

CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY.

PUBLIC MEETING

May 16, 2013

21 Lodge Street

Albany, New York 12207

12:16 p.m.

A P P E A R A N C E S:

ANTHONY J. FERRARA - CHAIRMAN

JOHN R. VERO - VICE CHAIRMAN

HON. KATHY SHEEHAN - TREASURER

SUSAN PEDO - SECRETARY

MARTIN DALEY - MEMBER

TRACY METZGER - MEMBER

C. ANTHONY OWENS - MEMBER

MICHAEL J. YEVOLI - CEO

ERIK J. SMITH - CFO

BRADLEY CHEVALIER - SENIOR ECONOMIC DEVELOPER

SARAH REGINELLI - DIRECTOR OF ECONOMIC DEVELOPMENT

AMANDA VITELLO - COMMUNICATIONS AND MARKETING ASSISTANT

PATRICK JORDAN - COUNSEL

A. JOSEPH SCOTT, III, ESQ. - COUNSEL

1 CHAIRMAN: I would like to now open the
2 Albany Industrial Development Agency public
3 hearing in regard to, pursuant to Article 2 of
4 New York State Eminent Domain Procedure Law, in
5 connection with the proposed acquisition of the
6 Kiernan Plaza, 575 Broadway, City of Albany, New
7 York, for commercial reused project.

8 Joe, all documents have been filed?
9 Proper documents have been filed?

10 MR. SCOTT: Yes, Chairman. And if I
11 may, given that this public hearing is a little
12 bit different than our normal public hearing, I
13 would like to make a couple of technical comments
14 before we open it up to the applicant and open it
15 up for comment, if I may?

16 CHAIRMAN: Yes.

17 MR. SCOTT: Thank you, Chairman.

18 So before we formally begin the public
19 hearing, unless there's any objection from those
20 in attendance, we are going to waive the full
21 meeting of the notice that appeared in the
22 newspaper. We did publish, in accordance with
23 New York State Law. We published five times,

1 began on May 1, and that notice is part of the
2 public record here and we'll include it in the
3 stenographic record. So unless there's any
4 objection, we'll move forward with that.

5 The purpose of this public hearing is to
6 inform the public of our intent to provide or to
7 condemn the project site. And in connection with
8 that, we need to outline the purpose, the
9 proposed location or alternative locations of the
10 public project and any other information that we
11 consider pertinent in connection with that
12 consideration. So the public hearing will be
13 divided into two parts, the first consisting of
14 the presentation from the applicant describing
15 those points, and then the second, opening up for
16 public comment.

17 So with that, Chairman, I'll pass it
18 back to you, if I may, and then you could
19 identify the applicant and ask the applicant to
20 make a presentation.

21 CHAIRMAN: Okay.

22 MR. FANCHER: I'll take the liberty
23 again. I also, I have written testimony here

1 that I could give to make your live easier.

2 Again, Michael Fancher, Vice President
3 for Business Development and Economic Outreach
4 for the College, speaking on behalf of Fuller
5 Road Management Corporation. Picking up on where
6 I had left off from the description of the
7 project to kind of drill in more to the public
8 policy purposes here.

9 Kiernan Plaza, formerly the Union
10 Station, was constructed in 1899 to serve as the
11 City's railroad station until the 1960s and '70s,
12 when it became vacant and fell into disrepair.
13 It was listed on the national register of
14 historic places in 1971 and restored by Peter
15 Kiernan, Chairman of Norstar Bank in 1989,
16 operating as a commercial office space and data
17 center operations for its headquarters.

18 In 2009 Bank of America, which had
19 acquired the subsequent essence of Norstar Bank
20 Corp., consolidated its operations to State
21 Street and the building has since been vacant for
22 the past four to five years, due to the inability
23 to attract a single tenant requiring space, where

1 Kiernan Plaza presents some significant
2 challenges. Kiernan Plaza is one of the City's
3 most visible landmark Lynch-pin properties,
4 located at the heart of the downtown business,
5 entertainment and (recently initiated) high-end
6 residential districts.

7 The anticipated public benefits to be
8 achieved, include the preservation and
9 revitalization of the historic nature and
10 long-term value of Kiernan Plaza, by eliminating
11 its vacant, deteriorating and economically
12 underutilized building, by attracting high-tech
13 growth, Smart Cities Technologies companies in
14 Downtown Albany.

15 Two: To expected promotion, attraction
16 and development of economically sound commerce
17 and industry, advancing the job opportunities,
18 health, general prosperity and economic welfare
19 of the people of the State and improving their
20 standard of living.

21 Three: Avert further deterioration of
22 the building's critical infrastructure, such as
23 roof, heating, air conditioning, masonry, due to

1 the continued vacancy.

2 Four: Transform this vacant historic
3 property and the surrounding corridor into an
4 economically viable and productive reuse with
5 urban vibrancy.

6 Five: Advance redevelopment for
7 convenient centralized offices for private and
8 public office space in Downtown Albany with no
9 changes to the exterior.

10 Six: Redevelopment will advance
11 community engagement and enrichment for its
12 citizens, while also creating job opportunities
13 by bringing approximately 250 jobs to Downtown
14 Albany.

15 The SCiTI Center Project will focus
16 public-private investments and leverage CNSE's
17 innovation and educational initiatives and
18 partnerships in nanotechnology and Smart City
19 Technologies to establish a physical center to
20 the redevelopment of Downtown Albany.

21 The New York City State Regional
22 Economic Development Council awarded a \$4 million
23 grant to FRMC to implement the SCiTI Center

1 Project with the goal of attracting high tech
2 smart city companies to Downtown Albany,
3 providing a central headquarters and control room
4 for SciTI program operations, including
5 management and monitoring of smart cities
6 technology test-beds, supporting workforce
7 training, community engagement and economic
8 outreach, offering high tech companies the
9 opportunity to live and work in a downtown urban
10 center, and by branding the City of Albany as the
11 nation's most progressive, sustainable, smart
12 technology living destination.

13 This requires a building of sufficient
14 size that will be able to accommodate the number
15 of people anticipated to occupy the structure.
16 The project site and building is ideally situated
17 and suited to provide the redevelopment
18 opportunities desired. Kiernan Plaza is a large,
19 centrally located building, squarely within
20 Downtown Albany and is a highly visible signature
21 building. No other property in Downtown Albany
22 can provide or is as suitable for this project as
23 this building. The acquisition of Kiernan Plaza

1 for the project will generate economic activity
2 and will contribute to the vibrancy of Broadway
3 and Downtown Albany.

4 The project is consistent with and will
5 promote the goals and objectives of the City of
6 Albany's comprehensive plan and is consistent
7 with the Zoning Ordinance C-3 Central Business
8 District. The acquisition will encourage new
9 commercial, retail, residential and public uses
10 in accordance with current land use and
11 environmental regulations in that corridor. The
12 redevelopment of Kiernan Plaza will initially
13 maintain and ultimately increase and enhance the
14 tax base of the City of Albany.

15 The general effect on the environment
16 and the residents is expected to be positive.
17 Because the building will be preserved, there are
18 no identified potential impacts to aesthetic
19 resources, historic and archeological resources.
20 No other adverse impacts are identified. The
21 intended office use is consistent with the City's
22 comprehensive Plan and Zoning Ordinances and
23 seeks to bring nanotechnology-related employment

1 opportunities, currently located on the outskirts
2 of the City, into this downtown location, by also
3 serving to promote potential inner-city
4 educational programs with nano-related and smart
5 city-related education and job training for
6 inner-city students, to create a pathway to
7 better job opportunities, which have
8 traditionally bypassed the inner cities. The
9 College has already announced its partnership
10 with the Trinity Alliance and the Albany Housing
11 Authority as related to that, in support of that.

12 Again, as I said, Fuller Road management
13 corporation requests that the City of Albany IDA
14 provide financial assistants by acquiring Kiernan
15 Plaza in order to provide title, free and clear
16 of all liens and encumbrances, to allow its
17 conveyance for the identified use project. FRMC
18 requests that the IDA exercise its power of
19 eminent domain to acquire the Kiernan Plaza
20 property and enable the purchase of the property
21 by FRMC. FRMC also requests that upon conveyance
22 of title by the IDA to FRMC, the IDA enter into a
23 PILOT payment agreement with FRMC for 15 years,

1 establishing a PILOT payment based on the current
2 assessed value that we discussed in the last, as
3 well as the sales and use on construction
4 materials and a potential Mortgage Recording Tax.

5 With that, I'll close my comments.

6 MR. SCOTT: Thank you. Mr. Chairman,
7 we've now heard information about the purpose of
8 the project, proposed location, whether there's
9 any alternative sites and any information
10 pertinent to our consideration of moving forward
11 with respect to condemnation and now we should
12 move onto the public hearing aspect of the -- or
13 the open public hearing aspect of this public
14 hearing where we solicit public comment with
15 respect to this proposed project.

16 CHAIRMAN: Okay. Anyone wish to speak
17 in regard to this project? Yes, sir?

18 MR. HOWARD: My name is Joel Howard. I
19 am an attorney with Couch White. We are
20 neighbors for the project, both as occupants of
21 the Albany Parking Authority's garage and the
22 River Front Garage and also at 540 Broadway. We
23 have two floors at 540 Broadway. We, at one

1 time, owned those floors and subsequently we've
2 become tenants. We're long-term stakeholders in
3 Albany.

4 Just as a personal aside, when I first
5 started working in Albany in the mid '70s, I
6 parked my car in the lot where the DEC building
7 is now and I walked by Union Station and saw the
8 trees growing out of the roof. I saw the windows
9 smashed out and it was a wonderful relief when
10 Norstar got that building and did what everyone
11 knew should be done with it.

12 Since Fleet abandoned ship, no one has
13 had any interest in that building. Maintenance
14 has virtually been curtailed to nothing. We
15 fully support everything that has been proposed
16 for this building and endorsed for management's
17 application by the IDA assistance and for the
18 condemnation for this project for the greater
19 good. Thank you.

20 CHAIRMAN: Thank you. Anyone else?

21 MR. VERO: Mr. Chair, I'll join my
22 partner, Joe Howard. I'm John Vero. As a
23 business owner in the City and a property owner

1 in the City and taxpayer, for all the reasons put
2 forward by the proponent and my partner -- I walk
3 by that building everyday and the promise of
4 smart cities technology, seeing executives come
5 in and out of that building, having what's going
6 on at the Nano College work with our
7 not-for-profits in the City is one of the most
8 exciting proposals I've seen in a long time and I
9 wanted to be here to show my support.

10 CHAIRMAN: Anyone else? Yes, ma'am?

11 MS. HOLLAND: Hi. I am Susan Holland.
12 I'm the Executive Director at Historic Albany
13 Foundation. I'll try to talk loud. I have a
14 written letter, too, for you. So I'll give you
15 that at the end.

16 Today's a great day in preservation,
17 actually. I'm happy to be here to talk about
18 this project and also about the announcement of
19 the Wellington Road, as well, it's really great.
20 We don't get that often, so I'm very happy.

21 I also agree with everything that Mike
22 Fancher said about the project. I looked at the
23 application. The College of Nanoscale Science

1 and Engineering proposal to readapt the former
2 1899 train station, brings new purpose to a
3 formerly vacant building and, in doing so, brings
4 new life to Downtown Albany.

5 Restoring a landmark is symbolic in our
6 City on so many levels. The ability to attract
7 other partners in the business, residential and
8 education field, the ability to show others, too,
9 that they could readapt our architectural gems
10 and those partners can be part of the forward
11 movement to urban revitalization. CSNE
12 represents a new era in corporate culture for
13 urban work and play. They will create more local
14 jobs by the business they conduct there, but also
15 more local jobs when you preserve a building and
16 more local materials are used in preservation, as
17 well.

18 New York State made a solid commitment
19 to this project with a \$4 million grant. The
20 City of Albany, with the IDA's support, should be
21 a catalyst in redevelopment. The alternative to
22 this project is that it sits dormant for years
23 again and then redevelopment is always tougher at

1 that end.

2 I urge the IDA to support the request
3 for CSNE's application and be part of this anchor
4 and catalytic project. We have the opportunity
5 to push the revitalization of our precious
6 downtown upward. Thank you.

7 CHAIRMAN: Anyone else?

8 MS. BROWN: Hi. I'm Holly Brown, the
9 Executive Director of the Palace Theater and we
10 fully support this project, as well. Anything
11 that adds to the vibrancy of Downtown Albany is
12 beneficial to the Palace, from the standpoint of,
13 you know, obviously increasing our ticket sales,
14 our membership, sponsorship opportunities. We
15 welcome this type of development downtown
16 wholeheartedly. Thank you.

17 MR. YEVOLI: All right. To bring a
18 little organization to this, I am going to start
19 with the people who checked yes on the list and
20 then we'll -- Georgette, you were here early.

21 MS. STEFFENS: My name is Georgette
22 Steffens. I am the Executive Director of the
23 Downtown Albany Improvement District and I'm here

1 to support CSNE's application for the Smart
2 Cities Technology Innovation Center.

3 Currently we have a 24 percent vacancy
4 rate in downtown and bringing this historic
5 building, which has 111,000 square feet of office
6 space back on, will have huge impacts for
7 downtown. Not only for that specific historic
8 building, but also to the surrounding buildings
9 and hopefully the companies that we hope will be
10 attracted. And we are already seeing that
11 through the announcement today of Wellington Row.
12 I know there is a new technology company that
13 just moved into 540 Broadway, so that interest is
14 already happening and occurring because of the
15 announcement of this project. The companies that
16 have been announced to date are new to downtown,
17 so that's something we're extremely excited about
18 and we've also seen that projects like the
19 expansion of Albany Med, Albany Medical Center,
20 as well as hopefully through this, we are seeing
21 the impact on the residential that we're
22 attracting in downtown and hopefully we'll
23 continue to bring additional residential

1 development into downtown.

2 So we stand in support of this project
3 and I appreciate being heard. Again, this is my
4 letter.

5 CHAIRMAN: Next, Dominic.

6 MR. PURNOMO: My name is Dominick
7 Purnomo, owner of Yono's Restaurant. We fully
8 support this plan. In the last few years, the
9 Office of Real Property Services, amongst others,
10 moved out of our downtown and we have suffered a
11 little bit in our business. We have,
12 fortunately, found some residential people
13 surrounding us that have sustained our business
14 and this project will certainly secure our future
15 success. Thank you.

16 MR. YEVOLI: Next we Bill Flaherty with
17 National Grid.

18 MR. FLAHERTY: My name is Bill Flaherty,
19 I am with National Grid, Director of Customer
20 Community Management. And on behalf of National
21 Grid, I would like to express our support for
22 CNSE's effort to locate in Kiernan Plaza. CSNE
23 and National Grid have had a longstanding

1 relationship and have partnered on many fronts.
2 It's clear that they know how important it is to
3 have a vibrant inner city for opportunities so
4 broader spectrums of the populations can be
5 enhanced. Given the plaza's location, it will
6 bring theses opportunities for more people.

7 We've had several discussions with CSNE
8 and the City already on how we could partner with
9 them at this location. In our business we often
10 talk about the energy tri-lemma, how to provide
11 affordable, reliable and sustainable energy in
12 the future. CSNE is helping to solve some of
13 these challenges and their plan to use this
14 facility as a test bed and a platform to bring in
15 new technologies, in addition to having community
16 education programs, seems to be a perfect fit
17 with the City's desire to be a greener and
18 smarter city. It's very possible that work being
19 done here could not only be replicated throughout
20 the region, but, as well, beyond that boundary.
21 It also could be a catalyst for having more good
22 paying high-tech jobs right here in Downtown
23 Albany.

1 On behalf of National Grid, I would like
2 to express our sincere support of this effort to
3 bringing CSNE into Albany's downtown so that all
4 of us could reap the benefits of their presence.
5 That you.

6 MR. YEVOLI: Thank you. Steve Lobel?

7 MR. LOBEL: Good afternoon. My name is
8 Steve Lobel, I'm vice president of Anchor Agency
9 Insurance. We've been within this community for
10 60 years and I also am Chairman of the Board of
11 the Albany Symphony Orchestra.

12 So right off the top I want to say I'm
13 completely supportive of every positive statement
14 that has been said. I would like to put a little
15 bit different, perhaps a human spin on this. In
16 the last 16 years I have represented my clients,
17 who are start-up emerging technology companies
18 and these are the entrepreneurs that are actually
19 creating these businesses. I could tell you from
20 direct anecdotal experience, as well, that the
21 quality of these entrepreneurs who are building
22 these businesses, is exactly what we want in our
23 city. They are, again, they are aggressive, they

1 are entrepreneurial, but they are also community
2 minded and I could tell you directly that
3 companies 15 years ago that started with me as
4 one person in a room with an idea, I have a long
5 list of companies like that who have now 150 plus
6 employees generating millions of dollars of
7 revenue.

8 I believe these are people who will be
9 really engaged in our community, not just
10 tenants, and very much involved in all aspects of
11 our downtown community from going to our retail
12 establishments and restaurants, to our arts and
13 culture venues. So I'm highly supportive in many
14 respects.

15 CHAIRMAN: Thank you. Mark Eagan?

16 MR. EAGAN: Good afternoon. I'm Mark
17 Eagan, President and CEO of the Albany Colonie
18 Regional Chamber. I'm here to really express our
19 organization's endorsement of this project. I
20 think all of us have been in that building, many
21 of us numerous times, and it really is a grand
22 facility. Many have called it sort of a public
23 treasure and I can't think of what better public

1 use to make sure that not only the building
2 remains magnificent for years to come, but I
3 think what we heard in earlier comments, the
4 ability of this project to really breathe life
5 into the surrounding other buildings for
6 commercial use, as well as we've made significant
7 progress in the last two years in residential
8 development in downtown. You could imagine what
9 could happen.

10 Mike Yevoli spoke to the four million
11 that was secured to help make the project start,
12 but I think people know sort of the magic formula
13 of part of the success of the College of
14 Nanoscale Science and Engineer, is how they've
15 been able to take a small amount of public money
16 and how they've leveraged it from massive amount
17 of public sector dollars. I think that's also
18 what is so exciting about this project. So on
19 our records, our Chamber strongly endorses this
20 project. Thank you.

21 MR. YEVOLI: And if I may for the
22 record, Mark. Mark did say public, but I think
23 in the record you meant to say private. You said

1 public sector dollars, but you meant private. I
2 know we are going to have this recorded, so.

3 MR. EAGAN: Thank you for the
4 correction.

5 MR. YEVOLI: Kevin McCarthy, Norstar?

6 MR. McCARTHY: Thank you for this
7 opportunity. My name is Kevin McCarthy. I am
8 Senior Project Manager of Norstar Development. I
9 am here to talk about the 733 project. My
10 colleague, Lori Harris and I, were here with the
11 board earlier in March to discuss the PILOT
12 exception that we were asking the IDA to grant.
13 In the interim --

14 MR. SCOTT: You're on the project that
15 is not --

16 MR. McCARTHY: Oh. I thought you were
17 calling me forward now.

18 MR. YEVOLI: Wait one second. You are
19 attempting to build a 70-unit residential on
20 Broadway right down the street from this
21 building?

22 MR. McCARTHY: Exactly.

23 MR. YEVOLI: All right. Next up? Lee

1 Eck?

2 MR. ECK: Good afternoon, Mr. Chairman,
3 members of the Board. Thank you for allowing me
4 to speak. My name is Lee Eck. I'm a business
5 representative for the International Union of
6 Painters and Allied Trades, district Council 9.
7 Today I'm here present as a representative of the
8 Greater Capital Region Building and Construction
9 Trades. We want you to know that I'm here today
10 to voice our support fully for the Smart City
11 Technology Innovation Center. We encourage the
12 redevelopment of the city center and are excited
13 for the project.

14 Over the last ten years the building
15 trades have embraced the nano technology fields
16 with open arms and we believe this is another
17 step in the right direction, creating good paying
18 jobs in the City of Albany and surrounding
19 communities, and this will further our
20 relationship with not only the City of Albany
21 IDA, but the College of Nanoscale Science and
22 Innovation Center. Thank you very much.

23 CHAIRMAN: Thank you. Next up is Ashley

1 Jeffrey.

2 MS. JEFFREY: Thank you very much. My
3 name is Ashley Jeffrey, I'm the Executive
4 Director for Girls Incorporated of the Greater
5 Capital Region. Talking about putting a human
6 dimension on this. We're an after-school program
7 for inner city girls here in Albany and
8 Schenectady and we have had a partnership with
9 CNSE, our Eureka program, to really build the
10 number of women going into stem fields, because
11 they are very underrepresented.

12 So we're here to support this project.
13 It will provide opportunities down the line for
14 our girls to stay local and also for their
15 families, because we realize there are going to
16 be all different positions, from cleaning crew
17 all the way up to executive management. So the
18 families of our girls can benefit from these
19 right now and then the opportunities that will
20 happen later on.

21 This is really walking the walk for
22 urban development and revitalization and taking
23 such a beautiful building and keeping it going

1 from year to year to year. Also, as a nonprofit,
2 it will bring new organizations and, selfishly,
3 new supports for the many non-profits in this
4 area who have been hitting up many of these
5 businesses year after year. So thank you very
6 much and we're very much so in support of this.

7 CHAIRMAN: Thank you. And the last
8 registered speaker, John Puis.

9 MR. PUIS: Thanks. I'm here -- in full
10 disclosure, my company RBC Capital Markets has a
11 professional relationship with CSNE, but I'm here
12 really because my wife and I privately have
13 always been very active in supporting the
14 historic preservation in Albany and it's really
15 exciting to contribute money or our time for
16 something that's not stabilization, but actually
17 a grand structure that will be reused.

18 Thirty years ago Bob Sloan walked me
19 through this building. As Joel commented, trees
20 were growing out. And he said, what do you
21 think, am I crazy? Bob is no longer with us, but
22 it was very exciting and I think all of us, I
23 think, Mr. Ferrara, you were there when the

1 building opened. It was one of the most exciting
2 nights in Downtown Albany at that time.

3 Whatever I think can be done to reuse
4 this, it's, to me, one of the grandest buildings
5 in Albany. I'm really in support of that. And
6 for individuals who support historic
7 preservation, this is a really exciting time.

8 CHAIRMAN: Just to add to what Mr. Puis
9 said. I do remember that when the dedication was
10 made, we were in that building and there was no
11 floor on the main floor. We were standing on
12 dirt. And I said to myself and my wife, I don't
13 know how we are ever going to get this building
14 up, but it worked.

15 Anyone else? Anyone else? Okay. Thank
16 you all very much and I will officially close the
17 public hearing pursuant to Article 2 of New York
18 State Eminent Domain Procedure Law, in connection
19 with the proposed acquisition of the Kiernan
20 Plaza, 575 Broadway, City of Albany, for
21 commercial reuse project. Thank you all.

22 (Whereupon the public hearing is
23 concluded at 12:40 p.m.)

C E R T I F I C A T I O N .

I, Deborah M. McByrne, a Shorthand Reporter
and Notary Public of the State of New York, do hereby
certify that the above and foregoing is a true and
correct transcript of the proceedings as mentioned in
the heading hereof, to the best of my knowledge and
belief.

Deborah M. McByrne

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CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY

PUBLIC MEETING

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PATRICK JORDAN - COUNSEL

A. JOSEPH SCOTT, III, ESQ. - COUNSEL

1 CHAIRMAN: I would like to open the
2 public hearing of the Albany Industrial
3 Development Agency in regard to the proposed
4 Fuller Road Management Corporation Project and
5 financial assistant relating thereto.

6 Who wishes to speak?

7 Proper documents have been filed?

8 MR. SCOTT: Yes. And Chairman, by way
9 of information, so that we keep clear what we are
10 doing procedurally. There are actually two
11 public hearings for this project. This public
12 hearing is the public hearing with respect to the
13 IDA assistance for the project, required under
14 the IDA Act. We're holding a public hearing
15 immediately after this public hearing regarding
16 the eminent domain proceeding, and I understand
17 the vast majority of the people here today want
18 to make comments during that second public
19 hearing, not this first public hearing.
20 Obviously if they want to make comments during
21 this public hearing, that's certainly fine, but I
22 understand most of the comments deal with the
23 condemnation issue and that's being held

1 following this public hearing.

2 CHAIRMAN: Very good.

3 MR. SCOTT: And in answer to your
4 question, we did publish the notice in the *Times*
5 *Union* and we made the appropriate mailings of the
6 public hearing notices.

7 CHAIRMAN: Anyone wish to speak in
8 regard to this proposed project?

9 MR. FANCHER: I would, just to kind of
10 set the context. My name is Michael Fancher.
11 I'm Vice President of for Business Development
12 and Economic Outreach with the College of
13 Nanoscale Science and Engineering. I just wanted
14 to restate kind of the action here, just kind of
15 set the stage.

16 Fuller Road Management, on behalf of the
17 college, seeks to redevelop the vacant Kiernan
18 Plaza, located at 535 Broadway, in Albany, as a
19 Smart Cities Technology Innovation Center, to
20 serve as an urban catalyst for business
21 innovation, economic vitality and educational
22 outreach. We really seek to also preserve the
23 historic nature of the property, to keep it for

1 its continued use as commercial office space and
2 to be a highly visible symbol of downtown
3 revitalization, to convert the historic landmark,
4 to attract high-tech companies and to also take
5 advantage of the living and working in Downtown
6 Albany.

7 The specific action that we're asking
8 for is, related to this action, is a two-element
9 tax abatement; one on the sales and use tax for
10 construction materials and the other is a,
11 potentially a mortgage recording tax. And if and
12 in the event there was a mortgage to be taken out
13 on renovation, although we don't anticipate that.

14 And then finally, to request the City,
15 County and School Tax Assessments to be based on
16 the current assessed value and to hold that
17 assessed value for 15 years. And that we would
18 also continue the payment to the Business
19 Improvement District at the current assessed rate
20 and also the tax rates as they change over time
21 would also apply to the property, as well, but
22 just at the assessed value.

23 And then I'll, you know, as far as -- I

1 have more comments for the second phase that I
2 would be happy to provide that.

3 CHAIRMAN: Okay. Thank you. Anyone
4 else wish to speak in regard to this project? If
5 not, I will officially close the public hearing
6 in regard to the Fuller Road Management
7 Corporation project and financial assistance
8 relating thereto.

9 (Whereupon the public hearing is
10 concluded at 12:15 p.m.)

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C E R T I F I C A T I O N .

I, Deborah M. McByrne, a Shorthand Reporter
and Notary Public of the State of New York, do hereby
certify that the above and foregoing is a true and
correct transcript of the proceedings as mentioned in
the heading hereof, to the best of my knowledge and
belief.

Deborah M. McByrne

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DOWNTOWN ALBANY
Business Improvement District

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SECRETARY

May 16, 2013

Mr. Michael Yevoli
Albany Industrial Development Agency
21 Lodge Street
Albany NY 12207

Re: Smart Cities Technology Innovation Center

Dear Mr. Yevoli:

I am writing in support of the College of Nanoscale Science and Engineering's (CNSE) Smart Cities Technology Innovation Center (SCiTI Center) project to be located at Kiernan Plaza, 575 Broadway. This project will turn the currently vacant Kiernan Plaza into a "smart cities" incubator designed to house high-tech start-up businesses that focus on developing technology for urban revitalization.

Built in 1899 Kiernan Plaza, rich with history and amazing architecture, has played a key role in Albany's development – first serving as the Capital Region's main train station and later as the headquarters of a Fortune 500 company. This 111,693 square foot building has been vacant since 2009, representing 1% of the empty office space in Downtown. At a time where downtown Albany's vacancy rate is 24%, bringing that 1% back online should have a significant impact to our office market. In addition, the spin off attraction of additional technology companies that will want to locate near the SCiTI Center could continue to lower our vacancy rate even further.

Over the past two years Downtown has been impacted, as have many other Capital Region cities, by the State's restacking policy. Hundreds of employees have been removed and placed in State office parks at a substantial cost to our vacancy rates, property values and small businesses that serviced these employees on a daily basis. The companies that have committed to the project to date will be net new to Downtown. They will be professional level employees and will help fill the gap created when the State office workers left.

The Downtown Albany Business Improvement District looks forward to working with CNSE in bringing this project to fruition and hope that this is the first step of many to connect CNSE with Downtown. We look forward to the positive impacts it will have for our Stakeholders. If you have any questions I can be reached at 465.2143 x15 or via e-mail at gsteffens@downtownalbany.org.

Sincerely,

Executive Director



HISTORIC ALBANY FOUNDATION

Chairman Anthony Ferrara
Industrial Development Agency
The City of Albany
21 Lodge Street
Albany, NY 12207

May 16, 2013

Dear Chairman Ferrara and members of the IDA Board:

On the behalf of the Historic Albany Foundation (HAF) staff and Board of Directors, I would like to express our support for the Fuller Road Management Corporation on behalf of College of Nanoscale Science and Engineering (CNSE) that seeks to redevelop the vacant Kiernan Plaza as the Smart Cities Technology Innovation Center (SCiTI Center) to serve as an urban catalyst for business innovation, economic vitality and educational outreach.

Rehabilitating and reconfiguring the spaces at Kiernan Plaza symbolizes positive, forward movement in downtown revitalization and when completed, will attract other likeminded industries and companies. This is where historic preservation and economic development merge and create the best partnerships. As CNSE makes the commitment to be in a downtown, urban area and helps the City of Albany to welcome other corporations and small businesses to "catch the fever" so to speak, the investment and subsequent leverage will be monumental.

The 1899 original Union Station, like many other cities, was the focal point for residents and visitors alike as the point of entry in and out of Albany. It ceased to be a train station in the late 1960's. Unlike many other buildings of this vintage that fall into disrepair, EYP in 1988 restored it for a bank headquarters. But as the financial industries changed and downsized, the City was then left with a vacant and underutilized building.

CSNE represents a new era in corporate culture for urban work and play. They recognize the importance of this landmark building and see the opportunities to rehabilitate and restore. Historic preservation creates more local jobs and uses more local materials than building new. This application indicates at least 50 construction jobs with industry jobs that will be present weekly in downtown Albany-100 jobs retained and 150 new jobs created.

Lastly, New York State incentivized the project with a \$4 million grant. The City of Albany with the Industrial Development Agency should also be a catalyst in redevelopment. The alternative to this project is that the building continues to sit dormant for years. Instead, the IDA has the opportunity to aid in support of this anchor and catalytic project.

I therefore urge the IDA Board to support their requests in their application, to have the City be a partner in the revitalization of this downtown landmark and to push the revitalization of our precious downtown upward.

Very truly yours,

Susan Holland
Executive Director