Resolution Making Retail Findings
- Park South Partners LLC – PILOT Deviation Resolution
- Park South Partners LLC – Approval Resolution
- Albany Medical Center 391 Myrtle Ave (MOB) – Project Synopsis
- Albany Medical Center 391 Myrtle Ave (MOB) – Resolution Confirming SEQR Determination
- Albany Medical Center 391 Myrtle Ave (MOB) – Resolution Making Retail Findings
- Albany Medical Center 391 Myrtle Ave (MOB) – PILOT Deviation Resolution
- Albany Medical Center 391 Myrtle Ave (MOB) – Approval Resolution

New Business

- Approval Resolution Selection of Accountants – FY 2014

Other Business

Adjournment

The next regularly scheduled Board meeting will be held Thursday, October 16, 2014

Albany Industrial Development Agency

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Albany, New York 12207
Telephone: (518) 434-2532
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Tracy Metzger, *Chair*
Darius Shahinfar, *Treasurer*
Susan Peto, *Secretary*
C. Anthony Owens
Lee Eck
Dominick Calsolaro

Michael Yevoli, *Chief Executive Officer*
John Reilly, *Agency Counsel*

IDA MINUTES OF REGULAR MEETING Thursday, June 19, 2014

Attending: Tracy Metzger, Darius Shahinfar, C. Anthony Owens, Lee Eck and Dominick Calsolaro

Absent: Susan Peto

Also Present: Sarah Reginelli, Mark Opalka, Patrick Jordan, Joe Scott, Bradley Chevalier, Andy Corcione, Amanda Vitullo & Amy Gardner

Vice Chair Tracy Metzger called the regular meeting of the IDA to order at 12:16PM. A moment of silence was held in memory of Chairman Anthony J. Ferrara.

Roll Call

Vice Chair Tracy Metzger reported that all Board members were present with the exception of Susan Peto.

Reading of Minutes of the Regular Meeting of April 24, 2014

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

Approval of Minutes of the Regular Meeting of April 24, 2014

Vice Chair Tracy Metzger made a proposal to approve the minutes of the regular Board meeting of April 24, 2014 as presented. A motion to accept the minutes, as presented, was made by Lee Eck and seconded by Anthony Owens. A vote being taken, the minutes were accepted unanimously.

Reports of Committees

None

Report of Chief Executive Officer

None

Report of Chief Financial Officer

Mark Opalka reviewed the monthly financial report with the Board. Mr. Opalka reviewed year-to-date and projected cash inflows and outlays. Mr. Opalka advised the Board that the expenditure activity through May 31st is consistent with the IDA's budget. At this time the IDA's projected year-end cash balance is \$1,829,768.

Communications

None

Unfinished Business

New Business

Election of Chairman Approval Resolution

In accordance with the Agency's bylaws, Tracy Metzger was nominated as Chair. The Board discussed her professional background and expertise. Ms. Metzger was determined by the Board to be a strong candidate for Chair.

Vice Chair Tracy Metzger presented the Election of Chairman Approval Resolution to the Board. A motion to adopt the Resolution was made by Anthony Owens and seconded by Dominick Calsolaro. A vote being taken, the Resolution passed unanimously. Tracy Metzger abstained.

Appointment of Interim Chief Financial Officer Resolution

In accordance with the Agency's bylaws, Mark Opalka in the absence of a Chief Financial Officer was nominated as Interim Chief Financial Officer.

Chair Tracy Metzger presented the Appointment of Interim Chief Financial Officer Resolution to the Board. A motion to adopt the Resolution was made by Anthony Owens and seconded by Darius Shahinfar. A vote being taken, the Resolution passed unanimously.

Morris Street Development, LLC Project Authorizing New Mortgage – 2014 Resolution

Staff reviewed the project with the Board noting that the project had closed in 2011. The Applicant is requesting the Board take administrative action to allow the project to obtain a new mortgage in order to refinance the project. The Applicant is seeking no additional benefits from the Agency. The applicant is also complying with annual employment reporting and is current on their PILOT payments.

Chair Tracy Metzger presented the Morris Street Development, LLC Project Authorizing New Mortgage – 2014 Resolution to the Board. A motion to adopt the Resolution was made by Anthony Owens and seconded by Lee Eck. A vote being taken, the Resolution passed unanimously.

Columbia 677, LLC Project Authorizing New Mortgage – 2014 Resolution

Staff advised the Board that the applicant asked that the resolution be removed from the agenda. No discussion occurred

Columbia 425 NS LLC Project Authorizing New Mortgage – 2014 Resolution

Counsel reviewed the project with the Board. Debra Lambek of Columbia Development, representing the project, was available to answer questions. The revision of the number of jobs that project will create was discussed. The Applicant is requesting the Board take administrative action to allow the project to obtain a new mortgage in order to refinance the project. The Applicant is seeking no additional benefits from the Agency. The applicant is also complying with annual employment reporting and is current on their PILOT payments.

Chair Tracy Metzger presented the Columbia 425 NS LLC Project Authorizing New Mortgage – 2014 Resolution to the Board. A motion to adopt the Resolution was made by Lee Eck and seconded by Dominick Calsolaro. A vote being taken, the Resolution passed unanimously.

Other Business

Mike Yevoli's departure was discussed. Counsel advised the Board that he would work with staff to provide a report on Mr. Yevoli's level of involvement in all current projects. Staff reported to the Board that the Board vacancy had been posted and the Common Council was collecting resumes from interested parties.

Executive Session

A motion to enter into executive session was made by Darius Shahinfar, seconded by Lee Eck and passed unanimously to discuss litigation and personnel matters. The Board entered into executive session at 12:30pm. Staff remained in the room and the following Directors were present: Tracy Metzger, Darius Shahinfar, C. Anthony Owens, Lee Eck and Dominick Calsolaro. A motion to leave executive session was made by Anthony Owens and seconded by Lee Eck. The Board left executive session at 12:40pm. No actions were taken during executive session.

There being no further business, Chair Tracy Metzger adjourned the meeting at 12:42PM.

Respectfully submitted,

(Assistant) Secretary

City of Albany IDA
2014 Monthly Cash Position
August
2014

	ACTUAL								PROJECTED				
	January	February	March	April	May	June	July	August	September	October	November	December	YTD Total
Beginning Balance	\$ 754,526	\$ 970,441	\$ 1,079,993	\$ 1,611,835	\$ 1,856,315	\$ 1,873,110	\$ 1,783,709	\$ 1,759,380	\$ 1,796,935	\$ 1,661,455	\$ 1,940,925	\$ 1,915,594	\$ 754,526
Revenue													
Fee Revenue													
Application Fee	\$ 3,000	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,500
Agency Fee	293,100	30,320	669,603	244,653	85,230	-	-	51,417	-	304,804	-	-	1,679,128
Administrative Fee	500	-	-	-	-	-	-	-	-	-	-	-	500
Modification Fee	500	-	-	1,500	500	-	1,000	-	500	-	-	-	4,000
Subtotal - Fee Revenue	<u>\$ 297,100</u>	<u>\$ 31,820</u>	<u>\$ 669,603</u>	<u>\$ 246,153</u>	<u>\$ 85,730</u>	<u>\$ -</u>	<u>\$ 1,000</u>	<u>\$ 51,417</u>	<u>\$ 500</u>	<u>\$ 304,804</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,688,128</u>
Other Revenue													
Project Benefit Agreement	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Interest Income	41	16	24	27	32	30	30	30	30	28	32	32	352
CRC	-	-	-	-	-	-	-	-	-	-	-	-	-
NYS BIC	-	-	-	-	-	-	-	-	-	-	-	-	-
Misc	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal - Other Revenue	<u>\$ 41</u>	<u>\$ 100,016</u>	<u>\$ 24</u>	<u>\$ 27</u>	<u>\$ 32</u>	<u>\$ 30</u>	<u>\$ 30</u>	<u>\$ 30</u>	<u>\$ 30</u>	<u>\$ 28</u>	<u>\$ 32</u>	<u>\$ 32</u>	<u>\$ 100,352</u>
Total - Revenue	<u>\$ 297,141</u>	<u>\$ 131,836</u>	<u>\$ 669,627</u>	<u>\$ 246,180</u>	<u>\$ 85,762</u>	<u>\$ 30</u>	<u>\$ 1,030</u>	<u>\$ 51,447</u>	<u>\$ 530</u>	<u>\$ 304,832</u>	<u>\$ 32</u>	<u>\$ 32</u>	<u>\$ 1,788,479</u>
Expenditures													
Management Contract	\$ -	\$ -	\$ 75,000	\$ -	\$ 50,000	\$ 25,000	\$ 25,000	\$ -	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 300,000
Downtown Tactical Plan	-	-	-	-	-	-	-	-	-	-	-	-	-
APA Contract	-	-	-	-	-	-	-	-	-	-	-	-	-
Audits	-	5,300	-	1,700	-	-	-	-	-	-	-	-	7,000
Agency Counsel	42,000	-	-	-	-	-	-	-	-	-	-	-	42,000
ED Support	-	-	62,500	-	-	62,500	-	-	62,500	-	-	62,500	250,000
Sub-lease AHCC	39,226	16,421	-	-	18,480	-	-	-	23,145	-	-	16,800	114,072
NYS BIC	-	-	-	-	-	-	-	-	-	-	-	-	-
D & O Insurance	-	-	-	-	-	1,647	-	-	-	-	-	-	1,647
Misc.	-	563	285	-	487	285	359	143	364	362	363	363	3,572
Legal Expenses	-	-	-	-	-	-	-	13,750	-	-	-	-	13,750
Other Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Total - Expenditures	<u>\$ 81,226</u>	<u>\$ 22,284</u>	<u>\$ 137,785</u>	<u>\$ 1,700</u>	<u>\$ 68,967</u>	<u>\$ 89,432</u>	<u>\$ 25,359</u>	<u>\$ 13,893</u>	<u>\$ 136,009</u>	<u>\$ 25,362</u>	<u>\$ 25,363</u>	<u>\$ 104,663</u>	<u>\$ 732,042</u>
Ending Balance	<u>\$ 970,441</u>	<u>\$ 1,079,993</u>	<u>\$ 1,611,835</u>	<u>\$ 1,856,315</u>	<u>\$ 1,873,110</u>	<u>\$ 1,783,709</u>	<u>\$ 1,759,380</u>	<u>\$ 1,796,935</u>	<u>\$ 1,661,455</u>	<u>\$ 1,940,925</u>	<u>\$ 1,915,594</u>	<u>\$ 1,810,963</u>	<u>\$ 1,810,963</u>

City of Albany IDA

Fee Detail by Month

August

2014

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>January</i>	LV Apartments, LP	\$ -	\$ 293,100	\$ -	\$ -	\$ 293,100
	Sixty State Place, LLC	-	-	500	500	-
	733 Broadway, LLC	1,500	-	-	-	1,500
	Tricentennial Properties, LLC	1,500	-	-	-	1,500
	TOTAL	\$ 3,000	\$ 293,100	\$ 500	\$ 500	\$ 297,100
<i>February</i>	412 Broadway Realty, LLC	\$ -	\$ 30,320	\$ -	\$ -	\$ 30,320
	CDP Holland, LLC	1,500	-	-	-	1,500
	TOTAL	\$ 1,500	\$ 30,320	\$ -	\$ -	\$ 31,820
<i>March</i>	Fuller Road Management Corporation	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000
	144 State Street Properties, LLC	-	469,603	-	-	469,603
	488 Broadway Arcade, LLC	-	100,000	-	-	-
	TOTAL	\$ -	\$ 669,603	\$ -	\$ -	\$ 669,603
<i>April</i>	Aeon Nexus Corporation	\$ -	\$ 18,335	\$ -	\$ -	\$ 18,335
	Sheridan Hollow Village, LLC/Sheridan Hollow Enterprises	-	153,843	-	-	-
	Columbia 425 NS, LLC	-	-	500	-	-
	Madison Properties of Albany, LLC	-	-	-	500	-
	Dilek, LLC	-	-	-	500	-
	132 State Street Properties, LLC	\$ -	\$ 23,515	\$ -	\$ -	-
	136 State Street Properties, LLC	-	35,905	-	-	-
	140 State Street Properties, LLC	-	13,055	-	-	-
	TOTAL	\$ -	\$ 244,653	\$ 500	\$ 1,000	\$ 246,153
<i>May</i>	Tricentennial Properties, LLC	-	\$ 85,230	-	-	\$ 85,230
	Sixty State Place, LLC	-	-	-	500	500
	TOTAL	\$ -	\$ 85,230	\$ -	\$ 500	\$ 85,730
<i>June</i>		\$ -	-	\$ -	\$ -	\$ -
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -

City of Albany IDA

Fee Detail by Month

August

2014

	Name	Application Fee	Agency Fee	Administration Fee	Modification Fee	TOTAL FEE
<i>July</i>	Morris Street Development LLC	\$ -	\$ -	\$ -	\$ 500	\$ 500
	Columbia 425 NS, LLC	-	-	-	500	500
		-	-	-		-
		-	-	-		-
	TOTAL	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000
<i>August</i>	733 Broadway, LLC		\$ 51,417			51,417
						-
						-
						-
	TOTAL	\$ -	\$ 51,417	\$ -	\$ -	\$ 51,417
<i>September</i>	Columbia 677, LLC	\$ -	\$ -	\$ -	\$ 500	\$ 500
	40 Steuben LLC	-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ 500	\$ 500
<i>October</i>	TMG-NY Albany I, LP	\$ -	\$ 190,233	\$ -	\$ -	\$ 190,233
	67 Howard Street, LLC	-	65,035	-	-	65,035
	40 Steuben LLC	-	49,536	-	-	49,536
		-	-	-	-	-
	TOTAL	\$ -	\$ 304,804	\$ -	\$ -	\$ 304,804
<i>November</i>		\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
<i>December</i>	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -
		-	-	-	-	-
		-	-	-	-	-
	TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -
	2014 TOTAL	\$ 4,500	\$ 1,679,127	\$ 1,000	\$ 3,500	\$ 1,688,127
		<i>Application Fee</i>	<i>Agency Fee</i>	<i>Administration Fee</i>	<i>Modification Fee</i>	<i>TOTAL FEE</i>

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY
LEASE/LEASEBACK TRANSACTION
PARK SOUTH PARTNERS LLC PROJECT**

I. PROJECT IDENTIFICATION:

1. Project Applicant: Park South Partners LLC, a New York limited liability company (the “Company”).
2. The Project:
 - (A) Acquisition of Land: the acquisition of an interest in a portion of (a) four (4) parcels of land located at 160 Morris Street (Tax Map # 76.22-2-26), 163 Morris Street (Tax Map # 76.22-1-60), 11 New Scotland Avenue (Tax Map # 76.22-1-54) and 33 New Scotland Avenue (Tax Map # 76.22-2-35) and (b) certain parcels of land located on Dana Avenue and Robin Street in the vicinity of the above mentioned four (4) parcels containing in the aggregate approximately 23.95 acres in the City of Albany, Albany County, New York (collectively, the “Land”), together with various existing buildings located thereon (collectively, the “Existing Facility”).
 - (B) Construction: the demolition of the Existing Facility and the construction thereon of an approximately 256 unit apartment complex, approximately 28,000 square foot retail facility (collectively, the “Facility”).
 - (C) Equipment component: the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvement and finish (collectively, the “Equipment”) (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the “Project Facility”).
 - (D) Lease: The Project Facility will be owned by the Company, to constitute a mixed use retail facility/residential apartments, and to be leased by the Company to various commercial and residential tenants and other directly and indirectly related activities.

II. PRIOR ACTION ON PROJECT:

3.
 - (A) SEQR classification of the Project: confirming (a) the City of Albany Planning Board determination that the Project constitutes a “Type I Action” and (b) the issuance of a “negative declaration”.
 - (B) SEQR Lead Agency: City of Albany Planning Board.
 - (C) Date of Lead Agency Action: May 15, 2014.
 - (D) Date of Agency Action: September 18, 2014.
4. Inducement Proceedings:
 - (A) Public Hearing Resolution: adopted on November 21, 2013.
 - (B) Public Hearing:
 - (1) Mailed to Affected Taxing Jurisdictions: December 4, 2013.
 - (2) Date Posted: December 4, 2013.
 - (3) Published in the Albany Times Union: December 7, 2013.
 - (4) Date of Public Hearing: December 19, 2013.
 - (5) Location of Public Hearing: 200 Henry Johnson Boulevard in the City of Albany, Albany County, New York.

5. Payment In Lieu of Taxes:
 - (A) Deviation Letter Mailed: September 8, 2014.

III. PROPOSED AGENCY ACTION ON SEPTEMBER 18, 2014:

6. SEQR Resolution: Confirming SEQR Resolution.
7. Commercial/Retail Findings Resolution: Determining Project is a “commercial project”. Retail - located in distressed area.
8. PILOT Deviation Resolution: See 12(B) below for specifics.
9. Approving Resolution: Approving the Project and the proposed financial assistance.
10. Mayor’s Approval: Anticipated - October, 2014.

IV. DETAILS OF PROPOSED STRAIGHT LEASE TRANSACTION:

11. Relationship of Agency to Company: The Agency will acquire, construct, renovate and install the Project Facility and lease the Project Facility to the Company pursuant to the Lease Agreement.
12. Business Terms:
 - (A) The Agency fee is estimated to be \$525,835 (1% of the Project costs of \$52,583,536 (est.)).
 - (B) Pilot Terms: the Company will be granted a twenty-two 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 payment in lieu of tax (“PILOT”) payment equal to one hundred percent (100%) of the normal taxes due on the Land and the Facility (fixed at a base amount equal to \$3,700,000) 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:

Year	Amount of Abatement on Increased Assessment
1 - 6	100.00%
7	95.00%
8	90.00%
9	85.00%
10	82.50%
11	80.00%
12	77.50%
13	75.00%
14	72.50%
15-22	70.00%
23 and thereafter	0%

As noted in the table above, the abatement schedule is 22 years, with Year 1 of the abatement schedule beginning in the year following the completion of the construction of the Project.

Beginning in Year 14 the Proposed Pilot Agreement will also provide that the amount of payments in lieu of taxes payable by the Company will be the greater of (A) the amount determined in accordance with the table described above, or (B) an amount equal to 11.5% of the “gross rental revenue” (as defined in the Proposed Pilot Agreement) generated at the Project Facility.

13. 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.

14. Proposed Closing Date: October - November, 2014.

15. Special Agency Counsel: Hodgson Russ LLP, Albany, New York.

**RESOLUTION CONFIRMING SEQR DETERMINATION
PARK SOUTH PARTNERS LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on September 18, 2014 at 12:15 p.m., local time.

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

PRESENT:

Tracy Metzger	Chairman
Hon. Darius Shahinfar	Treasurer
Susan Pedo	Secretary
Dominick Calsolaro	Member
Lee Eck	Member
C. Anthony Owens	Member
Robert T. Schofield	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Director of Economic Development
Bradley Chevalier	Senior Economic Developer, Capitalize Albany Corporation
Mark O’Palka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
Christopher M. Martell, Esq.	Special Agency Counsel

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

Resolution No. 0914-__

**RESOLUTION CONCURRING IN THE DETERMINATION BY CITY OF ALBANY
PLANNING BOARD, AS LEAD AGENCY FOR THE ENVIRONMENTAL REVIEW
OF THE PARK SOUTH PARTNERS LLC PROPOSED 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, Park South Partners LLC, a New York limited liability company (the “Company”), has 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 portion of (a) four (4) parcels of land located at 160 Morris Street (Tax Map # 76.22-2-26), 163 Morris Street (Tax Map # 76.22-1-60), 11 New Scotland Avenue (Tax Map # 76.22-1-54) and 33 New Scotland Avenue (Tax Map # 76.22-2-35) and (b) certain parcels of land located on Dana Avenue and Robin Street in the vicinity of the above mentioned four (4) parcels containing in the aggregate approximately 23.95 acres in the City of Albany, Albany County, New York (collectively, the “Land”), together with various existing buildings located thereon (collectively, the “Existing Facility”), (2) the demolition of the Existing Facility and the construction thereon of an approximately 256 unit apartment complex, approximately 28,000 square foot retail facility and associated parking (collectively, the “Facility”) and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvement and finish (collectively, the “Equipment”) (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company, to constitute a mixed use retail facility/residential apartments, and to be leased by the Company to various commercial and residential tenants 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 November 21, 2013 (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 December 4, 2014 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 December 4, 2013 at the City Hall bulletin board located at 24 Eagle Street in the City of Albany, Albany County, New York and on the Agency’s website, (C) caused notice of the Public Hearing to be published on December 7, 2013 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 December 19, 2013 at 11:30 o’clock a.m., local time at the Albany Community Development Agency located at 200 Henry Johnson Boulevard in the City of Albany, Albany County, New York, and (E) prepared a report of the Public Hearing (the “Public Hearing Report”) fairly summarizing the views

presented at such Public Hearing and caused copies of said Public Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), the Agency has been informed that (A) The Albany Common Council, as “lead agency” determined, on December 16, 2013, that the proposed Park South Urban Renewal Plan – 2013 Amendment, which includes this Project, would not have a significant adverse environmental impact (see attached Environmental Notice Bulletin Notice as Exhibit A) and (B) (1) the City of Albany Planning Board (the “Planning Board”) was designated to act as “lead agency” with respect to the Project, and (2) the Planning Board issued a negative declaration on May 15, 2014 (the “Negative Declaration”), attached hereto as Exhibit B determining that the Project will result in no significant adverse impact on the environment, and therefore, an environmental statement need not be proposed with respect to the Project; and

WHEREAS, the Agency is an “involved agency” with respect to the Project and the Agency now desires to concur in the determination by the Planning Board, as “lead agency” with respect to the Project, to acknowledge receipt of a copy of the Negative Declaration and to indicate whether the Agency has any information to suggest that the Planning Board was incorrect in determining that the Project will result in no significant adverse impact on the environment pursuant to SEQRA and, therefore, that no environmental impact statement need be prepared with respect to the Project;

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

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

Section 2. The Agency hereby determines that the Agency has no information to suggest that the Planning Board was incorrect in determining that the Project will result in no significant adverse impact on the environment pursuant to the SEQRA and, therefore, that no environmental impact statement need be prepared with respect to the Project (as such quoted phrase is used in SEQRA).

Section 3. The members of the Agency are hereby directed to notify the Planning Board of the concurrence by the Agency that the Planning Board shall be the “lead agency” with respect to the Project, and to further indicate to the Planning Board that the Agency has no information to suggest that the Planning Board was incorrect in its determinations contained in the Negative Declaration.

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:

Tracy Metzger	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Susan Peto	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
C. Anthony Owens	VOTING	_____
Robert T. Schofield	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 September 18, 2014 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 18th day of September, 2014.

(Assistant) Secretary

(SEAL)

EXHIBIT A

ENVIRONMENTAL NOTICE BULLETIN NOTICE

- SEE ATTACHED -



ENB - Region 4 Notices 2/5/2014

Public Meeting Notice

Shandaken SPDES Semi-Annual Meeting

The New York City Department of Environmental Protection (NYC DEP) is pleased to announce that the next semi-annual public meeting, held per the Shandaken SPDES permit, will be on Friday February 14th from 10:00 a.m. to 11:30 a.m. at the Shandaken Town Hall, 7209 Route 28, Shandaken, NY. DEP will discuss the progress of activities conducted pursuant to the SPDES permit. In case of inclement weather, the snow date is February 25th at 2:00 p.m.

The meeting is open to the public and public input is welcome.

For further information, please contact:

Kimberlee Kane
NYC DEP
465 Columbia Avenue
Valhalla, NY 10595
Phone: (914) 773-4473
E-mail: kkane@dep.nyc.gov

Negative Declaration

Albany County - The Albany Common Council, as lead agency, has determined that the proposed Park South Urban Renewal Plan - 2013 Amendment will not have a significant adverse environmental impact. The action involves the amendment of the text and map of the Park South Urban Renewal Plan (PSURP) and associated zoning provisions relating to the Park South Planned Development Overlay District (PSPDOD) to permit the construction of a parking structure to include the approximate area of 405 Myrtle Avenue; construction of six story buildings between and including 11-41 New Scotland Avenue; and increase in the number of dwelling units by 10% more than provided in the existing URP, within the two contiguous blocks of the existing PSURP, as depicted on the map entitled "Revised Ground Level Site Plan", prepared by HCP Architects, LLP, revising Map A-ix of the Urban Renewal Plan and Chapter 375 of the City Code. The proposed action includes the reconstruction of curbs, sidewalks, street plantings, light poles and other elements of the street infrastructure to conform to the Design Standard of the PSPDOD. All existing buildings within the two block area are proposed to be demolished. The project is located on the two contiguous blocks bounded by New Scotland Avenue, Myrtle Avenue, Robin Street and Dana Avenue in the City of Albany, New York.

Contact: Nala Woodard, City of Albany Common Council, City Hall, 24 Eagle Street, Room 204, Albany, NY 12207, Phone: (518) 434-5090, E-mail: cityclerk@ci.albany.ny.us.

EXHIBIT B
NEGATIVE DECLARATION
-SEE ATTACHED-

—

SEQRA RESOLUTION
CITY OF ALBANY PLANNING BOARD

PARK SOUTH REDEVELOPMENT
160 & 163 MORRIS STREET; 391 & 405 MYRTLE AVENUE;
17 & 33 NEW SCOTLAND AVENUE

May 15, 2014

**MOTION TO ADOPT A NEGATIVE DECLARATION FOR THIS TYPE I
ACTION PURSUANT TO SEQRA**

The City of Albany Planning Board hereby makes the following resolution:

WHEREAS, the Planning Board has considered the Full SEQRA Environmental Assessment Form for the cumulative project located at 160 & 163 Morris Street, 391 & 405 Myrtle Avenue and 17 & 33 New Scotland Avenue known as the Park South Redevelopment Project; and

WHEREAS, the Planning Board has examined the site plan and additional information provided by the Applicant, and such information did not result in any significant adverse environmental impacts not mitigated by the project plans;

NOW, THEREFORE, BE IT RESOLVED: after due deliberation, that the Planning Board hereby determines that there are no potential significant adverse environmental for this project, and issues a negative declaration pursuant to SEQRA attached hereto.

VOTE:

	<u>For</u>	<u>Against</u>	<u>NIA</u>
Albert DeSalvo, Chair	X		
Tracy Abbott	X		
Alison Bates	X		
Sandra Fox	X		
Marcus Pryor	X		

I, Albert DeSalvo, 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 15th day of May 2014.

Date: 5/15/14 Signature: Albert R DeSalvo

Full Environmental Assessment Form
Part 3 - Evaluation of the Magnitude and Importance of Project Impacts
and
Determination of Significance

Part 3 provides the reasons in support of the determination of significance. The lead agency must complete Part 3 for every question in Part 2 where the impact has been identified as potentially moderate to large or where there is a need to explain why a particular element of the proposed action will not, or may, result in a significant adverse environmental impact.

Based on the analysis in Part 3, the lead agency must decide whether to require an environmental impact statement to further assess the proposed action or whether available information is sufficient for the lead agency to conclude that the proposed action will not have a significant adverse environmental impact. By completing the certification on the next page, the lead agency can complete its determination of significance.

Reasons Supporting This Determination:

To complete this section:

- Identify the impact based on the Part 2 responses and describe its magnitude. Magnitude considers factors such as severity, size or extent of an impact.
- Assess the importance of the impact. Importance relates to the geographic scope, duration, probability of the impact occurring, number of people affected by the impact and any additional environmental consequences if the impact were to occur.
- The assessment should take into consideration any design element or project changes.
- Repeat this process for each Part 2 question where the impact has been identified as potentially moderate to large or where there is a need to explain why a particular element of the proposed action will not, or may, result in a significant adverse environmental impact.
- Provide the reason(s) why the impact may, or will not, result in a significant adverse environmental impact
- For Conditional Negative Declarations identify the specific condition(s) imposed that will modify the proposed action so that no significant adverse environmental impacts will result.
- Attach additional sheets, as needed.

11d. The proposed action may result in loss of an area now used informally by the community as an open space resource.

The project will result in the loss of the Dana Avenue Community Garden (114-120 Dana Avenue), located on the south side of Dana Avenue west of New Scotland Avenue. The area dedicated to the garden consists of approximately 0.2 acres of land. A proximate site at Leonard Place, approximately 0.43 acres in size, is improved with a community garden that can sufficiently absorb users of the Dana Avenue gardening plot. The proposed project will incorporate ample green space for residents intended to reside within the area, albeit not delineated for gardening purposes.

13a. Projected traffic increase may exceed capacity of existing road network.

An increase in traffic volumes is anticipated as a result of the proposed changes in use. Said increase was largely anticipated as a result of the Park South Urban Renewal Plan formulation and the impacts evaluated in the GEIS prepared in conjunction with that document. The matter was also address by the Albany Common Council upon their review of plan amendments that included the approval of a substantial increase in the overall site area dedicated to a proposed parking garage. The project applicants have agreed to the implementation of numerous traffic control measures both within and outside of the project area in order to mitigate additional volumes resulting from the proposed uses. Improvements will also be made to transit, bicycle and pedestrian facilities within the immediate area. Travel Demand Management measures will also be employed with an accompanying monitoring period that will encourage non-single occupancy travel modes by employee and residents active within the associated project area.

13b. The proposed action may result in the construction of paved parking area for 500 or more vehicles.

An estimated +/- 950 parking spaces will be provided to serve the various uses to be constructed. +/- 816 of the parking spaces will be located within in a proposed multi-level parking structure, thereby limiting the overall impervious surface coverage area dedicated to parking.

18a. The proposed action may replace or eliminate existing facilities, structures, or areas of historic importance to the community.

Two structures potentially eligible for listing on the National Register of Historic Places were identified within the project area. At least one other structure was noted to have some historic or architectural significance. Although the proposed project does not accommodate reuse of the identified structures, the applicant agrees to a comprehensive salvage strategy to identify and carefully remove historically significant building elements for reuse.

18e. The proposed action is inconsistent with the predominant architectural scale and character.

The proposed alterations to the scale and character of the neighborhood were fully contemplated within the Park South Urban Renewal Plan.

Determination of Significance - Type 1 and Unlisted Actions

SEQR Status:

☒ Type 1

☐ Unlisted

Identify portions of EAF completed for this Project: ☒ Part 1

☒ Part 2

☒ Part 3

Upon review of the information recorded on this EAF, as noted, plus this additional support information <hr/> <hr/>	
and considering both the magnitude and importance of each identified potential impact, it is the conclusion of the <u>City of Albany Planning Board</u> as lead agency that:	
<input checked="" type="checkbox"/> A. This project will result in no significant adverse impacts on the environment, and, therefore, an environmental impact statement need not be prepared. Accordingly, this negative declaration is issued.	
<input type="checkbox"/> B. Although this project could have a significant adverse impact on the environment, that impact will be avoided or substantially mitigated because of the following conditions which will be required by the lead agency: <hr/> <hr/> <hr/>	
There will, therefore, be no significant adverse impacts from the project as conditioned, and, therefore, this conditioned negative declaration is issued. A conditioned negative declaration may be used only for UNLISTED actions (see 6 NYCRR 617.d).	
<input type="checkbox"/> C. This Project may result in one or more significant adverse impacts on the environment, and an environmental impact statement must be prepared to further assess the impact(s) and possible mitigation and to explore alternatives to avoid or reduce those impacts. Accordingly, this positive declaration is issued.	
Name of Action: Park South Redevelopment (Area bounded by New Scotland, Dana, Robin & Myrtle)	
Name of Lead Agency: City of Albany Planning Board	
Name of Responsible Officer in Lead Agency: Albert DeSalvo	
Title of Responsible Officer: Chair	
Signature of Responsible Officer in Lead Agency: <i>Albert R DeSalvo</i>	Date: 5/15/14
Signature of Preparer (if different from Responsible Officer)	Date:
For Further Information: Contact Person: Bradley Glass, Senior Planner Address: 200 Henry Johnson Blvd., Albany, NY 12210 Telephone Number: 518-423-8073 E-mail: glassb@ci.albany.ny.us	
For Type 1 Actions and Conditioned Negative Declarations, a copy of this Notice is sent to: Chief Executive Officer of the political subdivision in which the action will be principally located (e.g., Town / City / Village of) Other involved agencies (if any) Applicant (if any) Environmental Notice Bulletin: http://www.dec.ny.gov/enb/enb.html	

**COMMERCIAL/RETAIL FINDINGS RESOLUTION
PARK SOUTH PARTNERS LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on September 18, 2014 at 12:15 p.m., local time.

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

PRESENT:

Tracy Metzger	Chairman
Hon. Darius Shahinfar	Treasurer
Susan Pedo	Secretary
Dominick Calsolaro	Member
Lee Eck	Member
C. Anthony Owens	Member
Robert T. Schofield	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Director of Economic Development
Bradley Chevalier	Senior Economic Developer, Capitalize Albany Corporation
Mark O’Palka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
Christopher M. Martell, Esq.	Special Agency Counsel

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

Resolution No. 0914-__

RESOLUTION (A) DETERMINING THAT THE PROPOSED PARK SOUTH PARTNERS LLC PROJECT IS A COMMERCIAL PROJECT, AND (B) MAKING CERTAIN FINDINGS REQUIRED UNDER THE GENERAL MUNICIPAL LAW.

WHEREAS, City of Albany Industrial Development Agency (the “Agency”) is authorized and empowered by the provisions of Chapter 1030 of 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, manufacturing and industrial 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, Park South Partners LLC, a New York limited liability company (the “Company”), has 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 portion of (a) four (4) parcels of land located at 160 Morris Street (Tax Map # 76.22-2-26), 163 Morris Street (Tax Map # 76.22-1-60), 11 New Scotland Avenue (Tax Map # 76.22-1-54) and 33 New Scotland Avenue (Tax Map # 76.22-2-35) and (b) certain parcels of land located on Dana Avenue and Robin Street in the vicinity of the above mentioned four (4) parcels containing in the aggregate approximately 23.95 acres in the City of Albany, Albany County, New York (collectively, the “Land”), together with various existing buildings located thereon (collectively, the “Existing Facility”), (2) the demolition of the Existing Facility and the construction thereon of an approximately 256 unit apartment complex, approximately 28,000 square foot retail facility and associated parking (collectively, the “Facility”) and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvement and finish (collectively, the “Equipment”) (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company, to constitute a mixed use retail facility/residential apartments, and to be leased by the Company to various commercial and residential tenants 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 November 21, 2013 (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 December 4, 2014 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 December 4, 2013 at the City Hall bulletin board located at 24 Eagle Street in the City of Albany, Albany County, New York and on the Agency’s website, (C) caused notice of the Public Hearing to be published on December 7, 2013 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 December 19, 2013 at 11:30 o’clock a.m., local time at the Albany Community Development Agency located at 200 Henry Johnson Boulevard in the City of Albany, Albany County, New York, and (E) prepared a report of the Public Hearing (the “Public Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Public Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on September 18, 2014 (the “SEQR Resolution”), the Agency (A) concurred in the determination that the City of Albany Planning Board (the “Planning Board”) is the “lead agency” with respect to SEQRA and (B) acknowledged receipt of a negative declaration from the Planning Board issued on May 15, 2014 (the “Negative Declaration”), in which the Planning Board determined that the Project would not have a significant adverse environmental impact on the environment, and therefore, an environmental statement need not be proposed with respect to the Project; and

WHEREAS, in Opinion of the State Comptroller Number 85-51, the State Comptroller indicated that the determination whether a project that consists of the construction of an apartment house is a commercial activity within the meaning of the Act is to be made by local officials based upon all of the facts relevant to the proposed project, and that any such determination should take into account the stated purpose of the Act, that is, the promotion of employment opportunities and the prevention of economic deterioration; and

WHEREAS, to aid the Agency in determining whether the Project qualifies for Financial Assistance as a commercial project within the meaning of the Act, the Agency has reviewed the following (collectively, the “Project Qualification Documents”): (A) the Application, including the attached Cost Benefit Analysis; and (B) a report dated April 2012 entitled “Albany 2030” (the “2030 Plan”);

WHEREAS, the Agency has given due consideration to the Project Qualification Documents, and to representations by the Company that although the Project constitutes a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost, the Project is located within an empire zone that is considered to be a distressed census tract and therefore is in a “highly distressed area”, as that term is defined in Section 854(18) of the Act; and

WHEREAS, pursuant to Section 862(2)(b) of the Act, the Agency would be authorized to provide financial assistance in respect of the Project provided that the obligation of the Agency to proceed with the Project was subject to certain conditions, including (1) following compliance with the procedural requirements of Section 859-a of the Act, a finding by the Agency that the Project would preserve permanent, private sector jobs in the State of New York or increase the overall number of permanent, private sector jobs in the State of New York and (2) confirmation by the Mayor of the City of Albany of the proposed action by the Agency with respect to the Project; and

WHEREAS, having complied with the requirements of SEQRA and Section 859-a of the Act with respect to the Project, the Agency now desires, pursuant to Section 862(2)(c) of the Act, to make its final findings with respect to the Project and its final determination whether to proceed with the Project;

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

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

A. The Project is located in an area having a mixture of residential, not-for-profit, commercial, retail, and service uses.

B. The 2030 Plan makes the following comments/findings regarding housing in the City of Albany:

- Encourage investment in urban land and buildings for employment and housing through development, redevelopment, rehabilitation and adaptive reuse
- Provide and maintain intergenerational life cycle housing options
- Encourage mixed income housing options throughout the City of Albany
- Promote quality affordable housing
- Increase job opportunities for all residents

C. That undertaking the Project is consistent with the 2030 Plan and will assist and maintain current and future residential and commercial development and expansion in the neighborhood area.

D. That undertaking the Project is also consistent with an Urban Renewal Development Plan approved by the City of Albany and that the Project has been approved by the City of Albany.

E. The Company has informed representatives of the Agency that the Project is expected to create approximately eleven (11) full time permanent, private sector jobs.

F. The Company has informed representatives of the Agency that the Company is not aware of any adverse employment impact caused by the undertaking of the Project.

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

A. That although the Project does constitute a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost, the Project is located in a "highly distressed area" (as defined in the Act).

B. That (1) the Project Facility will provide necessary infrastructure for area employers and businesses, (2) the completion of the Project Facility will have an impact upon the creation, retention and expansion of employment opportunities in the City of Albany and in the State of New York, and (3) the completion of the Project will assist in promoting employment opportunities and assist in preventing economic deterioration in the City of Albany and in the State of New York.

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

D. That the Project constitutes a "commercial" project, within the meaning of the Act.

E. That the undertaking of the Project will serve the public purposes of the Act by preserving and creating permanent private sector jobs in the State of New York.

Section 3. Having reviewed the Public Hearing Report, and having considered fully all comments contained therein, and based upon the findings contained in Section 1 above, the Agency hereby determines to proceed with the Project and the granting of the financial assistance described in the notice of the Public Hearing; provided, however, that no financial assistance shall be provided to the Project by the Agency unless and until the Mayor of the City of Albany, New York, as chief executive officer of the City of Albany, New York, shall, pursuant to Section 862(2)(c) of the Act, confirm the proposed action of the Agency with respect to the Project.

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:

Tracy L. Metzger	VOTING	_____
Susan Pado	VOTING	_____
Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
C. Anthony Owens	VOTING	_____
Robert T. Schofield	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 September 18, 2014 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 18th day of September, 2014.

(Assistant) Secretary

(SEAL)

**PILOT DEVIATION APPROVAL RESOLUTION
PARK SOUTH PARTNERS LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on September 18, 2014 at 12:15 p.m., local time.

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

PRESENT:

Tracy Metzger	Chairman
Hon. Darius Shahinfar	Treasurer
Susan Pedo	Secretary
Dominick Calsolaro	Member
Lee Eck	Member
C. Anthony Owens	Member
Robert T. Schofield	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Director of Economic Development
Bradley Chevalier	Senior Economic Developer, Capitalize Albany Corporation
Mark O’Palka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
Christopher M. Martell, Esq.	Special Agency Counsel

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

Resolution No. 0914-

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 PROJECT FOR PARK SOUTH PARTNERS 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, manufacturing and industrial 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, Park South Partners LLC, a New York limited liability company (the “Company”), has 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 portion of (a) four (4) parcels of land located at 160 Morris Street (Tax Map # 76.22-2-26), 163 Morris Street (Tax Map # 76.22-1-60), 11 New Scotland Avenue (Tax Map # 76.22-1-54) and 33 New Scotland Avenue (Tax Map # 76.22-2-35) and (b) certain parcels of land located on Dana Avenue and Robin Street in the vicinity of the above mentioned four (4) parcels containing in the aggregate approximately 23.95 acres in the City of Albany, Albany County, New York (collectively, the “Land”), together with various existing buildings located thereon (collectively, the “Existing Facility”), (2) the demolition of the Existing Facility and the construction thereon of an approximately 256 unit apartment complex, approximately 28,000 square foot retail facility and associated parking (collectively, the “Facility”) and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvement and finish (collectively, the “Equipment”) (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company, to constitute a mixed use retail facility/residential apartments, and to be leased by the Company to various commercial and residential tenants 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 November 21, 2013 (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 December 4, 2014 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 December 4, 2013 at the City Hall bulletin board located at 24 Eagle Street in the City of Albany, Albany County, New York and on the Agency’s website, (C) caused notice of the Public Hearing to be published on December 7, 2013 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 December 19, 2013 at 11:30 o’clock a.m., local time at the Albany Community Development Agency located at 200 Henry Johnson Boulevard in the City of Albany, Albany County, New York, and (E) prepared a report of the Public Hearing (the “Public Hearing Report”)

fairly summarizing the views presented at such Public Hearing and caused copies of said Public Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on September 18, 2014 (the “SEQR Resolution”), the Agency (A) concurred in the determination that the City of Albany Planning Board (the “Planning Board”) is the “lead agency” with respect to SEQRA and (B) acknowledged receipt of a negative declaration from the Planning Board issued on May 15, 2014 (the “Negative Declaration”), in which the Planning Board determined that the Project would not have a significant adverse environmental impact on the environment, and therefore, an environmental statement need not be proposed 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 8, 2014 (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 City 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 prior to the meeting of the Agency at which the members of the Agency shall consider whether to approve such proposed deviation; and

WHEREAS, on September 8, 2014, the Chief Executive Officer of the Agency sent a copy of the Pilot Deviation Letter to the Affected Tax Jurisdictions to notify the Affected Tax Jurisdictions of the proposed deviation from the Agency’s uniform tax exemption policy in connection with the Project; and

WHEREAS, through the Pilot Deviation Letter, the Chief Executive Officer of the Agency 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) any 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, (E) the recommendations of Agency staff, and (F) 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, the terms of the approved deviation to be as described in the Pilot Deviation Letter attached hereto as Exhibit A.

Section 3. Upon preparation by special 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:

Tracy Metzger	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Susan Pedo	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
C. Anthony Owens	VOTING	_____
Robert T. Schofield	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 September 18, 2014 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 18th day of September, 2014.

(Assistant) Secretary

(SEAL)

EXHIBIT A
PILOT DEVIATION LETTER

- SEE ATTACHED -

CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY

21 Lodge Street
Albany, New York 12207
Tel: 518-434-2532 ext. 19
Fax: 518-434-9846

September 8, 2014

Hon. Daniel P. McCoy
Albany County Executive
Albany County Office Building
112 State Street, Room 825
Albany, New York 12207

Marguerite Vanden Wyngaard, Ph. D.
Superintendent of Schools
Albany City School District
1 Academy Park
Albany, New York 12207

Hon. Kathy M. Sheehan, Mayor
City Hall
24 Eagle Street
Albany, New York 12207

Rose Brandon, Th.D.
School Board President
Albany City School District
1 Academy Park
Albany, New York 12207

RE: City of Albany Industrial Development Agency
Proposed Deviation from Uniform Tax Exemption Policy
Park South Partners LLC Project

Dear Ladies and Gentlemen:

This letter is delivered to you pursuant to Section 874(4)(c) of the General Municipal Law.

In October, 2013, the City of Albany Industrial Development Agency (the "Agency") received an application (the "Application") from Park South Partners LLC (the "Company"), which Application requested that the Agency consider undertaking a project (the "Project") for the benefit of the Company, said Project to consist of the following: (A) (1) the acquisition of an interest in a portion of (a) four (4) parcels of land located at 160 Morris Street (Tax Map # 76.22-2-26), 163 Morris Street (Tax Map # 76.22-1-60), 11 New Scotland Avenue (Tax Map # 76.22-1-54) and 33 New Scotland Avenue (Tax Map # 76.22-2-35) and (b) certain parcels of land located on Dana Avenue and Robin Street in the vicinity of the above mentioned four (4) parcels containing in the aggregate approximately 23.95 acres in the City of Albany, Albany County, New York (collectively, the "Land"), together with various existing buildings located thereon (collectively, the "Existing Facility"), (2) the demolition of the Existing Facility and the construction thereon of an approximately 256 unit apartment complex, approximately 28,000 square foot retail facility and associated parking (collectively, the "Facility") and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvement and finish (collectively, the "Equipment") (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the "Project Facility"), all of the foregoing to be owned by the Company, to constitute a mixed use retail facility/residential apartments, and to be leased by the Company to various commercial and residential tenants 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.

The Agency's Uniform Tax Exemption 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 five year term of the payment in lieu of tax agreement. Further, the Agency's Policy provides that the amount of the assessed value of the Project Facility will change as the assessed value is established annually by the Assessor of the City of Albany.

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 Policy. The Proposed Pilot Agreement would not provide any abatements for any special assessments levied on the Project Facility.

The Proposed Pilot Agreement will provide that the Company be granted a twenty-two 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 payment in lieu of tax ("PILOT") payment equal to one hundred percent (100%) of the normal taxes due on the Land and the Facility (fixed at a base amount equal to \$3,700,000) 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:

Year	Amount of Abatement on Increased Assessment
1 - 6	100.00%
7	95.00%
8	90.00%
9	85.00%
10	82.50%
11	80.00%
12	77.50%
13	75.00%
14	72.50%
15-22	70.00%
23 and thereafter	0%

As noted in the table above, the abatement schedule is 22 years, with Year 1 of the abatement schedule beginning in the year following the completion of the construction of the Project.

Beginning in Year 14 the Proposed Pilot Agreement will also provide that the amount of payments in lieu of taxes payable by the Company will be the greater of (A) the amount determined in accordance with the table described above, or (B) an amount equal to 11.5% of the "gross rental revenue" (as defined in the Proposed Pilot Agreement) generated at the Project Facility.

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 18, 2014 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 18, 2014, 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 Project: The Project involves the demolition of the Existing Facility and the construction of an approximately 256 unit apartment complex and approximately 28,000 square foot retail facility for use as a market rate rental housing apartment facility and commercial/retail facility to be owned by the Company.

2. The present use of the property: The property is located in the Park South Urban Renewal Plan area. The Plan was adopted by the City of Albany Common Council after several years of studies, community meetings, and public hearings. The property currently contains a mix of vacant and/or underutilized residential and commercial structures as well as surface parking lots.

3. The economic condition of the area at the time of the request of the Company 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 property is located in the Park South Urban Renewal Plan area. The Plan was adopted by the City of Albany Common Council after several years of studies, community meetings, and public hearings. The area is strategically targeted for adding commercial office/retail and commercial market-rate residential development. This investment will create a vibrant and healthy mixed-use and mixed income urban neighborhood that seeks to reinforce the existing and historical fabric, density and diversity of the neighborhood while enabling new mixed-use development opportunities. This development in the Park South neighborhood area will provide economic growth for the existing business and result in further development, which is also consistent with the Park South Urban Renewal Plan. Additional benefits created by the Project are described in the Application. The Company has also arranged for the preparation of a third party economic impact analysis (the "Park South Economic Analysis") which can be accessed on the Agency's website.

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, per the Application, will create approximately 200 construction jobs will create construction jobs over the first year of the construction period generating a payroll of approximately \$2,704,000. thus generating revenue for the City of Albany and surrounding areas. The Park South Economic Analysis states that the construction jobs would generate roughly \$67 million in earnings for the projects encompassing the two city blocks.

The Project will create approximately eleven (11) jobs with a salary range of \$36,500 - \$60,000, thus generating revenue for the City of Albany and surrounding areas. 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 Park South and surrounding

neighborhoods. Additional benefits created by the Project are described in the Application and the Park South Economic Analysis. Both the Application and the Park South Economic Analysis can be accessed on the Agency's website.

5. The estimated value of new tax exemptions to be provided: The estimated value of the tax exemptions to be granted by the Agency are the following: \$1,579,121, sales and use tax; \$500,000, mortgage recording tax; and \$26,544,516 (or less - depending on gross rental provisions) real property taxes.

6. The economic impact of the Proposed Pilot Agreement on affected tax jurisdictions: The economic impact of the Proposed Pilot Agreement is positive as development of the Project Facility is expected to spur additional development in the Park South neighborhood in the City of Albany. Additional information relating to the economic impact of the Project is included in the Park South Economic Analysis which can be accessed on the Agency's website.

7. The impact of the Proposed Pilot Agreement 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 rental housing in the area. In addition it will act to increase the number of market rent residential projects in the Park South neighborhood, 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 commercial office/retail and residential redevelopment projects. The local restaurants and entertainment facilities will benefit from the undertaking of the Project. Additional information relating to the economic impact of the Project is included in the Park South Economic Analysis which can be accessed on the Agency's website.

8. The amount of private sector investment generated or likely to be generated by the Proposed Pilot Agreement: The investment by the Company in undertaking the Project is equal to approximately \$52,583,536.

9. The effect of the Proposed Pilot Agreement on the environment: The Common Council of the City of Albany, as the lead agency with respect to the Project under the State Environmental Quality Review Act ("SEQR"), passed a resolution on December 16, 2013 finding that the Project would not have any significant environmental impacts on the environment and issued a negative declaration under SEQR.

10. Project timing: 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 significant 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 significant 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 and completion of the Park South Urban Renewal Plan. The Park South Urban Renewal Plan, as noted above, has been the subject of study for over 5 years and has the approval of all local permitting agencies (e.g., the City of Albany Planning Department) and the Common Council of the City of Albany.

The Agency will consider the Proposed Pilot Agreement (and the proposed deviation from the Agency's Uniform Tax Exemption Policy) at the Meeting. The Agency would welcome any written comments that you might have on this proposed deviation from the Agency's Uniform Tax Exemption Policy. In accordance with Section 874(4)(c) of the General Municipal Law, prior to taking final action at the Meeting, the Agency will review and respond to any written comments received from any affected tax jurisdiction with respect to the proposed deviation. The Agency will also allow any representative of any affected tax jurisdiction present at the Meeting to address the Agency regarding the proposed deviation.

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

CITY OF ALBANY INDUSTRIAL DEVELOPMENT
AGENCY

By: s/Tracy Metzger

Title: Chairman

**APPROVING RESOLUTION
PARK SOUTH PARTNERS LLC PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on September 18, 2014 at 12:15 p.m., local time.

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

PRESENT:

Tracy Metzger	Chairman
Hon. Darius Shahinfar	Treasurer
Susan Pedo	Secretary
Dominick Calsolaro	Member
Lee Eck	Member
C. Anthony Owens	Member
Robert T. Schofield	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Director of Economic Development
Bradley Chevalier	Senior Economic Developer, Capitalize Albany Corporation
Mark O’Palka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
Christopher M. Martell, Esq.	Special Agency Counsel

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

Resolution No. 0914-__

**RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION
WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR PARK
SOUTH PARTNERS 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,

manufacturing and industrial 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, Park South Partners LLC, a New York limited liability company (the “Company”), has 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 portion of (a) four (4) parcels of land located at 160 Morris Street (Tax Map # 76.22-2-26), 163 Morris Street (Tax Map # 76.22-1-60), 11 New Scotland Avenue (Tax Map # 76.22-1-54) and 33 New Scotland Avenue (Tax Map # 76.22-2-35) and (b) certain parcels of land located on Dana Avenue and Robin Street in the vicinity of the above mentioned four (4) parcels containing in the aggregate approximately 23.95 acres in the City of Albany, Albany County, New York (collectively, the “Land”), together with various existing buildings located thereon (collectively, the “Existing Facility”), (2) the demolition of the Existing Facility and the construction thereon of an approximately 256 unit apartment complex, approximately 28,000 square foot retail facility and associated parking (collectively, the “Facility”) and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvement and finish (collectively, the “Equipment”) (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company, to constitute a mixed use retail facility/residential apartments, and to be leased by the Company to various commercial and residential tenants 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 November 21, 2013 (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 December 4, 2014 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 December 4, 2013 at the City Hall bulletin board located at 24 Eagle Street in the City of Albany, Albany County, New York and on the Agency’s website, (C) caused notice of the Public Hearing to be published on December 7, 2013 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 December 19, 2013 at 11:30 o’clock a.m., local time at the Albany Community Development Agency located at 200 Henry Johnson Boulevard in the City of Albany, Albany County, New York, and (E) prepared a report of the Public Hearing (the “Public Hearing Report”) fairly summarizing the views

presented at such Public Hearing and caused copies of said Public Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the “SEQR Act”) and the regulations (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on September 18, 2014 (the “SEQR Resolution”), the Agency (A) concurred in the determination that the City of Albany Planning Board (the “Planning Board”) is the “lead agency” with respect to SEQRA and (B) acknowledged receipt of a negative declaration from the Planning Board issued on May 15, 2014 (the “Negative Declaration”), in which the Planning Board determined that the Project would not have a significant adverse environmental impact on the environment, and therefore, an environmental statement need not be proposed with respect to the Project; and

WHEREAS, by further resolution adopted by the members of the Agency on September 18, 2014 (the “Commercial/Retail Finding Resolution”), the Agency (A) found that although the Project Facility appears to constitute a project where facilities or properties that are primarily used in making retail sales of goods or services to customers who personally visit such facilities may constitute more than one-third of the costs of the Project, the Agency is authorized to provide financial assistance in respect of the Project pursuant to Section 862(2)(a) of the Act because the Project Facility is located in an empire zone that is considered to be a distressed census tract and therefore is in a “highly distressed area”, as that term is defined in Section 854(18) of the Act, (B) determined, following a review of the Public Hearing Report, that the Project would serve the public purposes of the Act by increasing the overall number of permanent, private sector jobs in the State of New York, and (C) determined that the Agency would proceed with the Project and the granting of the Financial Assistance; provided however, that no Financial Assistance would be provided to the Project by the Agency unless and until the Mayor of the City of Albany, as chief executive officer of City of Albany, New York, pursuant to Section 862(2)(c) of the Act, confirmed the proposed action of the Agency with respect to the Project; and

WHEREAS, by resolution adopted by the members of the Agency on September 18, 2014 (the “Pilot Deviation Approval Resolution”), the members of the Agency determined to deviate from the Agency’s uniform tax exemption policy with respect to the Project; 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, pursuant to Section 862(2) of the Act, prior to providing the Financial Assistance to the Project, the Mayor, as chief executive officer of the City of Albany, New York, must confirm the proposed action of the Agency; 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) a certain recapture agreement (the “Section 875 GML Recapture Agreement”) by and between the Company and the Agency, required by the Act, regarding the recovery or recapture of certain sales and use taxes; (F) a sales tax exemption letter (the “Sales Tax Exemption Letter”) to ensure the granting of the sales tax exemption which forms a part of the Financial Assistance; (G) a New York State Department of Taxation and Finance form entitled “IDA Appointment of Project Operator or Agency for Sales Tax Purposes” (the form required to be filed pursuant to Section 874(9) of the Act) (the “Thirty-Day Sales Tax Report”) and any additional report to the Commissioner of the State Department of Taxation and Finance concerning the amount of sales tax exemption benefit for the Project (the “Additional Thirty-Day Project Report”); (H) if the Company intends to finance the Project with borrowed money, a mortgage and any other security documents and related documents (collectively, the “Mortgage”) from the Agency and the Company to the Company’s lender with respect to the Project (“the “Lender”), which Mortgage will grant a lien on and security interest in the Project Facility to secure a loan from the Lender to the Company with respect to the Project (the “Loan”); and (I) 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 \$50,721,000;

(E) 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;

(F) Although the Project may constitute a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost, the Company has represented to the Agency that (1) the Project is located in an empire zone that is considered to be a distressed census tract and therefore is in a "highly distressed area", as that term is defined in Section 854(18) of the Act, and (2) completion of the Project will serve the public purposes of the Act by increasing the overall number of permanent, private sector jobs in the State of New York;

(G) 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;

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

(I) 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) accept the License Agreement; (B) lease the Project Facility to the Company pursuant to the Lease Agreement or sell the Project Facility to the Company pursuant to the Installment Sale Agreement; (C) acquire, construct and install the Project Facility, or cause the Project Facility to be acquired, installed and constructed; (D) enter into the Payment in Lieu of Tax Agreement; (E) enter into the Section 875 GML Recapture Agreement; (F) secure the Loan by entering into the Mortgage; and (G) grant the Financial Assistance with respect to the Project; provided, however, that no financial assistance shall be provided to the Project by the Agency unless and until the Mayor of the City of Albany, New York, as chief executive officer of the City of Albany, New York, shall, pursuant to Section 862(2)(c) of the Act, confirm the proposed action of the Agency 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; provided, however, that no financial assistance shall be provided to the Project by the Agency unless and until the Mayor of the City of Albany, New

York, as chief executive officer of the City of Albany, New York, shall, pursuant to Section 862(2)(c) of the Act, confirm the proposed action of the Agency with respect to the Project.

Section 6. The Agency is hereby authorized to acquire, reconstruct, renovate 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, reconstruction, renovation and installation are hereby ratified, confirmed and approved; provided, however, that no financial assistance shall be provided to the Project by the Agency unless and until the Mayor of the City of Albany, New York, as chief executive officer of the City of Albany, New York, shall, pursuant to Section 862(2)(c) of the Act, confirm the proposed action of the Agency with respect to the Project.

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:

Tracy Metzger	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Susan Pedo	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
C. Anthony Owens	VOTING	_____
Robert T. Schofield	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 September 18, 2014 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 18th day of September, 2014.

(Assistant) Secretary

(SEAL)

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY
LEASE/LEASEBACK TRANSACTION
ALBANY MEDICAL CENTER PROJECT**

I. PROJECT IDENTIFICATION:

1. Project Applicant: Albany Medical Center, a New York not-for-profit corporation (the “Company”).
2. The Project:
 - (A) Acquisition of Land: the acquisition of an interest in various parcels at of land containing in the aggregate approximately 0.81 acres and to be known as 391 Myrtle Avenue, currently known as 397 Myrtle Avenue (Tax Map ID # 76.22-2-47), 395 Myrtle Avenue (Tax Map ID # 76.22-2-46), 393 Myrtle Avenue (Tax Map ID # 76.22-2-45), 389 Myrtle Avenue (Tax Map ID # 76.22-2-44), 387 Myrtle Avenue (Tax Map ID # 76.22-2-43), 385 Myrtle Avenue (Tax Map ID # 76.22-2-42), 152 Morris Street (Tax Map ID # 76.22-2-30), 154 Morris Street (Tax Map ID # 76.22-2-29), 156 Morris Street (Tax Map ID # 76.22-2-28), 158 Morris Street (Tax Map ID # 76.22-2-27), 160 Morris Street (Tax Map ID # 76.22-2-26), 164 Morris Street (Tax Map ID # 76.22-2-25) and 166 Morris Street (Tax Map ID # 76.22-2-24) in the City of Albany, Albany County, New York (collectively, the “Land”), together with various existing buildings located thereon (collectively, the “Existing Facility”).
 - (B) Reconstruction: the demolition of the Existing Facility and the construction thereon of an approximately 135,000 square foot medical office complex (collectively, the “Facility”).
 - (C) Equipment component: the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvement and finish (collectively, the Equipment”) (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the “Project Facility”).
 - (D) Lease: The Project Facility will be owned by the Company, to constitute a medical office complex and to be leased by the Company to various commercial tenants and any other directly or indirectly related activities.

II. PRIOR ACTION ON PROJECT:

3.
 - (A) SEQR classification of the Project: confirming (a) the City of Albany Planning Board determination that the Project constitutes a “Type I Action” and (b) the issuance of a “negative declaration”.
 - (B) SEQR Lead Agency: City of Albany Planning Board.
 - (C) Date of Lead Agency Action: May 15, 2014.
 - (D) Date of Agency Action: September 18, 2014.
4. Inducement Proceedings:
 - (A) Public Hearing Resolution: adopted on November 21, 2013.
 - (B) Public Hearing:
 - (1) Mailed to Affected Taxing Jurisdictions: December 3, 2013.
 - (2) Date Posted: December 4, 2013.
 - (3) Published in the Albany Times Union: December 6, 2013.

- (4) Date of Public Hearing: December 19, 2013.
- (5) Location of Public Hearing: 200 Henry Johnson Boulevard in the City of Albany, Albany County, New York.

- 5. Payment In Lieu of Taxes:
 - (A) Deviation Letter Mailed: September 8, 2014.

III. PROPOSED AGENCY ACTION ON SEPTEMBER 18, 2014:

- 6. SEQR Resolution: Confirming SEQR Resolution.
- 7. PILOT Deviation Resolution: See 12(B) below for specifics.
- 8. Retail Findings Resolution: Confirming job creation/retention.
- 9. Approving Resolution: Approving the Project and the proposed financial assistance.
- 10. Mayor's Approval: Anticipated – October, 2014.

IV. DETAILS OF PROPOSED STRAIGHT LEASE TRANSACTION:

- 11. Relationship of Agency to Company: The Agency will acquire, construct, renovate and install the Project Facility and lease the Project Facility to the Company pursuant to the Lease Agreement.
- 12. Business Terms:
 - (A) The Agency fee will be determined in accordance with the Agency Policy Manual and will be equal to 1% of the costs of the Project allocable to the Agency.
 - (B) Pilot Terms: Scenario 1 abatement schedule will provide that the Company be granted a twelve 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 payment in lieu of tax ("Pilot") payment equal to one hundred percent (100%) of the normal taxes due on the Land and the Facility (fixed at a base amount equal to \$2,100,000) 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:

Year	Amount of Abatement on Increased Assessment
1 - 8	100%
9	80%
10	60%
11	40%
12	20%
13 and thereafter	0%

As noted in the table above, the abatement schedule is 12 years, with Year 1 of the abatement schedule beginning in the year following the completion of the construction of the Project.

The Proposed Pilot Agreement will also provide that the amount of the real property tax abatement and the term of the Proposed Pilot Agreement may be reduced depending on the mix of tenants that occupy the Project Facility (the “Scenario 2”). For example, if the tenants occupying the Project Facility are tenants that simply moved from one downtown location to another downtown location within the City of Albany, without meeting certain conditions of the Agency (e.g., certifying to the Agency that they would otherwise move out of the City of Albany), the Scenario 2 structure may be triggered. Based on the discussions during this meeting, the terms of this structure may be altered. Currently, the modified abatement schedule and term of the Scenario 2 are described as follows:

Years	Amount of Abatement on Increased Assessment
1	50%
2	45%
3	40%
4	35%
5	30%
6	25%
7	20%
8	15%
9	10%
10	5%
11 and thereafter	0%

13. 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.
14. Proposed Closing Date: October-November, 2014.
15. Special Agency Counsel: Hodgson Russ LLP, Albany, New York.

**RESOLUTION CONFIRMING SEQR DETERMINATION
ALBANY MEDICAL CENTER PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on September 18, 2014 at 12:15 p.m., local time.

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

PRESENT:

Tracy Metzger	Chairman
Hon. Darius Shahinfar	Treasurer
Susan Pedo	Secretary
Dominick Calsolaro	Member
Lee Eck	Member
C. Anthony Owens	Member
Robert T. Schofield	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Director of Economic Development
Bradley Chevalier	Senior Economic Developer, Capitalize Albany Corporation
Mark O'Palka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
Christopher M. Martell, Esq.	Special Agency Counsel

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

Resolution No. 0914-__

**RESOLUTION CONCURRING IN THE DETERMINATION BY CITY OF ALBANY
PLANNING BOARD, AS LEAD AGENCY FOR THE ENVIRONMENTAL REVIEW
OF THE ALBANY MEDICAL CENTER 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, Albany Medical Center, a New York not-for-profit corporation (the “Company”), has submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in various parcels at of land containing in the aggregate approximately 0.65 acres and to be known as 391 Myrtle Avenue, currently known as a portion of 397 Myrtle Avenue (Tax Map ID # 76.22-2-47), all of 395 Myrtle Avenue (Tax Map ID # 76.22-2-46), 393 Myrtle Avenue (Tax Map ID # 76.22-2-45), 389-391 Myrtle Avenue (Tax Map ID # 76.22-2-44), 387 Myrtle Avenue (Tax Map ID # 76.22-2-43), 385 Myrtle Avenue (Tax Map ID # 76.22-2-42), portions of 152 Morris Street (Tax Map ID # 76.22-2-30), 154 Morris Street (Tax Map ID # 76.22-2-29), 156 Morris Street (Tax Map ID # 76.22-2-28), 158 Morris Street (Tax Map ID # 76.22-2-27), 160 Morris Street (Tax Map ID # 76.22-2-26), 164 Morris Street (Tax Map ID # 76.22-2-25), 166 Morris Street (Tax Map ID # 76.22-2-24) and 168 Morris Street (Tax Map ID # 76.22-2-23) in the City of Albany, Albany County, New York (collectively, the “Land”), together with various existing buildings located thereon (collectively, the “Existing Facility”), (2) the demolition of the Existing Facility and the construction thereon of an approximately 135,000 square foot medical office complex (the “Facility”), and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvements and finishes (collectively, the “Equipment”) (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company, to constitute a medical office complex and to be leased by the Company to various commercial tenants and any other directly or 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 property 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 November 21, 2013 (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 December 3, 2013 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public Hearing to be posted on December 4, 2013 on a bulletin board located at the City Hall bulletin board located at 24 Eagle Street in the City of Albany, Albany County, New York, as well as on the Agency’s website, (C) caused notice of the Public Hearing to be published on December 6, 2013 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 December 19, 2013 at 11:30 o’clock a.m., local time at the Albany

Community Development Agency located at 200 Henry Johnson Boulevard in the City of Albany, Albany County, New York, and (E) prepared a report of the Public Hearing (the "Hearing Report") fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), the Agency has been informed that (A) The Albany Common Council, as "lead agency" determined, on December 16, 2013, that the proposed Park South Urban Renewal Plan – 2013 Amendment, which includes this Project, would not have a significant adverse environmental impact (see attached Environmental Notice Bulletin Notice as Exhibit A) and (B) (1) the City of Albany Planning Board (the "Planning Board") was designated to act as "lead agency" with respect to the Project, and (2) the Planning Board issued a negative declaration on May 15, 2014 (the "Negative Declaration"), attached hereto as Exhibit B determining that the Project will result in no significant adverse impact on the environment, and therefore, an environmental statement need not be proposed with respect to the Project; and

WHEREAS, the Agency is an "involved agency" with respect to the Project and the Agency now desires to concur in the determination by the Planning Board, as "lead agency" with respect to the Project, to acknowledge receipt of a copy of the Negative Declaration and to indicate whether the Agency has any information to suggest that the Planning Board was incorrect in determining that the Project will result in no significant adverse impact on the environment pursuant to SEQRA and, therefore, that no environmental impact statement need be prepared with respect to the Project;

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

Section 1. The Agency has received copies of, and has reviewed, the Application, the environmental assessment form prepared by the Company (the "EAF"), the Environmental Notice Bulletin Notice, and the Negative Declaration (collectively, the "Reviewed Documents") and, based upon said Reviewed Documents, the Agency hereby ratifies and concurs in the designation of the Planning Board as "lead agency" with respect to the Project under SEQRA (as such quoted term is defined in SEQRA).

Section 2. The Agency hereby determines that the Agency has no information to suggest that the Planning Board was incorrect in determining that the Project will result in no significant adverse impact on the environment pursuant to the SEQRA and, therefore, that no environmental impact statement need be prepared with respect to the Project (as such quoted phrase is used in SEQRA).

Section 3. The members of the Agency are hereby directed to notify the Planning Board of the concurrence by the Agency that the Planning Board shall be the "lead agency" with respect to the Project, and to further indicate to the Planning Board that the Agency has no information to suggest that the Planning Board was incorrect in its determinations contained in the Negative Declaration.

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:

Tracy Metzger	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Susan Pedo	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
C. Anthony Owens	VOTING	_____
Robert T. Schofield	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 September 18, 2014 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 18th day of September, 2014.

(Assistant) Secretary

(SEAL)

EXHIBIT A

ENVIRONMENTAL NOTICE BULLETIN NOTICE

- SEE ATTACHED -



ENB - Region 4 Notices 2/5/2014

Public Meeting Notice

Shandaken SPDES Semi-Annual Meeting

The New York City Department of Environmental Protection (NYC DEP) is pleased to announce that the next semi-annual public meeting, held per the Shandaken SPDES permit, will be on Friday February 14th from 10:00 a.m. to 11:30 a.m. at the Shandaken Town Hall, 7209 Route 28, Shandaken, NY. DEP will discuss the progress of activities conducted pursuant to the SPDES permit. In case of inclement weather, the snow date is February 25th at 2:00 p.m.

The meeting is open to the public and public input is welcome.

For further information, please contact:

Kimberlee Kane
NYC DEP
465 Columbia Avenue
Valhalla, NY 10595
Phone: (914) 773-4473
E-mail: kkane@dep.nyc.gov

Negative Declaration

Albany County - The Albany Common Council, as lead agency, has determined that the proposed Park South Urban Renewal Plan - 2013 Amendment will not have a significant adverse environmental impact. The action involves the amendment of the text and map of the Park South Urban Renewal Plan (PSURP) and associated zoning provisions relating to the Park South Planned Development Overlay District (PSPDOD) to permit the construction of a parking structure to include the approximate area of 405 Myrtle Avenue; construction of six story buildings between and including 11-41 New Scotland Avenue; and increase in the number of dwelling units by 10% more than provided in the existing URP, within the two contiguous blocks of the existing PSURP, as depicted on the map entitled "Revised Ground Level Site Plan", prepared by HCP Architects, LLP, revising Map A-ix of the Urban Renewal Plan and Chapter 375 of the City Code. The proposed action includes the reconstruction of curbs, sidewalks, street plantings, light poles and other elements of the street infrastructure to conform to the Design Standard of the PSPDOD. All existing buildings within the two block area are proposed to be demolished. The project is located on the two contiguous blocks bounded by New Scotland Avenue, Myrtle Avenue, Robin Street and Dana Avenue in the City of Albany, New York.

Contact: Nala Woodard, City of Albany Common Council, City Hall, 24 Eagle Street, Room 204, Albany, NY 12207, Phone: (518) 434-5090, E-mail: cityclerk@ci.albany.ny.us.

EXHIBIT B
NEGATIVE DECLARATION
-SEE ATTACHED-

—

SEQRA RESOLUTION
CITY OF ALBANY PLANNING BOARD

PARK SOUTH REDEVELOPMENT
160 & 163 MORRIS STREET; 391 & 405 MYRTLE AVENUE;
17 & 33 NEW SCOTLAND AVENUE

May 15, 2014

MOTION TO ADOPT A NEGATIVE DECLARATION FOR THIS TYPE I ACTION PURSUANT TO SEQRA

The City of Albany Planning Board hereby makes the following resolution:

WHEREAS, the Planning Board has considered the Full SEQRA Environmental Assessment Form for the cumulative project located at 160 & 163 Morris Street, 391 & 405 Myrtle Avenue and 17 & 33 New Scotland Avenue known as the Park South Redevelopment Project; and

WHEREAS, the Planning Board has examined the site plan and additional information provided by the Applicant, and such information did not result in any significant adverse environmental impacts not mitigated by the project plans;

NOW, THEREFORE, BE IT RESOLVED: after due deliberation, that the Planning Board hereby determines that there are no potential significant adverse environmental for this project, and issues a negative declaration pursuant to SEQRA attached hereto.

VOTE:

	<u>For</u>	<u>Against</u>	<u>NIA</u>
Albert DeSalvo, Chair	X		
Tracy Abbott	X		
Alison Bates	X		
Sandra Fox	X		
Marcus Pryor	X		

I, Albert DeSalvo, 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 15th day of May 2014.

Date: 5/15/14 Signature: Albert R DeSalvo

Full Environmental Assessment Form
Part 3 - Evaluation of the Magnitude and Importance of Project Impacts
and
Determination of Significance

Part 3 provides the reasons in support of the determination of significance. The lead agency must complete Part 3 for every question in Part 2 where the impact has been identified as potentially moderate to large or where there is a need to explain why a particular element of the proposed action will not, or may, result in a significant adverse environmental impact.

Based on the analysis in Part 3, the lead agency must decide whether to require an environmental impact statement to further assess the proposed action or whether available information is sufficient for the lead agency to conclude that the proposed action will not have a significant adverse environmental impact. By completing the certification on the next page, the lead agency can complete its determination of significance.

Reasons Supporting This Determination:

To complete this section:

- Identify the impact based on the Part 2 responses and describe its magnitude. Magnitude considers factors such as severity, size or extent of an impact.
- Assess the importance of the impact. Importance relates to the geographic scope, duration, probability of the impact occurring, number of people affected by the impact and any additional environmental consequences if the impact were to occur.
- The assessment should take into consideration any design element or project changes.
- Repeat this process for each Part 2 question where the impact has been identified as potentially moderate to large or where there is a need to explain why a particular element of the proposed action will not, or may, result in a significant adverse environmental impact.
- Provide the reason(s) why the impact may, or will not, result in a significant adverse environmental impact
- For Conditional Negative Declarations identify the specific condition(s) imposed that will modify the proposed action so that no significant adverse environmental impacts will result.
- Attach additional sheets, as needed.

11d. The proposed action may result in loss of an area now used informally by the community as an open space resource.

The project will result in the loss of the Dana Avenue Community Garden (114-120 Dana Avenue), located on the south side of Dana Avenue west of New Scotland Avenue. The area dedicated to the garden consists of approximately 0.2 acres of land. A proximate site at Leonard Place, approximately 0.43 acres in size, is improved with a community garden that can sufficiently absorb users of the Dana Avenue gardening plot. The proposed project will incorporate ample green space for residents intended to reside within the area, albeit not delineated for gardening purposes.

13a. Projected traffic increase may exceed capacity of existing road network.

An increase in traffic volumes is anticipated as a result of the proposed changes in use. Said increase was largely anticipated as a result of the Park South Urban Renewal Plan formulation and the impacts evaluated in the GEIS prepared in conjunction with that document. The matter was also address by the Albany Common Council upon their review of plan amendments that included the approval of a substantial increase in the overall site area dedicated to a proposed parking garage. The project applicants have agreed to the implementation of numerous traffic control measures both within and outside of the project area in order to mitigate additional volumes resulting from the proposed uses. Improvements will also be made to transit, bicycle and pedestrian facilities within the immediate area. Travel Demand Management measures will also be employed with an accompanying monitoring period that will encourage non-single occupancy travel modes by employee and residents active within the associated project area.

13b. The proposed action may result in the construction of paved parking area for 500 or more vehicles.

An estimated +/- 950 parking spaces will be provided to serve the various uses to be constructed. +/- 816 of the parking spaces will be located within in a proposed multi-level parking structure, thereby limiting the overall impervious surface coverage area dedicated to parking.

18a. The proposed action may replace or eliminate existing facilities, structures, or areas of historic importance to the community.

Two structures potentially eligible for listing on the National Register of Historic Places were identified within the project area. At least one other structure was noted to have some historic or architectural significance. Although the proposed project does not accommodate reuse of the identified structures, the applicant agrees to a comprehensive salvage strategy to identify and carefully remove historically significant building elements for reuse.

18e. The proposed action is inconsistent with the predominant architectural scale and character.

The proposed alterations to the scale and character of the neighborhood were fully contemplated within the Park South Urban Renewal Plan.

Determination of Significance - Type 1 and Unlisted Actions

SEQR Status: ☒ Type 1 ☐ Unlisted

Identify portions of EAF completed for this Project: ☒ Part 1 ☒ Part 2 ☒ Part 3

Upon review of the information recorded on this EAF, as noted, plus this additional support information	
<hr/> <hr/>	
and considering both the magnitude and importance of each identified potential impact, it is the conclusion of the <u>City of Albany Planning Board</u> as lead agency that:	
<input checked="" type="checkbox"/> A. This project will result in no significant adverse impacts on the environment, and, therefore, an environmental impact statement need not be prepared. Accordingly, this negative declaration is issued.	
<input type="checkbox"/> B. Although this project could have a significant adverse impact on the environment, that impact will be avoided or substantially mitigated because of the following conditions which will be required by the lead agency:	
<hr/> <hr/> <hr/>	
There will, therefore, be no significant adverse impacts from the project as conditioned, and, therefore, this conditioned negative declaration is issued. A conditioned negative declaration may be used only for UNLISTED actions (see 6 NYCRR 617.d).	
<input type="checkbox"/> C. This Project may result in one or more significant adverse impacts on the environment, and an environmental impact statement must be prepared to further assess the impact(s) and possible mitigation and to explore alternatives to avoid or reduce those impacts. Accordingly, this positive declaration is issued.	
Name of Action: Park South Redevelopment (Area bounded by New Scotland, Dana, Robin & Myrtle)	
Name of Lead Agency: City of Albany Planning Board	
Name of Responsible Officer in Lead Agency: Albert DeSalvo	
Title of Responsible Officer: Chair	
Signature of Responsible Officer in Lead Agency: <i>Albert R DeSalvo</i>	Date: 5/15/14
Signature of Preparer (if different from Responsible Officer)	Date:
For Further Information: Contact Person: Bradley Glass, Senior Planner Address: 200 Henry Johnson Blvd., Albany, NY 12210 Telephone Number: 518-423-8073 E-mail: glassb@ci.albany.ny.us	
For Type 1 Actions and Conditioned Negative Declarations, a copy of this Notice is sent to: Chief Executive Officer of the political subdivision in which the action will be principally located (e.g., Town / City / Village of) Other involved agencies (if any) Applicant (if any) Environmental Notice Bulletin: http://www.dec.ny.gov/enb/enb.html	

**RESOLUTION MAKING RETAIL FINDINGS
ALBANY MEDICAL CENTER PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on September 18, 2014 at 12:15 p.m., local time.

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

PRESENT:

Tracy Metzger	Chairman
Hon. Darius Shahinfar	Treasurer
Susan Pedo	Secretary
Dominick Calsolaro	Member
Lee Eck	Member
C. Anthony Owens	Member
Robert T. Schofield	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Director of Economic Development
Bradley Chevalier	Senior Economic Developer, Capitalize Albany Corporation
Mark O’Palka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
Christopher M. Martell, Esq.	Special Agency Counsel

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

Resolution No. 0914-

**RESOLUTION MAKING RETAIL FINDINGS FOR A CERTAIN COMMERCIAL
PROJECT FOR ALBANY MEDICAL CENTER (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 civic, manufacturing and 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, Albany Medical Center, a New York not-for-profit corporation (the “Company”), has submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in various parcels at of land containing in the aggregate approximately 0.65 acres and to be known as 391 Myrtle Avenue, currently known as a portion of 397 Myrtle Avenue (Tax Map ID # 76.22-2-47), all of 395 Myrtle Avenue (Tax Map ID # 76.22-2-46), 393 Myrtle Avenue (Tax Map ID # 76.22-2-45), 389-391 Myrtle Avenue (Tax Map ID # 76.22-2-44), 387 Myrtle Avenue (Tax Map ID # 76.22-2-43), 385 Myrtle Avenue (Tax Map ID # 76.22-2-42), portions of 152 Morris Street (Tax Map ID # 76.22-2-30), 154 Morris Street (Tax Map ID # 76.22-2-29), 156 Morris Street (Tax Map ID # 76.22-2-28), 158 Morris Street (Tax Map ID # 76.22-2-27), 160 Morris Street (Tax Map ID # 76.22-2-26), 164 Morris Street (Tax Map ID # 76.22-2-25), 166 Morris Street (Tax Map ID # 76.22-2-24) and 168 Morris Street (Tax Map ID # 76.22-2-23) in the City of Albany, Albany County, New York (collectively, the “Land”), together with various existing buildings located thereon (collectively, the “Existing Facility”), (2) the demolition of the Existing Facility and the construction thereon of an approximately 135,000 square foot medical office complex (the “Facility”), and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvements and finishes (collectively, the “Equipment”) (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company, to constitute a medical office complex and to be leased by the Company to various commercial tenants and any other directly or 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 property 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 November 21, 2013 (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 December 3, 2013 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public Hearing to be posted on December 4, 2013 on a bulletin board located at the City Hall bulletin board located at 24 Eagle Street in the City of Albany, Albany County, New York, as well as on the Agency’s website, (C) caused notice of the Public Hearing to be published on December 6, 2013 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 December 19, 2013 at 11:30 o’clock a.m., local time at the Albany Community Development Agency located at 200 Henry Johnson Boulevard in the City of Albany, Albany

County, New York, and (E) prepared a report of the Public Hearing (the "Hearing Report") fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), by resolution adopted by the members of the Agency on September 18, 2014 (the "SEQR Resolution"), the Agency (A) concurred in the determination that the City of Albany Planning Board (the "Planning Board") is the "lead agency" with respect to SEQRA and (B) acknowledged receipt of a negative declaration from the Planning Board issued on May 15, 2014 (the "Negative Declaration"), in which the Planning Board determined that the Project would not have a significant adverse environmental impact on the environment, and therefore, an environmental statement need not be proposed with respect to the Project; and

WHEREAS, the Agency has given due consideration to the Application, and to representations by the Company that although the Project constitutes a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost, the Project is located within an empire zone that is considered to be a distressed census tract and therefore is in a "highly distressed area", as that term is defined in Section 854(18) of the Act; and

WHEREAS, pursuant to Section 862(2)(b) of the Act, the Agency would be authorized to provide financial assistance in respect of the Project provided that the obligation of the Agency to proceed with the Project was subject to certain conditions, including (1) following compliance with the procedural requirements of Section 859-a of the Act, a finding by the Agency that the Project would preserve permanent, private sector jobs in the State of New York or increase the overall number of permanent, private sector jobs in the State of New York and (2) confirmation by the Mayor of the City of Albany of the proposed action by the Agency with respect to the Project; and

WHEREAS, having complied with the requirements of SEQRA and Section 859-a of the Act with respect to the Project, the Agency now desires, pursuant to Section 862(2)(c) of the Act, to make its final findings with respect to the Project and its final determination whether to proceed with the Project; and

WHEREAS, pursuant to Section 862(2) of the Act, prior to providing the Financial Assistance to the Project, the Mayor of the City of Albany, New York, as the chief executive officer of the City of Albany, New York, must confirm the proposed action of the Agency;

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

Section 1. Having reviewed the Application and such other items as the Agency deems pertinent pursuant to Section 862(2) of the Act, the Agency hereby finds and determines as follows:

(A) Although the Project does constitute a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost, the Project is located in an empire zone that is considered to be a distressed census tract and therefore is in a highly distressed area;

(B) The granting of the Financial Assistance by the Agency with respect to the Project, through the granting of the various tax exemptions, will promote the job opportunities, health, general prosperity and economic welfare of the inhabitants of the 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;

(C) The completion of the Project will serve the public purposes of the Act by preserving permanent, private sector jobs or increasing the overall number of permanent, private sector jobs in the State of New York; and

(D) The chief executive officer of the City of Albany, New York shall confirm the proposed action of the Agency.

Section 2. Having reviewed further the Application and such other items as the Agency deems pertinent pursuant to Section 862(2) of the Act, the Agency hereby finds and determines as follows:

(A) The Company has informed representatives of the Agency that the Project is expected to increase the overall number of permanent private sector jobs in the State of New York by creating 6 full time permanent, private sector jobs by the end of the first year of the completion of the Project.

(B) The Company has informed representatives of the Agency that the Company is not aware of any adverse employment impact caused by the undertaking of the Project.

Section 3. Based upon the findings made in Section 2 above, the Agency hereby determines that undertaking the Project will serve the public purposes of the Act by increasing the overall number of permanent private sector jobs in the State of New York.

Section 4. Having reviewed the Public Hearing Report, and having considered fully all comments contained therein, the Agency hereby further confirms the Agency's finding in that, although facilities or projects that are primarily used in making retail sales of goods or services to customers who personally visit such facilities may constitute more than one-third of the costs of the Project, the Agency is authorized to provide financial assistance with respect to the Project pursuant to Section 862(2)(a) of the Act because the Project is located in an empire zone and census tract 21, which is considered to be a distressed census tract and therefore is in a highly distressed area.

Section 5. Having reviewed the Public Hearing Report, and having considered fully all comments contained therein, and based upon the findings contained in Sections 1 through 4 above, the Agency hereby determines to proceed with the Project and the granting of the financial assistance described in the notice of the Public Hearing; provided, however, that no financial assistance shall be provided to the Project by the Agency unless and until the Mayor of the City of Albany, New York, as chief executive officer of the City of Albany, New York, shall, pursuant to Section 862(2)(c) of the Act, confirm the proposed action of the Agency with respect to the Project.

Section 6. 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:

Tracy L. Metzger	VOTING	_____
Susan Peto	VOTING	_____
Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
C. Anthony Owens	VOTING	_____
Robert T. Schofield	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 copy of the minutes of the meeting of the Agency, including the Resolution contained therein, held on September 18, 2014, with the original thereof on file in my office, and that the same is a true and correct copy of such proceedings of the Agency and such resolution set forth 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 18th day of September, 2014.

(Assistant) Secretary

(SEAL)

**PILOT DEVIATION APPROVAL RESOLUTION
ALBANY MEDICAL CENTER PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on September 18, 2014 at 12:15 p.m., local time.

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

PRESENT:

Tracy Metzger	Chairman
Hon. Darius Shahinfar	Treasurer
Susan Pedo	Secretary
Dominick Calsolaro	Member
Lee Eck	Member
C. Anthony Owens	Member
Robert T. Schofield	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Director of Economic Development
Bradley Chevalier	Senior Economic Developer, Capitalize Albany Corporation
Mark O’Palka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
Christopher M. Martell, Esq.	Special Agency Counsel

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

Resolution No. 0914-__

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 PROJECT FOR ALBANY MEDICAL CENTER (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, manufacturing and industrial 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, Albany Medical Center, a New York not-for-profit corporation (the “Company”), has submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in various parcels of land containing in the aggregate approximately 0.65 acres and to be known as 391 Myrtle Avenue, currently known as a portion of 397 Myrtle Avenue (Tax Map ID # 76.22-2-47), all of 395 Myrtle Avenue (Tax Map ID # 76.22-2-46), 393 Myrtle Avenue (Tax Map ID # 76.22-2-45), 389-391 Myrtle Avenue (Tax Map ID # 76.22-2-44), 387 Myrtle Avenue (Tax Map ID # 76.22-2-43), 385 Myrtle Avenue (Tax Map ID # 76.22-2-42), portions of 152 Morris Street (Tax Map ID # 76.22-2-30), 154 Morris Street (Tax Map ID # 76.22-2-29), 156 Morris Street (Tax Map ID # 76.22-2-28), 158 Morris Street (Tax Map ID # 76.22-2-27), 160 Morris Street (Tax Map ID # 76.22-2-26), 164 Morris Street (Tax Map ID # 76.22-2-25), 166 Morris Street (Tax Map ID # 76.22-2-24) and 168 Morris Street (Tax Map ID # 76.22-2-23) in the City of Albany, Albany County, New York (collectively, the “Land”), together with various existing buildings located thereon (collectively, the “Existing Facility”), (2) the demolition of the Existing Facility and the construction thereon of an approximately 135,000 square foot medical office complex (the “Facility”), and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvements and finishes (collectively, the “Equipment”) (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company, to constitute a medical office complex and to be leased by the Company to various commercial tenants and any other directly or 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 property 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 November 21, 2013 (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 December 3, 2013 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public Hearing to be posted on December 4, 2013 on a bulletin board located at the City Hall bulletin board located at 24 Eagle Street in the City of Albany, Albany County, New York, as well as on the Agency’s website, (C) caused notice of the Public Hearing to be published on

December 6, 2013 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 December 19, 2013 at 11:30 o'clock a.m., local time at the Albany Community Development Agency located at 200 Henry Johnson Boulevard in the City of Albany, Albany County, New York, and (E) prepared a report of the Public Hearing (the "Hearing Report") fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), by resolution adopted by the members of the Agency on September 18, 2014 (the "SEQR Resolution"), the Agency (A) concurred in the determination that the City of Albany Planning Board (the "Planning Board") is the "lead agency" with respect to SEQRA and (B) acknowledged receipt of a negative declaration from the Planning Board issued on May 15, 2014 (the "Negative Declaration"), in which the Planning Board determined that the Project would not have a significant adverse environmental impact on the environment, and therefore, an environmental statement need not be proposed 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 8, 2014 (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 City 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 prior to the meeting of the Agency at which the members of the Agency shall consider whether to approve such proposed deviation; and

WHEREAS, on September 8, 2014, the Chief Executive Officer of the Agency sent a copy of the Pilot Deviation Letter to the Affected Tax Jurisdictions to notify the Affected Tax Jurisdictions of the proposed deviation from the Agency's uniform tax exemption policy in connection with the Project; and

WHEREAS, through the Pilot Deviation Letter, the Chief Executive Officer of the Agency 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) any 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, (E) the recommendations of Agency staff, and (F) 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, the terms of the approved deviation to be as described in the Pilot Deviation Letter attached hereto as Exhibit A.

Section 3. Upon preparation by special 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:

Tracy L. Metzger	VOTING	_____
Susan Peto	VOTING	_____
Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
C. Anthony Owens	VOTING	_____
Robert C. Schofield	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 September 18, 2014 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 18th day of September, 2014.

(Assistant) Secretary

(SEAL)

EXHIBIT A
PILOT DEVIATION LETTER

- SEE ATTACHED -

CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY

21 Lodge Street
Albany, New York 12207
Tel: 518-434-2532 ext. 19
Fax: 518-434-9846

September 8, 2014

Hon. Daniel P. McCoy
Albany County Executive
Albany County Office Building
112 State Street, Room 825
Albany, New York 12207

Marguerite Vanden Wyngaard, Ph. D.
Superintendent of Schools
Albany City School District
1 Academy Park
Albany, New York 12207

Hon. Kathy M. Sheehan, Mayor
City Hall
24 Eagle Street
Albany, New York 12207

Rose Brandon, Th.D.
School Board President
Albany City School District
1 Academy Park
Albany, New York 12207

RE: City of Albany Industrial Development Agency
Proposed Deviation from Uniform Tax Exemption Policy
Albany Medical Center – Medical Office Project

Dear Ladies and Gentlemen:

This letter is delivered to you pursuant to Section 874(4)(c) of the General Municipal Law.

In November, 2013, the City of Albany Industrial Development Agency (the “Agency”) received an application (the “Application”) from Albany Medical Center (the “Company”), which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project to consist of the following: (A) (1) the acquisition of an interest in various parcels at of land containing in the aggregate approximately 0.65 acres and to be known as 391 Myrtle Avenue, currently known as a portion of 397 Myrtle Avenue (Tax Map ID # 76.22-2-47), all of 395 Myrtle Avenue (Tax Map ID # 76.22-2-46), 393 Myrtle Avenue (Tax Map ID # 76.22-2-45), 389-391 Myrtle Avenue (Tax Map ID # 76.22-2-44), 387 Myrtle Avenue (Tax Map ID # 76.22-2-43), 385 Myrtle Avenue (Tax Map ID # 76.22-2-42), portions of 152 Morris Street (Tax Map ID # 76.22-2-30), 154 Morris Street (Tax Map ID # 76.22-2-29), 156 Morris Street (Tax Map ID # 76.22-2-28), 158 Morris Street (Tax Map ID # 76.22-2-27), 160 Morris Street (Tax Map ID # 76.22-2-26), 164 Morris Street (Tax Map ID # 76.22-2-25), 166 Morris Street (Tax Map ID # 76.22-2-24) and 168 Morris Street (Tax Map ID # 76.22-2-23) in the City of Albany, Albany County, New York (collectively, the “Land”), together with various existing buildings located thereon (collectively, the “Existing Facility”), (2) the demolition of the Existing Facility and the construction thereon of an approximately 135,000 square foot medical office complex (the “Facility”), and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvements and finishes (collectively, the “Equipment”) (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company, to constitute a medical office complex and to be leased by the Company to various commercial tenants and any other directly or 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.

The Agency’s Uniform Tax Exemption 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 five year term of the payment in lieu of tax agreement. Further, the Agency’s Policy provides that the amount of the assessed value of the Project Facility will change as the assessed value is established annually by the Assessor of the City of Albany.

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 Policy. The Proposed Pilot Agreement would not provide any abatements for any special assessments levied on the Project Facility.

The Proposed Pilot Agreement will provide for two abatement schedules, one described as Scenario 1 and the other described as Scenario 2.

The Scenario 1 abatement schedule will provide that the Company be granted a twelve 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 payment in lieu of tax (“Pilot”) payment equal to one hundred percent (100%) of the normal taxes due on the Land and the Facility (fixed at a base amount equal to \$2,100,000) 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:

Year	Amount of Abatement on Increased Assessment
1 - 8	100%
9	80%
10	60%
11	40%
12	20%
13 and thereafter	0%

As noted in the table above, the abatement schedule is 12 years, with Year 1 of the abatement schedule beginning in the year following the completion of the construction of the Project.

The Proposed PILOT Agreement will also provide that the amount of the real property tax abatement and the term of the Proposed PILOT Agreement may be reduced depending on the mix of tenants that occupy the Project Facility (the “Scenario 2”). For example, if the tenants occupying the Project Facility are tenants that simply moved from one downtown location to another downtown location within the City of Albany, without meeting certain conditions of the Agency (e.g., certifying to the Agency that they would otherwise move out of the City of Albany), the Scenario 2 structure may be triggered. The Agency and Agency staff are working through administrative issues with respect to this structure and it will be discussed and described at the Meeting (as defined below). Based on the

discussions during such meeting, the terms of this structure may be altered. Currently, the modified abatement schedule and term of the Scenario 2 are described as follows:

Years	Amount of Abatement on Increased Assessment
1	50%
2	45%
3	40%
4	35%
5	30%
6	25%
7	20%
8	15%
9	10%
10	5%
11 and thereafter	0%

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 18, 2014 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 18, 2014, 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 Project: The Project involves the demolition of the Existing Facility and the construction thereon of an approximately 135,000 square foot medical office complex to be owned by the Company. The New Facility will be occupied 50% by Albany Medical College and 50% by private medical practices.

2. The present use of the property: The property is located in the Park South Urban Renewal Plan area. The Plan was adopted by the City of Albany Common Council after several years of studies, community meetings, and public hearings. The property currently contains a mix of vacant and/or underutilized residential and commercial structures as well as surface parking lots.

3. The economic condition of the area at the time of the request of the Company 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 property is located in the Park South Urban Renewal Plan area. The Plan was adopted by the City of Albany Common Council after several years of studies, community meetings, and public hearings. The area is strategically

targeted for adding commercial office/retail and commercial market-rate residential development. This investment will create a vibrant and healthy mixed-use and mixed income urban neighborhood that seeks to reinforce the existing and historical fabric, density and diversity of the neighborhood while enabling new mixed-use development opportunities. This development in the Park South neighborhood area will provide economic growth for the existing business and result in further development, which is also consistent with the Park South Urban Renewal Plan. Additional benefits created by the Project are described in the Application. The Company has also arranged for the preparation of a third party economic impact analysis (the “Park South Economic Analysis”) which can be accessed on the Agency’s website.

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, per the application, will create approximately 200 construction jobs, thus generating revenue for the City of Albany and surrounding areas. The Park South Economic Analysis states that the construction jobs would generate roughly \$67 million in earnings for the projects encompassing the two city blocks.

The Company has estimated that the Project will help retain approximately 32 full-time jobs and create approximately six (6) full-time jobs by the end of the second 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 Park South and surrounding neighborhoods. Additional benefits created by the Project are described in the Application and the Park South Economic Analysis. Both the Application and the Park South Economic Analysis can be accessed on the Agency’s website.

5. The estimated value of new tax exemptions to be provided: The estimated value of the tax exemptions are the following: \$356,513, mortgage recording tax; and \$3,733,678, real property taxes using Scenario #1.

6. The economic impact of the Proposed Pilot Agreement on affected tax jurisdictions: The economic impact of the Proposed Pilot Agreement is positive as development of the Project Facility is expected to spur additional development in the Park South neighborhood in the City of Albany. Additional information relating to the economic impact of the Project is included in the Park South Economic Analysis which can be accessed on the Agency’s website.

7. The impact of the Proposed Pilot Agreement 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 additional development in the area. . This development will build investor and bank confidence in the market and will serve to attract additional mid and large scale commercial/retail/residential development projects. The local restaurants and entertainment facilities will benefit from the undertaking of the Project. Additional information relating to the economic impact of the Project is included in the Park South Economic Analysis which can be accessed on the Agency’s website.

8. The amount of private sector investment generated or likely to be generated by the Proposed Pilot Agreement: The investment by the Company in undertaking the Project is equal to approximately \$32,121,146.

9. The effect of the Proposed Pilot Agreement on the environment: The Common Council of the City of Albany, as the lead agency with respect to the Project under the State Environmental Quality Review Act (“SEQR”), passed a resolution on December 16, 2013

finding that the Project would not have any significant environmental impacts on the environment and issued a negative declaration under SEQR.

10. Project timing: 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 significant 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 significant 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 for 50% of the space in the New Facility in order to pass the real property tax savings on to the proposed private tenants at the Project in the form of market lease payments. The other 50% of the space in the New Facility is expected to be exempt for real property tax as it will be occupied by the Albany Medical College.

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 and completion of the Park South Urban Renewal Plan. The Park South Urban Renewal Plan, as noted above, has been the subject of study for over 5 years and has the approval of all local permitting agencies (e.g., the City of Albany Planning Department) and the Common Council of the City of Albany.

The Agency will consider the Proposed Pilot Agreement (and the proposed deviation from the Agency's Uniform Tax Exemption Policy) at the Meeting. The Agency would welcome any written comments that you might have on this proposed deviation from the Agency's Uniform Tax Exemption Policy. In accordance with Section 874(4)(c) of the General Municipal Law, prior to taking final action at the Meeting, the Agency will review and respond to any written comments received from any affected tax jurisdiction with respect to the proposed deviation. The Agency will also allow any representative of any affected tax jurisdiction present at the Meeting to address the Agency regarding the proposed deviation.

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

CITY OF ALBANY INDUSTRIAL DEVELOPMENT
AGENCY

By: s/Tracy Metzger
Title: Chairman

**APPROVING RESOLUTION
ALBANY MEDICAL CENTER PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on September 18, 2014 at 12:15 p.m., local time.

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

PRESENT:

Tracy Metzger	Chairman
Hon. Darius Shahinfar	Treasurer
Susan Pedo	Secretary
Dominick Calsolaro	Member
Lee Eck	Member
C. Anthony Owens	Member
Robert T. Schofield	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Director of Economic Development
Bradley Chevalier	Senior Economic Developer, Capitalize Albany Corporation
Mark O’Palka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
Christopher M. Martell, Esq.	Special Agency Counsel

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

Resolution No. 0914-__

**RESOLUTION AUTHORIZING EXECUTION OF DOCUMENTS IN CONNECTION
WITH A LEASE/LEASEBACK TRANSACTION FOR A PROJECT FOR ALBANY
MEDICAL CENTER (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, manufacturing and industrial 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, Albany Medical Center, a New York not-for-profit corporation (the “Company”), has submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in various parcels at of land containing in the aggregate approximately 0.65 acres and to be known as 391 Myrtle Avenue, currently known as a portion of 397 Myrtle Avenue (Tax Map ID # 76.22-2-47), all of 395 Myrtle Avenue (Tax Map ID # 76.22-2-46), 393 Myrtle Avenue (Tax Map ID # 76.22-2-45), 389-391 Myrtle Avenue (Tax Map ID # 76.22-2-44), 387 Myrtle Avenue (Tax Map ID # 76.22-2-43), 385 Myrtle Avenue (Tax Map ID # 76.22-2-42), portions of 152 Morris Street (Tax Map ID # 76.22-2-30), 154 Morris Street (Tax Map ID # 76.22-2-29), 156 Morris Street (Tax Map ID # 76.22-2-28), 158 Morris Street (Tax Map ID # 76.22-2-27), 160 Morris Street (Tax Map ID # 76.22-2-26), 164 Morris Street (Tax Map ID # 76.22-2-25), 166 Morris Street (Tax Map ID # 76.22-2-24) and 168 Morris Street (Tax Map ID # 76.22-2-23) in the City of Albany, Albany County, New York (collectively, the “Land”), together with various existing buildings located thereon (collectively, the “Existing Facility”), (2) the demolition of the Existing Facility and the construction thereon of an approximately 135,000 square foot medical office complex (the “Facility”), and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvements and finishes (collectively, the “Equipment”) (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the “Project Facility”), all of the foregoing to be owned by the Company, to constitute a medical office complex and to be leased by the Company to various commercial tenants and any other directly or 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 property 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 November 21, 2013 (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 December 3, 2013 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public Hearing to be posted on December 4, 2013 on a bulletin board located at the City Hall bulletin board located at 24 Eagle Street in the City of Albany, Albany County, New York, as well as on the Agency’s website, (C) caused notice of the Public Hearing to be published on December 6, 2013 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 December 19, 2013 at 11:30 o’clock a.m., local time at the Albany

Community Development Agency located at 200 Henry Johnson Boulevard in the City of Albany, Albany County, New York, and (E) prepared a report of the Public Hearing (the "Hearing Report") fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations (the "Regulations") adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, "SEQRA"), by resolution adopted by the members of the Agency on September 18, 2014 (the "SEQR Resolution"), the Agency (A) concurred in the determination that the City of Albany Planning Board (the "Planning Board") is the "lead agency" with respect to SEQRA and (B) acknowledged receipt of a negative declaration from the Planning Board issued on May 15, 2014 (the "Negative Declaration"), in which the Planning Board determined that the Project would not have a significant adverse environmental impact on the environment, and therefore, an environmental statement need not be proposed with respect to the Project; and

WHEREAS, by resolution adopted by the members of the Agency on September 18, 2014 (the "Pilot Deviation Approval Resolution"), the members of the Agency determined to deviate from the Agency's Policy with respect to the Project; 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, (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 and (C) although the Project constitutes a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost, the Project is located within an empire zone that is considered to be a distressed census tract and therefore is in a "highly distressed area", as that term is defined in Section 854(18) of the Act; 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 the City of Albany, New York by undertaking the Project in the City of Albany, New York; and

WHEREAS, pursuant to Section 862(2)(b) of the Act, the Agency would be authorized to provide financial assistance in respect of the Project provided that the obligation of the Agency to proceed with the Project was subject to certain conditions, including (1) following compliance with the procedural requirements of Section 859-a of the Act, a finding by the Agency that the Project would preserve permanent, private sector jobs in the State of New York or increase the overall number of permanent, private sector jobs in the State of New York and (2) confirmation by the Mayor of the City of Albany of the proposed action by the Agency with respect to the Project; and

WHEREAS, by resolution adopted by the members of the Agency on September 18, 2014 (the "Resolution Making Retail Findings"), the Agency (A) found that although the Project Facility appears to constitute a project where facilities or properties that are primarily used in making retail sales of goods or services to customers who personally visit such facilities may constitute more than one-third of the costs of the Project, the Agency is authorized to provide financial assistance in respect of the Project pursuant to Section 862(2)(a) of the Act because the Project Facility is located in an empire zone that is considered to be a distressed census tract and therefore is in a "highly distressed area", as that term is defined in

Section 854(18) of the Act, (B) determined, following a review of the Public Hearing Report, that the Project would serve the public purposes of the Act by increasing the overall number of permanent, private sector jobs in the State of New York, and (C) determined that the Agency would proceed with the Project and the granting of the Financial Assistance; provided however, that no Financial Assistance would be provided to the Project by the Agency unless and until the Mayor of the City of Albany, as chief executive officer of City of Albany, New York, pursuant to Section 862(2)(c) of the Act, confirmed the proposed action of the Agency with respect to the Project; and

WHEREAS, pursuant to Section 862(2) of the Act, prior to providing the Financial Assistance to the Project, the Mayor, as chief executive officer of the City of Albany, New York, must confirm the proposed action of the Agency; 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) a certain recapture agreement (the "Section 875 GML Recapture Agreement") by and between the Company and the Agency, required by the Act, regarding the recovery or recapture of certain sales and use taxes; (F) a sales tax exemption letter (the "Sales Tax Exemption Letter") to ensure the granting of the sales tax exemption which forms a part of the Financial Assistance; (G) a New York State Department of Taxation and Finance form entitled "IDA Appointment of Project Operator or Agency for Sales Tax Purposes" (the form required to be filed pursuant to Section 874(9) of the Act) (the "Thirty-Day Sales Tax Report") and any additional report to the Commissioner of the State Department of Taxation and Finance concerning the amount of sales tax exemption benefit for the Project (the "Additional Thirty-Day Project Report"); (H) if the Company intends to finance the Project with borrowed money, a mortgage and any other security documents and related documents (collectively, the "Mortgage") from the Agency and the Company to the Company's lender with respect to the Project ("the "Lender"), which Mortgage will grant a lien on and security interest in the Project Facility to secure a loan from the Lender to the Company with respect to the Project (the "Loan"); and (I) 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 \$32,121,146;

(E) 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;

(F) Although the Project may constitute a project where facilities or property that are primarily used in making retail sales to customers who personally visit such facilities constitute more than one-third of the total project cost, the Company has represented to the Agency that (1) the Project is located in an empire zone that is considered to be a distressed census tract and therefore is in a “highly distressed area”, as that term is defined in Section 854(18) of the Act, and (2) completion of the Project will serve the public purposes of the Act by increasing the overall number of permanent, private sector jobs in the State of New York;

(G) 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;

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

(I) 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) accept the License Agreement; (B) lease the Project Facility to the Company pursuant to the Lease Agreement or sell the Project Facility to the Company pursuant to the Installment Sale Agreement; (C) acquire, construct and install the Project Facility, or cause the Project Facility to be acquired, installed and constructed; (D) enter into the Payment in Lieu of Tax Agreement; (E) enter into the Section 875 GML

Recapture Agreement; (F) secure the Loan by entering into the Mortgage; and (G) grant the Financial Assistance with respect to the Project; provided, however, that no financial assistance shall be provided to the Project by the Agency unless and until the Mayor of the City of Albany, New York, as chief executive officer of the City of Albany, New York, shall, pursuant to Section 862(2)(c) of the Act, confirm the proposed action of the Agency 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; provided, however, that no financial assistance shall be provided to the Project by the Agency unless and until the Mayor of the City of Albany, New York, as chief executive officer of the City of Albany, New York, shall, pursuant to Section 862(2)(c) of the Act, confirm the proposed action of the Agency with respect to the Project.

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; provided, however, that no financial assistance shall be provided to the Project by the Agency unless and until the Mayor of the City of Albany, New York, as chief executive officer of the City of Albany, New York, shall, pursuant to Section 862(2)(c) of the Act, confirm the proposed action of the Agency with respect to the Project.

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:

Tracy L. Metzger	VOTING	_____
Susan Peto	VOTING	_____
Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
C. Anthony Owens	VOTING	_____
Robert T. Schofield	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 September 18, 2014 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 18th day of September, 2014.

(Assistant) Secretary

(SEAL)



Teal, Becker & Chiaramonte™
CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS

September 2, 2014

To The Board of Directors
City of Albany Industrial Development Agency,
a Component Unit of the City of Albany
21 Lodge Street
Albany, NY 12207

We are pleased to confirm our understanding of the services we are to provide the City of Albany Industrial Development Agency, a Component Unit of the City of Albany for the year ending December 31, 2014. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the City of Albany Industrial Development Agency, a Component Unit of the City of Albany as of and for the year ending December 31, 2014. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the City of Albany Industrial Development Agency, a Component Unit of the City of Albany's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City of Albany Industrial Development Agency, a Component Unit of the City of Albany's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by accounting principles generally accepted in the United States of America and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis (MD&A)
2. Schedule of Revenues, Expenditures, and Changes in Net Assets-Budget (Non-GAAP Basis) and Actual

Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in accordance with accounting principles generally accepted in the United States of America and to report on the fairness of the supplementary information referred to in the first paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of the City of Albany Industrial Development Agency, a Component Unit of the City of Albany and other procedures we consider necessary to enable us to express such opinions. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and compliance will include a paragraph that states that the purpose of the report is intended to describe the scope of testing of internal control over financial reporting and compliance, and the result of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, and that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the City of Albany Industrial Development Agency, a Component Unit of the City of Albany is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Management Responsibilities

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein. As part of the audit, we will assist with preparation of your financial statements and related notes. You will be required to acknowledge in the written representation letter our assistance with preparation of the financial statements and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. You agree to assume all management responsibilities for any nonaudit services we provide, such as drafting of the financial statements and maintenance of the depreciation schedule; oversee the services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America.

Management is also responsible for making all financial records and related information available to us and for ensuring that management is reliable and financial information is reliable and properly recorded. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants for taking timely and appropriate steps to remedy any fraud, violations of contracts or grant agreements, or abuse that we may report.

You are responsible for the preparation of the supplementary information in accordance with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with accounting principles generally accepted in the United States of America; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the Agency. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures - Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies, or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Albany Industrial Development Agency, a Component Unit of the City of Albany's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Engagement Administration, Fees, and Other

In connection with this engagement, we may communicate with you or others via e-mail. As e-mails can be intercepted, disclosed, used, and/or otherwise communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed, we cannot ensure that e-mails from us will be properly delivered and read only by the addressee. Therefore, we disclaim and waive any liability for interception or unintentional disclosure of e-mail transmissions, or for the unauthorized use or failed delivery of e-mails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage arising from the use of e-mail, including any punitive, consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure of confidential information.

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the City of Albany Industrial Development Agency, a Component Unit of the City of Albany; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Teal, Becker & Chiaramonte, CPAs, P.C. and constitutes confidential information. However, pursuant to authority given by law or regulation, we may be requested to make certain audit documentation available to a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Teal, Becker & Chiaramonte, CPAs, P.C.'s personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

City of Albany Industrial Development Agency,
a Component Unit of the City of Albany
September 2, 2014
Page Six

Pasquale M. Scisci, CPA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. Our audit engagement ends on delivery of our audit report.

Our fees for these services for the year ending December 31, 2014 will be \$7,000, plus out-of-pocket costs such as report production, typing, postage, etc. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audits. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. Interest of 1.5% per month will be charged on late payments over 45 days. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fee. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

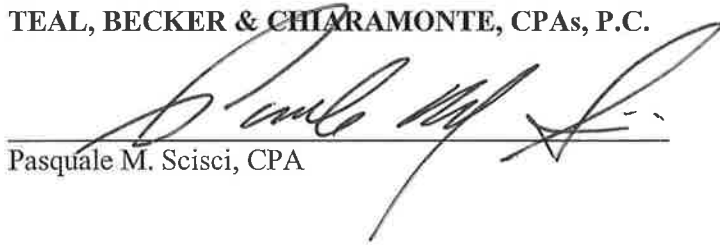
It is our policy to keep records related to this engagement for seven years. However, the Firm does not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies. By your signature below, you acknowledge and agree that upon the expiration of the seven year period, the Firm shall be free to destroy our records related to this engagement. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract. Our 2011 peer review report accompanies this letter.

We appreciate the opportunity to be of service to the City of Albany Industrial Development Agency, a Component Unit of the City of Albany and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

TEAL, BECKER & CHIARAMONTE, CPAs, P.C.


Pasquale M. Scisci, CPA

City of Albany Industrial Development Agency,
a Component Unit of the City of Albany
September 2, 2014
Page Seven

RESPONSE:

This letter correctly sets forth the understanding of **City of Albany Industrial Development Agency,
a Component Unit of the City of Albany.**

By : _____

Title: _____

Date: _____

Number of bound copies of the financial statements needed: _____

Special mailing instructions for the bound copies of the financial statements: _____

Do you need an electronic copy of the financial statements? _____

SR/gsw
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ENG12YB
Enclosures

SYSTEM REVIEW REPORT

August 19, 2011

To the Shareholders of
Teal, Becker & Chiaramonte, CPAs P.C. and the
Peer Review Committee of the
New York State Society of CPA's

We have reviewed the system of quality control for the accounting and auditing practice of Teal, Becker & Chiaramonte, CPAs P.C. in effect for the year ended March 31, 2011. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Teal, Becker & Chiaramonte, CPAs P.C. in effect for the year ended March 31, 2011, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Teal, Becker & Chiaramonte, CPAs P.C. has received a peer review rating of *pass*.

Amato, Fox & Company, P.C.

Amato, Fox and Company, P.C.

**CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY
APPROVAL RESOLUTION SELECTION OF ACCOUNTANTS – FY 2014 AUDIT**

A regular meeting of City of Albany Industrial Development Agency (the “Agency”) was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on September 18, 2014 at 12:15 p.m., local time.

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

PRESENT:

Tracy Metzger	Chairman
Hon. Darius Shahinfar	Treasurer
Susan Pedo	Secretary
Dominick Calsolaro	Member
Lee Eck	Member
C. Anthony Owens	Member
Robert T. Schofield	Member

ABSENT:

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Sarah Reginelli	Director of Economic Development
Bradley Chevalier	Senior Economic Developer, Capitalize Albany Corporation
Mark O’Palka	Chief Financial Officer
Andrew Corcione	Economic Developer, Capitalize Albany Corporation
Amy Gardner	Administrative Assistant, Capitalize Albany Corporation
John J. Reilly, Esq.	Agency Counsel
Christopher M. Martell, Esq.	Bond Counsel

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

Resolution No. 0914-__

**RESOLUTION APPROVING THE RETAINING OF AN ACCOUNTING FIRM FOR
CONDUCTING THE 2014 FY AUDIT OF THE CITY OF ALBANY INDUSTRIAL
DEVELOPMENT AGENCY.**

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

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

WHEREAS, the Agency is required to conduct an annual independent audit for its financial statements for the year ended December 31, 2014 (the "2014 Audit"); and

WHEREAS, the Agency staff has recommended retaining the services of Teal, Becker & Chiaramonte CPAs, P.C.;

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

Section 1. The Agency hereby approves Teal, Becker & Chiaramonte CPAs, P.C. to perform the necessary professional services as outlined in the attached engagement letter to complete the audit of the financial statements as of and for the year ended December 31, 2014 at an estimated fee of \$7,000.00, plus out-of-pocket expenses.

Section 2. The Agency hereby authorizes the Chairman, the Vice Chairman and the Interim CFO to take all steps necessary to implement this Resolution.

Section 3. All action taken by the staff of the Agency in connection with the retaining of the accounting firm prior to the date of this Resolution is hereby ratified and confirmed.

Section 4. This Resolution shall take effect immediately.

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

Tracy L. Metzger	VOTING	_____
Susan Peto	VOTING	_____
Hon. Darius Shahinfar	VOTING	_____
Dominick Calsolaro	VOTING	_____
Lee Eck	VOTING	_____
C. Anthony Owens	VOTING	_____
Robert T. Schofield	VOTING	_____

The 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 extract of the minutes of the meeting of the members of the Agency held on September 18, 2014 with the original thereof on file in my office, and that the same is a true and correct copy of said original 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 given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this ____ day of September, 2014.

(Assistant) Secretary

(SEAL)