

TO: City of Albany Industrial Development Agency Board

FROM: City of Albany Industrial Development Agency Staff

RE: Penta on Broadway, LLC- IDA Application Summary

DATE: July 15, 2011

Applicant: Penta on Broadway, LLC

Managing Members: Charles B. Rosenstein, Christopher Maddalone, Seth Meltzer

Project Location: 522-524 Broadway

Project Description: Proposed conversion of approximately 13,000 sq.ft. of vacant commercial space to 14 residential rental units (floors 2, 3, 4) and approximately 3,000 sq.ft. of rentable commercial space (ground floor). The 4th floor will also have a laundry room and exercise area for residents. The project will require the removal and replacement of many of the existing partition walls, plumbing, electrical wiring, HVAC, windows, etc.

Estimated Project Cost: \$1,550,000

Type of Financing: Straight Lease

Amount of Bonds Requested: None

Estimated Total Purchases Exempt from Sales Tax: \$648,813

Total Mortgage Amount: \$1,058,000

Current Assessment: \$515,000

Estimated Improved Assessment: \$1,550,000

Requested PILOT: A 15 year PILOT with 100% abatement on the increased assessment value (after completion of the project) for the first 10 years. Then the abatement on the increased assessment value decreases for the following 5 years at 16.66% per year. At which time full assessment will be paid in Year 16 and every year thereafter.

Estimated Value of Tax Exemptions:

- NYS Sales and Compensating Use Tax: \$51,905
- Mortgage Recording Taxes: \$13,225
- Real Property Taxes \$669,914 (over 15 year PILOT period)
- Other: None

Employment Impact:

- Projected Permanent: N/A (potential for creation of jobs upon commercial space rental)
- Projected Construction: (9) individuals will be associated with this project, excludes subcontractors

Other Economic Benefits: First, it will revive a building that has sat vacant for over three years. In doing so the project compliments the City of Albany's initiatives to revitalize its downtown by providing vibrant, new, upscale housing that will attract professionals. Second, it will decrease the overall commercial vacancy downtown by changing the use of the property to mixed-use residential. Third, the project will increase the number of individuals living downtown thus increasing the consumer base to support small local businesses.

Planning Board Actions:

- Issued a Negative Declaration for this Unlisted Action as per the provisions of SEQR on 6/23/11
- Approved the site plan on 6/23/11 with the following conditions:
 - The applicant shall obtain final approval from Department of Water & Water Supply and the Division of Fire and Emergency Services

Date: July 14, 2011

TO: Erik Smith and the City of Albany
IDA Board

FROM: Penta on Broadway

RE: Request for information on IDA Application

Dear Mr. Smith:

Our schedule of requested tax abatement from the IDA is seeking a phase in full assessment period of 15 years for the following reasons and is based upon the enclosed documentation and schedules submitted with our IDA application:

1. The property is currently assessed at \$515,000.00.
2. The current tax rates for the City of Albany are as follows:

Property Tax: approx. \$19.00 (includes BID Tax) per \$1000.00 of assessed value.

School Tax: approx. \$26.00 per \$1000.00 of assessed value

3. Based upon these tax rates the estimated current taxes for the property is:

Property Tax: \$9800.00 (rounded)

School Tax: \$13,400.00(rounded)

Total Taxes: \$23,200.00

4. We believe the value of the building after renovations will be \$1,550,000.00
5. Based upon a full value assessment using the same tax rates, the following estimates of the taxes are as follows:

Property Tax:\$29,500.00(rounded)

School Tax: \$40,300.00(rounded)

Total Taxes: \$69,800.00

6. Based upon current expenses and revenue projections for the project, we believe that we would need to keep the taxes at their current year one level in order to give the project time to stabilize and time to generate sufficient operating income to cover an increase in the taxes to be assessed on the property. We are projecting an increase of annual rents of 3 percent and an increase in operating expenses of 2 percent per annum. Please see the attached spreadsheet setting forth the income and expense projections.
7. In addition to utilizing a profitability approach, we also reviewed the debt coverage ratios (DCR) for the project. As you will see from the spreadsheet submitted, at year 10 this is the first year that the DCR is positive. As such, we have used this year as an equitable start to phase in the move to full tax assessment. We have proposed a full assessment in year 16 as this is the first year that the DCR will be above that which our lender will require in order to commit to make a loan for the required construction and permanent loan financing, that being a minimum of 1.30 DCR. Based upon our projections, the DCR will be at a 1.32 in year 16.
8. At the year 10 level, we proposed an equitable increase to the taxes of an annual increase in taxes of 16.66 percent per year for the next 5 year at which time the project will be fully assessed in year 16 and we believe the project will be able to cover the full taxable assessment.

CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY

AMENDED APPLICATION

IMPORTANT NOTICE: The answers to the questions contained in this application are necessary to determine your firm's eligibility for financing and other assistance from the City of Albany Industrial Development Agency. These answers will also be used in the preparation of papers in this transaction. Accordingly, all questions should be answered accurately and completely by an officer or other employee of your firm who is thoroughly familiar with the business and affairs of your firm and who is also thoroughly familiar with the proposed project. This application is subject to acceptance by the Agency.

TO: CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY
c/o Department of Economic Development
21 Lodge Street
Albany, New York 12207

This application by applicant respectfully states:

APPLICANT: Penta on Broadway LLC

APPLICANT'S ADDRESS: 465 New Karner Road

CITY: Albany STATE: New York ZIP CODE: 12205

PHONE NO.: 518-452-6979 FAX NO.: 518-452-6873 E-MAIL: crosenstein@cbrlaw.net

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

Charles B. Rosenstein; Christopher Maddalone or Seth Meltzer

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

NAME OF ATTORNEY: Charles B. Rosenstein, Esq.

ATTORNEY'S ADDRESS: 465 New Karner Road

CITY: Albany STATE: New York ZIP CODE: 12205

PHONE NO.: 518-452-6979 FAX NO.: 518-452-6873 E-MAIL: crosenstein@cbrlaw.net

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

INSTRUCTIONS

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

FOR AGENCY USE ONLY

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

SUMMARY OF PROJECT

Applicant: **Penta on Broadway, LLC**

Contact Person: **Charles B. Rosenstein.**

Phone Number: **518-452-6979**

Occupant: vacant

Project Location: **522-524 Broadway, Albany, New York 12207**

Approximate Size of Project Site: We are seeking to convert an approximately 13,000 sq. ft. vacant office building into one **14 unit apartment building with a first floor commercial retail space. Approximately 9995 Rentable Residential Square Feet and an additional 2887 square feet of rentable commercial space totaling 12,882 square feet. The building as renovated will have an approximate value of \$1,550,000.00. Building footprint approximately 46 x 83 or 3818 square feet.**

Description of Project: **Total Rehab of vacant commercial office building and renovation to 14 market rate residential apartments consisting of 1 and 2 bedrooms and 1 commercial retail space.**

The project plan is to revitalize the downtown Albany area by providing residential living options available to both local employees working in the downtown Albany area as well as drawing out of the area residents to have an option to live in downtown Albany. The building has been vacant since approximately 2009. The building was home to the Downtown Albany Business Improvement District Offices (BID) who were forced to vacate the building due to a flood in the building. The water issues have been fully addresses and resolved and the damage caused by the water has been fixed and this issue will be anon issue in the future use of this building. The area where the building is located will add to the residential revitalization of the downtown Albany and compliment other like projects currently going on in this area.

The plan called for the interior to be gutted and to re-establish the floor plans to accommodate 14 residential apartments in total on floors 2, 3 and 4. The 4th floor will have a laundry room as well as an exercise area for the residents. There will also be a roof top terrace with a beautiful view of the Albany skyline. There will also be an approximate 2887sq. ft. commercial retail space available to lease on the fist floor of the building. To complete the project will require the removal of many of the existing partition walls and the electrical wiring as well as new windows. All new plumbing, gas and electric service will meet, or exceed, the newest State and City building codes.

The building will be a model for the residential revitalization of downtown Albany which is a priority of the City of Albany.

The total budget for the project, including acquisition, construction costs, taxes, insurance, lender inspection fees and interest is approximately \$1,468,700.00. Penta on Broadway, LLC will expend \$350,000.00 to obtain the building and Penta on Broadway, LLC will infuse more than \$1,000,000.00 into the construction project to renovate the building to have it ready to lease up to tenants looking for residential living in downtown Albany.

Type of Project: Manufacturing Warehouse/Distribution
 Commercial Not-For-Profit
 X Other-Specify Mixed Use including residential Housing

Employment Impact: Existing Jobs None

***New Jobs- 20 Temporary construction jobs from the commencement of renovations until completion of the construction Phase of the project. After completion, it is hoped that the retail tenant for the first floor will create several permanent jobs for the business that will occupy the space.**

Project Cost: estimated to be **\$1,550,000.00**

Type of Financing: Tax-Exempt Taxable **X** Straight Lease

Amount of Bonds Requested: \$ NONE

Estimated Value of Tax-Exemptions:

N.Y.S. Sales and Compensating Use Tax:	\$ <u>51,905.00</u>
Mortgage Recording Taxes:	\$ <u>13,225.00</u>
Real Property Tax Exemptions:	\$ <u>669,914.00 over 15year pilot period</u>
Other (please specify):	\$ <u>0.00</u>

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

A. Identity of Company:

1. Company Name: **Penta on Broadway, LLC**

Present Address: 465 New Karner Road, Albany, NY

Zip Code: **12205**

Employer's ID No.: applied for

2. If the Company differs from the Applicant, give details of relationship:

N/A

3. Indicate type of business organization of Company:

a. _____ Corporation (If so, incorporated in what country?
What State? _____ Date Incorporated? _____ Type of
Corporation? _____ Authorized to do business in New York?
Yes ___; No ___).

b. ___ Partnership (if so, indicate type of partnership _____,
Number of general partners ____, Number of limited partners ___).

c. X Limited liability company,
Date created? May 9th, 2011

d. _____ Sole proprietorship

4. Is the Company a subsidiary or direct or indirect affiliate of any other organization(s)? If so, indicate name of related organization(s) and relationship:
NO

B. Management of Company:

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

NAME (First, Middle, Last) HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
Charles B. Rosenstein 95 Daniel Street Slingerlands, New York 12159	Managing Member	Charles B. Rosenstein, Esq. Marathon Title Agency, Inc.
Christopher Maddalone 1124 Rugby Road Schenectady, New York 12308	Managing Member	Maddalone & Associates, Inc. Maddalone Development, LLC Maddalone Construction, LLC
Seth Meltzer 60 Montrose Drive Delmar, NY 12054	Managing Member	Paychex, Inc. Keram Estates, LLC

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

3. Has any person listed above ever been convicted of a criminal offense (other than a minor traffic violation)? Yes ____; No **X**.

4. Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated a bankrupt? Yes ____; No **X**. (If yes to any of the foregoing, furnish details in a separate attachment).

5. If the answer to any of questions 2 through 4 is yes, please, furnish details in a separate attachment.

C. Principal Owners of Company:

1. Principal owners of Company: Is Company publicly held? Yes ____; No **X**. If yes, list exchanges where stock traded:

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

NAME	ADDRESS	PERCENTAGE OF HOLDING
SEE B – Each 33.33%		

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

Berkshire Bank, NA

II. DATA REGARDING PROPOSED PROJECT

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

We are seeking to convert an approximately 13,000 sq. ft. vacant office building into one **14 unit apartment building with a first floor commercial retail space. Approximately 9995 Rentable Residential Square Feet and an additional 2887 square feet of rentable commercial space totaling 12,882 square feet.. The building footprint is approximately 46 x 83 or 3818 square feet.**

Description of Project: **Total Rehab of vacant commercial office building and renovation to 14 market rate residential apartments consisting of 1 and 2 bedrooms and 1 commercial retail space.**

The project plan is to revitalize the downtown Albany area by providing residential living options available to both local employees working in the downtown Albany area as well as drawing out of the area residents to have an option to live in downtown Albany. The building has been vacant since approximately 2009. The building was home to the Downtown Albany Business Improvement District Offices (BID) who were forced to vacate the building due to a flood in the building. The water issues have been fully addresses and resolved and the damage caused by the water has been fixed and this issue will be anon issue in the future use of this building. The area where the building is located will add to the residential revitalization of the downtown Albany and compliment other like projects currently going on in this area.

The plan called for the interior to be gutted and to re-establish the floor plans to accommodate 14 residential apartments in total on floors 2, 3 and 4. The 4th floor will have a laundry room as well as an exercise area for the residents. There will also be a roof top terrace with a beautiful view of the Albany skyline. There will also be an approximate 2887sq. ft. commercial retail space available to lease on the fist floor of the building. To complete the project will require the removal of many of the existing partition walls and the electrical wiring as well as new windows. All new plumbing, gas and electric service will meet, or exceed, the newest State and City building codes.

The building will be a model for the residential revitalization of downtown Albany which is a priority of the City of Albany.

B. Location of Proposed Project:

1. Street Address: **522-524 Broadway**
2. City of **Albany**
3. Town of
4. Village of
5. County of **Albany**

C. Project Site:

1. Approximate size (in acres or square feet) of Project site: **Approximately .09 acres. Building footprint approximately 46 x 83 or 3818 sq. feet.**

Is a map, survey or sketch of the project site attached? Yes **X**; No ____.

2. Are there existing buildings on project site? Yes **X**; No ____.
 - a. If yes, indicate number and approximate size (in square feet) of each existing building: approximately 19,040 sq. feet.

One Building. See Attachment

- b. Are existing buildings in operation? Yes ____; No **X**.
If yes, describe present use of present buildings:

Vacant – total gut rehabilitation. To be completed by 10 months from acquisition, proposed May 1, 2012.

- c. Are existing buildings abandoned? Yes ____; No **X**. About to be abandoned? Yes ____; No _____. If yes, describe:

At the commencement of the Project, projected for July 1st, 2011, building will have been vacant for somewhere between 2-3 years . This project will be an approximate \$1,400,000.00 total rehabilitation of the building that will add 14 market rate apartments to downtown Albany and 1 commercial retail space

- d. Attach photograph of present buildings.

3. Utilities serving project site:
 - Water-Municipal: **YES**
 - Other (describe)
 - Sewer-Municipal: **YES**
 - Other (describe)
 - Electric-Utility: **National Grid**
 - Other (describe)
 - Heat-Utility: **National Grid**
 - Other (describe)
4. Present legal owner of project site: 524 Broadway Realty LLC
 - a. If the Company owns project site, indicate date of purchase: _____; Purchase price: \$_____.
 - b. If Company does not own the Project site, does Company have option signed with owner to purchase the Project site? Yes X ; No _____. If yes, indicate date option signed with owner: March 22, 2011; and the date the option expires: June 22, 2011.
 - c. If the Company does not own the project site, is there a relationship legally or by common control between the Company and the present owners of the project site? Yes X ; No _____. If yes, describe: Penta on Broadway, LLC has a contract with current owner to purchase the project site. A copy is provided herewith.

5.
 - a. Zoning District in which the project site is located: **C-3**
 - b. Are there any variances or special permits affecting the site? Yes ____; No X . If yes, list below and attach copies of all such variances or special permits: Site Plan approval is necessary.

D. Buildings:

1. Does part of the project consist of a new building or buildings? Yes ____; No X . If yes, indicate number and size of new buildings:
2. Does part of the project consist of additions and/or renovations to the existing buildings? Yes X ; No _____. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation:

The building is being converted from a vacant commercial office building to a 14 unit residential building with an approximately 3000 sq. ft. commercial retail space for lease on the first floor without any change to exterior dimensions.

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

Building will be rented to residents with middle to upper range of rents.

E. Description of the Equipment:

1. Does a part of the Project consist of the acquisition or installation of machinery, equipment or other personal property (the "Equipment")? Yes X; No ____.
If yes, describe the Equipment:
Heating and cooling equipment, Security equipment, fire suppression system, Kitchen appliances including, refrigerators, stoves, dishwashers, microwave ovens.
2. With respect to the Equipment to be acquired, will any of the Equipment be Equipment which has previously been used? Yes ____; No X. If yes, please provided detail:
3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed:

For end use residential tenants as well as an end use commercial retail tenant.

F. Project Use:

1. What are the principal products to be produced at the Project?

N/A
2. What are the principal activities to be conducted at the Project?

Residential housing and commercial tenant on First Floor
3. Does the Project include facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities? Yes X ____; No _____. If yes, please provide detail:
The project supports the working public of the City of Albany by providing dwellings at a market rate to keep those workers who might otherwise flee to the suburbs. In doing so, it provides a market base to small local businesses.
4. If the answer to question 3 is yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project? 100 %
5. If the answer to question 3 is yes, and the answer to question 4 is more than 33.33%, indicate whether any of the following apply to the Project:
 - a. Will the Project be operated by a not-for-profit corporation? Yes ____; No X. If yes, please explain:

- b. Is the Project likely to attract a significant number of visitors from outside the economic development region in which the Project will be located? Yes ___; No X. If yes, please explain:
- c. Would the Project occupant, but for the contemplated financial assistance from the Agency, locate the related jobs outside the State of New York? Yes ___; No X. If yes, please explain:
- d. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonable accessible to the residents of the city, town or village within which the Project will be located, because of a lack of reasonably accessible retail trade facilities offering such goods or services? Yes ___; No X. If yes, please provide detail:
- e. Will the Project be located in one of the following: (i) an area designed as an economic development zone pursuant to Article 18-B of the General Municipal Law; or (ii) a census tract or block numbering area (or census tract or block numbering area contiguous thereto) which, according to the most recent census data, has (x) a poverty rate of at least 20% for the year in which the data relates, or at least 20% of households receiving public assistance, and (y) an unemployment rate of at least 1.25 times the statewide unemployment rate for the year to which the data relates? Yes X; No ___. If yes, please explain: **The project is located in what was once an Empire Zone prior to the expiration of that legislation. The area is currently undergoing a revitalization from a strictly commercial and office building use to providing a residential apartment living option for those wishing to live in the downtown area of the City of Albany.**

6. If the answers to any of subdivisions c. through e. of question 5 is yes, will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York? Yes ___; No X. If yes, please explain: **The Project should increase the overall number of permanent, private sector jobs in the City of Albany because it creates 14 upscale dwellings in an area that needs this type of residential housing option. By creating these dwellings, it attracts professional workers who might otherwise leave the City for the suburbs or the State for one that might have these types of dwellings in a downtown setting. The project is in the heart of the Capital of the State of New York. The project will also add to the number of people who will frequent the downtown stores and businesses thereby increasing revenue for the businesses and the City.**

7. Will the completion of the Project result in the removal of a plant or facility of the Company or another proposed occupant of the Project (a "Project Occupant") from

one area of the State of New York to another area of the State of New York? Yes ___; No X. If yes, please explain:

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

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

a. Is the Project reasonably necessary to preserve the competitive position of the Company on such Project Occupant in its industry? Yes ___; No ____. If yes, please provide detail:

N/A

b. Is the Project reasonably necessary to discourage the Company or such Project Occupant from removing such other plant or facility to a location outside the State of New York? Yes ___; No ____. If yes, please provide detail:

N/A

G. Other Involved Agencies:

1. Please indicate all other local agencies, boards, authorities, districts, commissions or governing bodies (including any city, county and other political subdivision of the State of New York and all state departments, agencies, boards, public benefit corporations, public authorities or commissions) involved in approving or funding or directly undertaking action with respect to the Project. For example, do you need a municipal building permit to undertake the Project? Do you need a zoning approval to undertake the Project? If so, you would list the appropriate municipal building department or planning or zoning commission which would give said approvals.

City of Albany Building Department, City of Albany Planning Department.

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

Building permits from the Building Department will have to be pulled. Planning approval from Planning Board will have to be obtained .

H. Construction Status:

1. Has construction work on this project begun? Yes ___; No X. If yes, please discuss in detail the approximate extent of construction and the extent of completion. Indicate in your answer whether such specific steps have been completed as site clearance and preparation; completion of foundations; installation of footings; etc.:

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

N/A

I. Method of Construction After Agency Approval:

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

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

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

A. Does the Company intend to lease or sublease more than 10% (by area or fair market value) of the Project? Yes X; No _____. If yes, please complete the following for each existing or proposed tenant or subtenant: **Used as residential space and 1 commercial space and will have various tenants throughout.**

1. Sublessee name: T/B/D
Present Address:
City: _____ State: _____ Zip: _____
Employer's ID No.: _____
Sublessee is: ____ Corporation: ____ Partnership: ____ Sole Proprietorship
Relationship to Company: _____
Percentage of Project to be leased or subleased: _____
Use of Project intended by Sublessee: _____
Date of lease or sublease to Sublessee: _____
Term of lease or sublease to Sublessee: _____
Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes ____; No _____. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

2. Sublessee name:
 Present Address:
 City: _____ State: _____ Zip:
 Employer's ID No.:
 Sublessee is:
 _____ Corporation: _____ Partnership: _____ Sole Proprietorship
 Relationship to Company:
 Percentage of Project to be leased or subleased:
 Use of Project intended by Sublessee:
 Date of lease or sublease to Sublessee:
 Term of lease or sublease to Sublessee: _____
 Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes ___; No ___. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

3. Sublessee name:
 Present Address:
 City: _____ State: _____ Zip:
 Employer's ID No.:
 Sublessee is: _____ Corporation: _____ Partnership: _____ Sole Proprietorship
 Relationship to Company:
 Percentage of Project to be leased or subleased:
 Use of Project intended by Sublessee:
 Date of lease or sublease to Sublessee:
 Term of lease or sublease to Sublessee:
 Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes ___; No ___. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

B. What percentage of the space intended to be leased or subleased is now subject to a binding written lease or sublease? None

IV. Employment Impact

A. Indicate below the number of people presently employed at the project site and the number that will be employed at the project site at end of the first and second years after the project has been completed (Do not include construction workers). Also indicate below the number of workers employed at the project site representing newly created positions as opposed to positions relocated from other project sites of the applicant. Such information regarding relocated positions should also indicate whether such positions are relocated from other project sites financed by obligations previously issued by the Agency.

There will be workers assigned to this building from the property management company. Although they will not be based 100% of the time at the site, the property management company will have these workers on call to address any needs of the tenants. This brings employees to the site every week to maintain and clean the building, administer the laundry facilities and to act as a base of operation for this property. These jobs are not "new hires" but might cause the property management company to add employees to cover these as their time on

the building increases. These jobs are not relocated from other project sites financed by obligations previously issued by the Agency. The first floor commercial retail tenant will be creating permanent jobs to work at the site in its retail establishment.

TYPE OF EMPLOYMENT					
	PROFESSIONAL MANAGERIAL	SKILLED	SEMI- SKILLED	UNSKILLED	TOTALS
Present Full Time	N/A	N/A	N/A	N/A	N/A
Present Part Time	“	“	“	“	“
Present Seasonal					
First Year Full Time					
First Year Part Time					
First Year Seasonal					
Second Year Full Time					
Second Year Part Time					
Second Year Seasonal					

B. Please prepare a separate attachment describing in detail the types of employment at the project site. Such attachment should describe the activities or work performed for each type of employment.

V. Project Cost

A. Anticipated Project Costs. State the costs reasonably necessary for the acquisition of the project site and the construction of the proposed project including the acquisition and installation of any machinery and equipment necessary or convenient in connection therewith, and including any utilities, access roads or appurtenant facilities, using the following categories:

<u>Description of Cost</u>	<u>Amount</u>
Land	\$ 0.00
Buildings	\$ 350,000.00
Machinery and equipment costs	\$ 0.00
Utilities, roads and appurtenant costs	\$ 0.00
Architects and engineering fees	\$ 16,400.00
Costs of Bond issue (legal, financial and printing)	\$ 0.00

Construction loan fees and interest (if applicable)	\$ 35,000.00
Permits	\$ 5,000.00
General Conditions	\$ 5,000.00
Bank engineer and inspections	\$ 6,800.00
Borrower Legal	\$ 6,000.00
Bank Legal	\$ 6,000.00
Builders Risk Policy	\$ 6,000.00
Appraisal	\$ 3,500.00
Environmental	\$ 1,500.00
Title Fees	\$ 5,000.00
Mortgage/IDA/Capitalize Albany fees	\$ 10,000.00
Survey	\$ 1,500.00
Misc.	\$ 2,500.00
Marketing	\$ 2,500.00
Leasing Commissions	\$ 6,000.00
Taxes	\$ 17,000.00
Contingency	\$ 18,000.00
Construction	\$ 965,000.00

TOTAL PROJECT COST \$ 1,468,700.00

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

V. BENEFITS EXPECTED FROM THE AGENCY

A. Financing

1. Is the applicant requesting that the Agency issue bonds to assist in financing the project? Yes __; No X. If yes, indicate:
 - a. Amount of loan requested: _____ Dollars;
 - b. Maturity requested: _____ Years.

2. Is the interest on such bonds intended to be exempt from federal income taxation? Yes __; No __. N/A

3. If the answer to question 2 is yes, will any portion of the Project be used for any of the following purposes: N/A
 - a. retail food and beverage services: Yes __; No __
 - b. automobile sales or service: Yes __; No __
 - c. recreation or entertainment: Yes __; No __
 - d. golf course: Yes __; No __
 - e. country club: Yes __; No __
 - f. massage parlor: Yes __; No __
 - g. tennis club: Yes __; No __
 - h. skating facility (including roller
 - i. skating, skateboard and ice skating): Yes __; No __

- j. racquet sports facility (including handball and racquetball court): Yes ____; No ____
- k. hot tub facility: Yes ____; No ____
- l. suntan facility: Yes ____; No ____
- m. racetrack: Yes ____; No ____

4. If the answer to any of the above questions contained in question 3 is yes, please furnish details on a separate attachment.

N/A

5. Is the Project located in the City's federally designated Enterprise Zone? Yes ____; No X.

6. Is the applicant requesting the Agency to issue federally tax-exempt Enterprise Zone bonds? Yes ____; No X.

B. Tax Benefits

1. Is the applicant requesting any real property tax exemption that would not be available to a project that did not involve the Agency? Yes X; No ____.

2. Is the applicant expecting that the financing of the Project will be secured by one or more mortgages? Yes X; No _____. If yes, what is the approximate amount of financing to be secured by mortgages? \$ 808,000.00 in a first mortgage and \$250,000.00 from Capitalize Albany in a second lien position.

3. Is the applicant expecting to be appointed agent of the Agency for purposes of avoiding payment of N.Y.S. Sales Tax or Compensating Use Tax? Yes X; No _____. If yes, what is the approximate amount of purchases which the applicant expects to be exempt from the N.Y.S. Sales and Compensating Use Taxes? \$648,813.00

4. What is the estimated value of each type of tax-exemption being sought in connection with the Project? Please detail the type of tax-exemption and value of the exemption.

- a. N.Y.S. Sales and Compensating Use Taxes: \$ 51,905.00
- b. Mortgage Recording Taxes: \$ 13,225.00
- c. Real Property Tax Exemptions: \$ 669,914.00 over 15 year pilot period
- d. Other (please specify):

	\$ _____
	\$ _____

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

6. Is the Project located in the City's state designated Empire Zone? Yes X; No _____. The project is within the boundaries of the former Empire Zone which did expire in 2010.

C. Project Cost/Benefit Information. Complete the attached Cost/Benefit Analysis so that the Agency can perform a cost/benefit analysis of undertaking the Project. Such information should consist of a list and detailed description of the benefits of the Agency undertaking the Project (e.g., number of jobs created, types of jobs created, economic development in the area, etc.). Such information should also consist of a list and detailed description of the costs of the Agency undertaking the Project (e.g., tax revenues lost, buildings abandoned, etc.).

VI. REPRESENTATIONS BY THE APPLICANT. The applicant understands and agrees with the Agency as follows:

A. Job Listings. Except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOC") and with the administrative entity (collectively with the DOC, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA") in which the Project is located.

B. First Consideration for Employment: In accordance with Section 858-b(2) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.

C. City Human Rights Law. The Applicant agrees to endeavor to comply with the provisions of Article XI, Division 2 of the City Code, entitled "The Omnibus Human Rights Law". The Applicant understands that it is not subject to the provisions of The Omnibus Human Rights Law.

D. Annual Sales Tax Filings. In accordance with Section 874(8) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the applicant and all consultants or subcontractors retained by the applicant.

F. Annual Employment Reports: The applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site.

G. Absence of Conflicts of Interest: The applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officer or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

Penta on Broadway, LLC

BY: _____

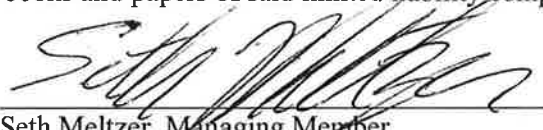
Seth Meltzer, Managing member

VERIFICATION

(If applicant is Limited Liability Company)


STATE OF Ni)
) SS.:
COUNTY OF Albany)

Seth Meltzer, deposes and says that he is one of the members of the firm of Penta on Broadway, LLC, the limited liability company named in the attached application; that he has read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as a member of and from the books and papers of said limited liability company.



Seth Meltzer, Managing Member

Sworn to before me this
14 day of July, 2011



(Notary Public)

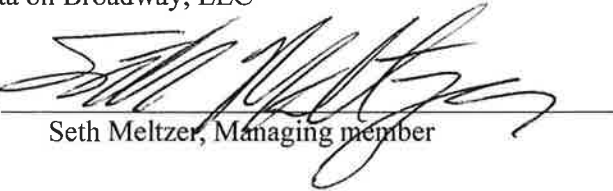
CHARLES B. ROSENSTEIN
Notary Public, State of New York
Qualified in Albany Co. No. 4962226
Commission Expires Feb. 12, 2014

HOLD HARMLESS AGREEMENT

Applicant hereby releases City of Albany Industrial Development Agency and the members, officers, servants, agents and employees thereof (hereinafter collectively referred to as the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (i) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the application or the project described therein or the issue of bonds requested therein are favorably acted upon by the Agency, and (ii) the Agency's financing of the Project described therein; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or the Applicant are unable to find buyers willing to purchase the total bond issue requested, then, and in that event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.


Penta on Broadway, LLC

BY:



Seth Meltzer, Managing member

Sworn to before me this
17 day of July, 2011.



(Notary Public)

CHARLES B. ROSENSTEIN
Notary Public, State of New York
Qualified in Albany Co. No. 4962226
Commission Expires Feb. 12, 2011

TO: Project Applicants
 FROM: City of Albany Industrial Development Agency
 RE: Cost/Benefit Analysis

In order for the City of Albany Industrial Development Agency (the "Agency") to prepare a Cost/Benefit Analysis for a proposed project (the "Project"), the Applicant must answer the questions contained in this Project Questionnaire (the "Questionnaire") and complete the attached Schedules. This Questionnaire and the attached Schedule will provide information regarding various aspects of the Project, and the costs and benefits associated therewith.

Since we need this Questionnaire to be completed before we can finalize the Cost/Benefit Analysis, please complete this Questionnaire and forward it to us at your earliest convenience.

PROJECT QUESTIONNAIRE

1. Name of Project Beneficiary ("Company"):	Penta on Broadway, LLC
2. Brief Identification of the Project:	Total rehabilitation of vacant/abandoned building at 522-524 Broadway, Albany, NY
3. Estimated Amount of Project Benefits Sought:	
A. Amount of Bonds Sought:	N/A
B. Value of Sales Tax Exemption Sought	\$ 51,905.00
C. Value of Real Property Tax Exemption Sought	\$669,914.00 over 15 year pilot period
D. Value of Mortgage Recording Tax Exemption Sought	\$13,225.00

PROJECTED PROJECT INVESTMENT

A. Land-Related Costs	
1. Land acquisition	\$0.00
2. Site preparation	\$0.00
3. Landscaping	\$0.00
4. Utilities and infrastructure development	\$
5. Access roads and parking development	\$0.00
6. Other land-related costs (describe)	\$0.00
B. Building-Related Costs	
1. Acquisition of existing structures	\$350,000.00
2. Renovation of existing structures	\$
3. New construction costs	\$0.00
4. Electrical systems	\$89,300.00
5. Heating, ventilation and air conditioning	\$67,200.00
6. Plumbing	\$101,660.00
7. Other building-related costs (See Attached Below)	\$620,698.99

C.	Machinery and Equipment Costs	
1.	Production and process equipment	\$0.00
2.	Packaging equipment	\$0.00
3.	Warehousing equipment	\$0.00
4.	Installation costs for various equipment	\$0.00
5.	Other equipment-related costs (describe)	\$0.00
D.	Furniture and Fixture Costs	
1.	Office furniture	\$0.00
2.	Office equipment	\$0.00
3.	Computers	\$0.00
4.	Other furniture-related costs (describe)	\$0.00
E.	Working Capital Costs	
1.	Operation costs	\$0.00
2.	Production costs	\$0.00
3.	Raw materials	\$0.00
4.	Debt service and associated lender's fees/costs	\$
5.	Relocation costs	\$0.00
6.	Skills training	\$0.00
7.	Other working capital-related costs (describe)	\$0.00
F.	Professional Service Costs	
1.	Architecture and engineering	\$16,400.00
2.	Accounting/legal	\$0.00
3.	Other service-related costs (describe)	\$0.00
G.	Other Costs	
1.	Annual Taxes	\$67,057.00
2.	(soft costs) permits, inspection fees, bank costs, surveys, insurances, etc	\$156,385.00
H.	Summary of Expenditures	
1.	Total Land-Related Costs	
2.	Total Building-Related Costs	\$1,228,858.00
3.	Total Machinery and Equipment Costs	\$0.00
4.	Total Furniture and Fixture Costs	\$0.00
5.	Total Working Capital Costs	\$0.00
6.	Total Professional Service Costs	\$16,400.00
7.	Total Other Costs	\$223,442.00
	TOTAL	\$1,468,700.00

CONTINUATION SHEET

AIA Document G702, APPLICATION AND CERTIFICATION FOR PAYMENT, containing

Contractor's signed certification is attached.

In tabulations below, amounts are stated to the nearest dollar.

Use Column I on Contracts where variable retainage for line items may apply.

A	B	C
ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE
1	Permits	\$6,130.00
2	Mobilization & Demobilization	\$5,700.00
3	Demo & Dump Fee	\$62,400.00
4	Elevator inspection and Face Lift	\$5,000.00
5	Water Service	\$12,000.00
6	Framing	\$48,228.99
7	Electrical	\$83,000.00
8	Plumbing	\$52,760.00
9	Insulation	\$16,000.00
10	Windows	\$59,700.00
11	HVAC	\$67,200.00
12	Sprinkler	\$18,000.00
13	Sheetrock, Tape, Spackle	\$34,824.35
14	Doors	\$38,313.00
15	Kitchen Cabinets & countertops	\$87,500.00
16	Plumbing Fixtures	\$18,900.00
17	Prime & Painting	\$26,388.00
18	Electrical fixtures	\$6,300.00
19	Trim work	\$18,259.36
20	Flooring	\$58,660.00
21	Miscellaneous Carpentry	\$31,993.15
22	Appliances	\$27,900.00
23	Miscellaneous Touches - Mirrors, hand	\$10,142.00
24	Laundry Room	\$300.00
25	Patio	\$6,500.00
26	Exercise Room	\$4,500.00
24	Supervision	\$10,000.00
25	Taxes	\$51,905.00
26	Overhead Profit	\$93,812.14
	--	
	GRAND TOTALS	\$962,315.99

PROJECTED PROFIT

I. Please provide projected profit as defined by earnings after income tax but before depreciation and amortization:

YEAR	Without IDA benefits	With IDA benefits
1	\$(29,958.00)	\$14,819.00
2	\$(26,405.00)	\$19,715.00
3	\$(22,725.00)	\$24,779.00
4	\$(18,913.00)	\$30,016.00
5	\$(14,965.00)	\$35,432.00

PROJECTED CONSTRUCTION EMPLOYMENT IMPACT

I. Please provide estimates of total construction jobs and the total annual wages and benefits of construction jobs at the Project:

Year	Number of Construction Jobs	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax
Current Year	9 excluding subcontractors	\$270,000.00	\$65,000.00
Year 1		\$ <i>N/A</i>	\$ <i>N/A</i>
Year 2		\$	\$
Year 3		\$	\$
Year 4		\$	\$
Year 5		\$	\$

PROJECTED PERMANENT EMPLOYMENT IMPACT

I. Please provide estimates of total number of existing permanent jobs to be preserved or retained as a result of the Project: **The project provides support to occupants of Fourteen (14) apartments. It is expected that 90% of these dwellers, if not more, will be employed in the City of Albany. This project brings Fourteen new upscale units to an area where there is currently only an abandoned vacant office building.**

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year	N/A	N/A	N/A	N/A
Year 1	N/A	N/A	N/A	N/A
Year 2	N/A	N/A	N/A	N/A
Year 3	N/A	N/A	N/A	N/A
Year 4	N/A	N/A	N/A	N/A
Year 5	N/A	N/A	N/A	N/A

II. Please provide estimates of total new permanent jobs to be created at the Project: It is projected that depending upon the type and size of the commercial tenant leasing the commercial space, anywhere from 2-10 permanent new jobs could be created in this newly renovated commercial office space in the building.

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year	Unk	Unk	Unk	Unk
Year 1	Unk	Unk	Unk	Unk
Year 2	Unk	Unk	Unk	Unk
Year 3	Unk	Unk	Unk	Unk
Year 4	Unk	Unk	Unk	Unk
Year 5	Unk	Unk	Unk	Unk

III. Please provide estimates for the following:

A. Creation of New Job Skills relating to permanent jobs. Please complete Schedule A.

The answer to this question will depend upon the type and size of the tenant who will be leasing the commercial office space in the building.

IV. Provide the projected percentage of employment that would be filled by City of Albany residents:

A. Provide a brief description of how the project expects to meet this percentage: N/A

PROJECTED OPERATING IMPACT

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

Additional Purchases (1 st year following project completion)	\$ _____ N/A* _____
Additional Sales Tax Paid on Additional Purchases	\$ _____ N/A _____
Estimated Additional Sales (1 st full year following project completion)	\$ _____ N/A _____
Estimated Additional Sales Tax to be collected on additional sales (1 st full year following project completion)	\$ _____ N/A _____

* Residential and commercial tenants in the building would be making these purchases.

II. Please provide estimates for the impact of Project on existing real property taxes and new payments in lieu of taxes (“Pilot Payments”):

The property is currently assessed at a value of \$515,000.00 and is being sold for a purchase price of \$350,000.00 which would reduce the assessment and ultimately the

amount of taxes to be generated for the City. Penta on Broadway, LLC will develop a property worth 1.5 million dollars and the resulting assessment will create a significant increase in tax revenues for the City of Albany both during the PILOT period and after the expiration of the PILOT period.

Please see attached PILOT Proposal

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

The project fills a much needed aspect to the downtown Albany business District. Currently there is a significant lack of residential housing units in the downtown Albany area. This project will add fourteen (14) upscale luxury apartments with up market tenants. Our marketing plan consists of working with the local businesses, governmental agencies and local banks to let them know of the housing opportunities to their employees.

The neighborhood will be directly impacted in many ways. First, it is a continuation of the City of Albany's Plan to revitalize the immediate downtown area of the City. It shows a continued commitment to the area and the desire to increase the number of person actually living in the downtown of Albany. The project will also increase the consumer base to support small local businesses. By providing a vibrant, safe, new and upscale housing option it attracts more consumers to the immediate area. This project is a prime example of successful urban renewal, as it is presumed that now there will be an option for renters who might otherwise continue the "suburban flight." More over it is hoped that it will result in bringing people back to the City to live and work.

This project supports the workforce of downtown Albany by providing safe, clean, local and upscale housing a short walk from thousands of "downtown jobs." There are no projected financial downsides to this project. The building gets returned to rent rolls at a higher level than before, it is filled with consumers and workforce to support the health and general wellness of the urban center that is the City of Albany.

CERTIFICATION

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

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

Date Signed: July 14, 2011

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

Name: **Charles B. Rosenstein**

Title: **Managing Member**

Phone Number: **518-452-6979**

Address: **465 New Karner Road, Albany, New York 12205**

Signature: 

SCHEDULE A

CREATION OF NEW JOB SKILLS

Please list the projected new job skills for the new permanent jobs to be created at the Project as a result of the undertaking of the Project by the Company.

New Job Skills	Number of Positions Created	Wage Rate
N/A	N/A	N/A

Should you need additional space, please attach a separate sheet.

Penta Development: 522 Broadway PILOT						
Calendar Year	Project Year	Investment w/ Proposed PILOT				% of Abatement on Increased Assessment ⁽⁶⁾
		Assessment ⁽²⁾	Normal Tax (w/o PILOT) ⁽³⁾	PILOT Tax ⁽⁴⁾	Abatement Savings ⁽⁵⁾	
2011	0	\$515,000	\$21,631	\$21,631	\$0	0.00%
2012	1	\$1,550,000	\$67,057	\$22,280	\$44,777	100.00%
2013	2	\$1,550,000	\$69,069	\$22,949	\$46,120	100.00%
2014	3	\$1,550,000	\$71,141	\$23,637	\$47,504	100.00%
2015	4	\$1,550,000	\$73,275	\$24,346	\$48,929	100.00%
2016	5	\$1,550,000	\$75,474	\$25,077	\$50,397	100.00%
2017	6	\$1,550,000	\$77,738	\$25,829	\$51,909	100.00%
2018	7	\$1,550,000	\$80,070	\$26,604	\$53,466	100.00%
2019	8	\$1,550,000	\$82,472	\$27,402	\$55,070	100.00%
2020	9	\$1,550,000	\$84,946	\$28,224	\$56,722	100.00%
2021	10	\$1,550,000	\$87,495	\$29,071	\$58,424	100.00%
2022	11	\$1,550,000	\$90,119	\$39,972	\$50,147	83.33%
2023	12	\$1,550,000	\$92,823	\$51,502	\$41,321	66.67%
2024	13	\$1,550,000	\$95,608	\$63,687	\$31,921	50.00%
2025	14	\$1,550,000	\$98,476	\$76,557	\$21,919	33.33%
2026	15	\$1,550,000	\$101,430	\$90,142	\$11,288	16.67%
2027 ⁽¹⁾	16 ⁽¹⁾	\$1,550,000	\$104,473	\$104,473	\$0	0.00%
Total			\$1,247,193	\$577,279	\$669,914	

Notes:

(1) Full assessment value will be paid (End of Proposed PILOT)

(2) Estimated assessment

(3) Assessment divided by 1,000 multiplied by tax rate. Assumed a tax rate of \$42.00268201 (does not include BID tax that is still payable under PILOT) in 2011 w/ estimated escalation of 3% thereafter

(4) 2011 assessment divided by 1,000 multiplied by tax rate plus : the difference between the new assessment and current assessment divided by 1,000 then multiplied by PILOT payment percentage (1-% of abatement on increased assessment) then multiplied by tax rate. Assumed a tax rate of \$42.00268201 (does not include BID tax that is still payable under PILOT) in 2011 w/ estimated escalation of 3% thereafter

(5) Difference of PILOT Tax from Normal Tax

(6) Percent abatement on increased assessment

Assumptions Worksheet

Assumptions	
Albany Total Tax ⁽¹⁾	42.00268201
Tax Escalator	3.00%

Notes:

(1) Does not include \$2.5643 BID tax that is still payable under PILOT

Normal Albany Tax	
Year	Albany Normal Tax
2011	42.002682
2012	43.262762
2013	44.560645
2014	45.897465
2015	47.274389
2016	48.692620
2017	50.153399
2018	51.658001
2019	53.207741
2020	54.803973
2021	56.448092
2022	58.141535
2023	59.885781
2024	61.682355
2025	63.532825
2026	65.438810
2027	67.401974

Property Overview
522-524 Broadway
Albany, New York

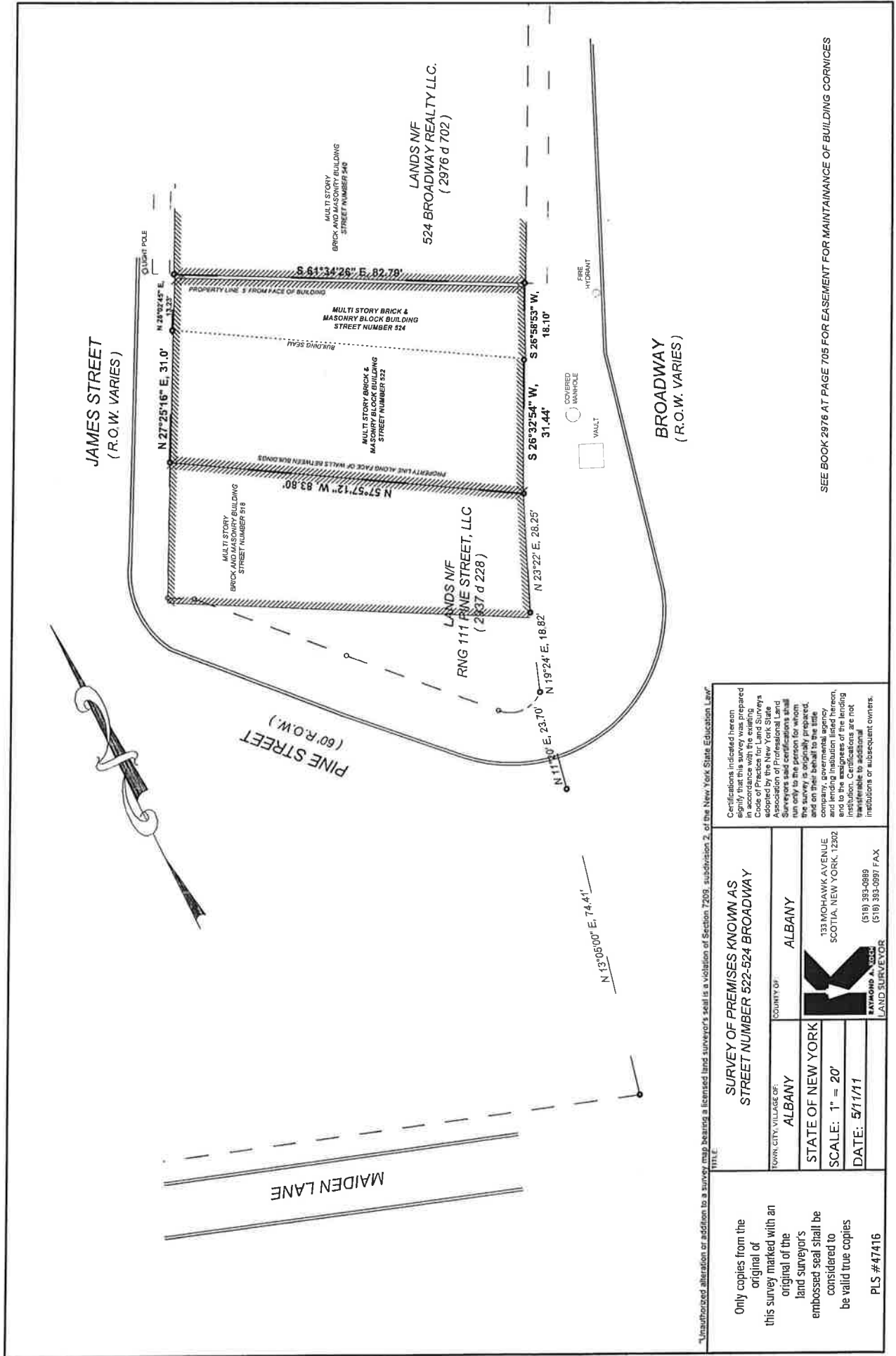
14 Residential Rental Units, 1 Retail Unit



QUESTIONS SHOULD BE DIRECTED TO:

Penta Development Group, LLC, Seth Meltzer – 518 275 5699

Email: seth@PentaDG.com, fax 800 894 2840



SEE BOOK 2976 AT PAGE 705 FOR EASEMENT FOR MAINTAINANCE OF BUILDING CORNICES

<p>Only copies from the original of this survey marked with an original of the land surveyor's embossed seal shall be considered to be valid true copies</p> <p>PLS # 47416</p>	<p>TITLE</p> <p>SURVEY OF PREMISES KNOWN AS STREET NUMBER 522-524 BROADWAY</p>		<p>CERTIFICATIONS</p> <p>Certifications indicated herein signify that this survey was prepared in accordance with the existing laws and rules for Land Surveys adopted by the National Surveying Association of Professional Land Surveyors said certifications shall run only to the person for whom the survey is originally prepared, company, governmental agency, and lending institution listed herein, and to the assignees of the lending institution. Certifications are not made to additional institutions or subsequent owners.</p>	
	<p>TOWN, CITY, VILLAGE OF ALBANY</p>	<p>COUNTY OF ALBANY</p>	<p>133 MOHAWK AVENUE SCOTIA, NEW YORK, 12202</p>	<p>DATE: 5/11/11</p>
<p>STATE OF NEW YORK</p>	<p>SCALE: 1" = 20'</p>	<p>LAND SURVEYOR</p>	<p>(518) 393-0889 (518) 393-0987 FAX</p>	

*Unauthorized alteration or addition to a survey map bearing a licensed land surveyor's seal is a violation of Section 7209, subdivision 2, of the New York State Education Law.



CITY OF ALBANY
DEPARTMENT OF DEVELOPMENT & PLANNING

June 29, 2011

GERALD D. JENNINGS
Mayor

MICHAEL J. YEVOLI
Commissioner

Penta on Broadway, LLC
Attn: Chris Maddalone
465 New Karner Road
Albany, NY 12205

Re: 522 Broadway (PB Case #6-11, 812)

ECONOMIC DEVELOPMENT
21 Lodge Street
Albany, NY 12207
518.434.2532
(f) 518.434.9846
Development@cl.albany.ny.us

**NEIGHBORHOOD &
LONG-RANGE PLANNING**
21 Lodge Street
Albany, NY 12207
518.434.2532
(f) 518.434.9846
Albany2030@cl.albany.ny.us

LAND USE PLANNING
Board of Zoning Appeals, Planning Board,
Historic Resources Commission
200 Henry Johnson Boulevard
Albany, NY 12210
518.434.5240
(f) 518.434.5294
Planning@cl.albany.ny.us

**ALBANY COMMUNITY
DEVELOPMENT AGENCY**
200 Henry Johnson Boulevard
Albany, NY 12210
518.434.5265
(f) 518.434.5242

Dear Mr. Maddalone:

Enclosed please find a copy of the Planning Board's Notification of Local Action regarding the application of Penta on Broadway, LLC requesting Site Plan Approval for the conversion of the upper floors of the building to fourteen residential dwelling units. On June 23, 2011 the Board voted to approve the proposed site plan with the following conditions:

1. The applicant shall obtain final approval from the Department of Water & Water Supply and the Division of Fire and Emergency Services.

Once these conditions of approval are addressed and incorporated into the site plan as noted above, four (4) copies of the final site plan should be submitted to this office. These plans will be stamped as approved by the Chair of the Planning Board and distributed as follows:

- one (1) copy sent to you as the applicant's representative.
- one (1) copy retained on file by the City Planning Department.
- one (1) copy referred to both Director of Building and Codes, Nick DiLello and City Engineer, Deirdre Rudolph, P.E., alerting them to the fact that Site Plan Approval has been granted for this project.

Feel free to contact me at (518) 445-0754 if you have any questions regarding this matter.

Sincerely,

Bradley Glass
Senior Planner

Enc.

Cc: Nick Dilello, Division of Building and Codes
Dede Rudolph, Division Engineering

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

ADDRESS OF SUBJECT PROPERTY: 522 Broadway

IN THE MATTER OF: Site Plan Approval to allow for the conversion of the upper four (4) floors of the building from commercial office space to fourteen (14) residential dwelling units.

APPLICANT: Penta on Broadway, LLC
ADDRESS: 465 New Karner Rd., Albany, NY 12205

CASE NUMBER: 6-11, 812

Date Received: 6/3/11
Preliminary Presentation: 6/23/11
Subsequent Presentations: N/A
SEQR Determination: 6/23/11
Date of Decision: 6/23/11

Vote:	For Approval:	3	Abbott:	Y	Pryor:	NV
	Against:	0	Fox:	N/A	Trant:	Y
	Abstain:	0	Hancox:	Y		

Relevant Considerations:

Owner/Applicant: Penta on Broadway, LLC

Parcel size: 0.09 acres.

Property Valuation: \$515,000.00

Location: The property is located on the west side of Broadway between Pine Street and Steuben Place.

Zoning: Central Business (C-3). The proposed use is permitted within the district; no zoning approvals are required.

Surrounding Uses: *North:* 96,781 square foot commercial office building. *West:* 101,730 square foot office / retail structure (fronts on Pearl Street). *East:* NYS Dormitory Authority; Columbia Parking Garage. *South:* 9,520 square foot mixed-use building approved for residential conversion on upper floors; Maiden Lane Park.

Proposed Project: The applicant is proposing to convert the upper four floors of this 18,000 square foot structure for use as fourteen residential dwelling units. The upper

floor space was formerly occupied as commercial office space. An approximately 3,000 square foot retail and/or office space is to occupy the ground floor space. Floors 2-4 will each be comprised of four one-bedroom dwelling units varying from 626 to 698 square feet in size. The 5th floor will have two, two-bedroom dwelling units (1,040 & 1,107 square feet), a workout room, laundry facilities and a rooftop terrace. The façade of the building will be restored as existing and the owner intends to seek historic tax credits for the project. The building appears from Broadway as two separate structures, as it once existed.

Traffic: There will be no direct on-site traffic as a result of the project. The applicant intends to coordinate with the Albany Parking Authority to secure the option for parking at a neighboring garage. Delivery and move in / move out accommodations will also need to be coordinated with the City's Traffic Engineering Division.

Bike/Pedestrian/Transit: The location has excellent access to all modes of transportation and is very close to the pedestrian bridge providing access to recreational opportunities along the City's waterfront. A bicycle rack is proposed at the street front along Broadway.

Water/Sewer: The engineer has yet to determine the exact location of the utility lines. It is anticipated that existing services will be sufficient to accommodate any increase in demand. The increase is expected to be negligible.

Actions Taken:

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

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

1. The applicant shall obtain final approval from the Department of Water & Water Supply and the Division of Fire and Emergency Services.

I, **Edward Trant** representing the Planning Board of the City of Albany, hereby certify that the foregoing is a true copy of a decision of the Planning Board made at a meeting thereof duly called and held on the day of June 23, 2011.

Date: **6/23/11**

Signature: _____

Edward R. Trant

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

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



CITY OF ALBANY
DEPARTMENT OF WATER & WATER SUPPLY
35 ERIE BOULEVARD
ALBANY, NEW YORK 12204
TELEPHONE (518) 434-5300
FAX (518) 434-5332

GERALD D. JENNINGS
MAYOR

ROBERT F. CROSS
COMMISSIONER

INTEROFFICE MEMORANDUM:

TO: Brad Glass, Senior Planner
FROM: Justin Schievelbein, Engineering Aide
DATE: June 28, 2011
RE: Site Plan Review
Broadway (522-524)

I have reviewed the most recent plans for the above referenced project and have the following comments:

1. Please provide a site plan showing all existing water (domestic and fire protection) and sewer (sanitary and storm) services to the buildings, including sizes.
2. If the current services will continue to be used, please provide evidence that they are sufficiently sized for the proposed change in usage.

If you have any questions, please feel free to call me at 518-434-5304.

Brad Glass

From: Dan Sherman [shermamd@ci.albany.ny.us]
Sent: Thursday, June 09, 2011 10:30 AM
To: 'Brad Glass'
Cc: 'Loren Lajoy'
Subject: 522-524 Broadway

Categories: Red Category

Brad

The following are some site plan review comments. If you have any questions or need any further information please let me know.

522-524 Broadway – Penta Development Group

The installation of a "Knox Box" key system is required. The Knox box applications and mounting location approval is available through the fire department, attention Captain Loren LaJoy.

The location of the fire department connections must be approved prior to installation and the connection shall have a strobe light unit tied into the alarm system located on the exterior above the connection.

How is roof access provided? Will one of the stairs extend to the roof or is there a ladder with a hatchway? On drawing A-8 there appears to be a door indicated on the west elevation, but I did not see access on the interior.

If the building utilizes trusses in the roof or floor areas the appropriate signage shall be installed on the building as required by the NYS Fire Code.

Daniel Sherman, Senior Building Inspector
Department of Fire & Emergency Services
Division of Building & Codes
City Hall - Room 303
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