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Albany Industrial Development Agency

Public Hearing

In Re:

PENTA ON BROADWAY, LLC

August 18, 2011

12:00 p.m.

21 Lodge Street

Albany, New York 12210

ALBANY INDUSTRIAL DEVELOPMENT AGENCY:

TONY FERRARA - CHAIRMAN

BILL BRUCE - VICE CHAIRMAN

KATHY SHEEHAN - TREASURER

SUSAN PEDO - SECRETARY

Stenographically recorded by:

Brenda J. O'Connor-Marello, CSR

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APPEARANCES:

MEMBERS:

MARTIN DALEY
PRAIRIE WELLS

STAFF:

MICHAEL YEVOLI
ERIK SMITH
BRAD CHEVLAIR
AMY GARDNER
MEGAN DALY

COUNSEL:

JOHN REILLY, ESQ.
A. JOSEPH SCOTT, III, ESQ.

PROCEEDINGS

1 CHAIRMAN FERRARA: Good
2 afternoon, everyone. I'd like to open the
3 public hearing of the Albany Industrial
4 Development Agency in connection with the
5 Penta -- Penta on Broadway, LLC, project.
6 Anyone wishing to speak on behalf or
7 opposed to the project, you're welcome to
8 do so. Please announce your name.

9 MR. ROSENSTEIN: Yes. I'm
10 Charles Rosenstein on behalf of Penta on
11 Broadway. Good afternoon everybody. I am
12 actually the attorney for Penta on
13 Broadway. And in addition, I'm also a
14 member of Penta on Broadway because I truly
15 believe in this project that we are
16 attempting to do here in downtown Albany.

17 Very simply, what we are trying
18 to do here is to purchase a presently
19 vacant commercial office building down at
20 522-524 Broadway and we seek to renovate
21 that building. It will have a 3,000 square
22 foot -- approximately 3,000 square foot
23 commercial space that we are presently

PROCEEDINGS

1 looking for a tenant. So if anybody is
2 aware of anybody looking, we'd love to hear
3 from you.

4 Secondly, we are going to --

5 MR. YEVOLI: How big was that?

6 MR. ROSENSTEIN: I'm sorry?

7 MR. YEVOLI: How big was that?

8 MR. ROSENSTEIN: Approximately
9 3,000 -- just under 3,000 square feet.

10 We are also -- that's the first
11 floor. There are four floors above that
12 and we are looking to renovate those to
13 apartments. We are looking to do 12
14 one-bedroom apartments and two two-bedroom
15 apartments in that space.

16 We truly believe as, I know there
17 are other applicants who have come before
18 you and will come before you, that downtown
19 Albany is in need of residential living
20 space in downtown Albany. That's why we at
21 Penta on Broadway are so excited about this
22 project. And we have found that Capitalize
23 Albany is excited about it. We know the

PROCEEDINGS

1 mayor's office is excited about it. And
2 that's why we are here before you seeking
3 your assistance as part of our entire
4 development project.

5 We have offered for your approval
6 a 15-year abatement plan with regard to the
7 taxes on the property. This current
8 property, again, as I said, has been vacant
9 for approximately six to eight years now.
10 It's currently assessed at \$515,000. We
11 believe that when we are done with our
12 renovations, we believe this property will
13 be assessed in the area of somewhere
14 between a-million-five, a-million-550. And
15 so, again, based upon the development
16 costs, lender costs, acquisition costs, we
17 have crunched our numbers and come to you
18 with this abatement request. We are
19 looking to keep the property -- the taxes
20 current for 10 years. And then after that,
21 the abatement would be reduced by
22 17.66 percent over the next five years. So
23 after 15 years, at the 16th year, the

PROCEEDINGS

1 property would be fully assessed and there
2 would be no more abatement period.

3 So on behalf of Penta on
4 Broadway, if there's any questions, I'd be
5 happy to answer those. And certainly, we
6 thank you very much for considering our
7 project.

8 CHAIRMAN FERRARA: Okay. Thank
9 you very much.

10 MR. ROSENSTEIN: Thank you.

11 CHAIRMAN FERRARA: Anyone else?

12 MR. DALEY: The first floor,
13 that's commercial space?

14 MR. ROSENSTEIN: Yes.

15 MR. DALEY: And you have a
16 client -- I'm looking over the pro forma.
17 You have a tenant for the laundry?

18 MR. ROSENSTEIN: We're
19 considering any number of -- so as we said,
20 if somebody knows of a business that might
21 work there, we would love to hear, because
22 we have not committed to anything as of
23 right now.

PROCEEDINGS

1 MR. MELTZER: We do anticipate --
2 sorry. Seth Meltzer. We do anticipate
3 having some coin laundry for the tenants
4 upstairs separate from the commercial
5 space.

6 MR. BRUCE: Do you have an
7 arrangement for the Parking Authority for
8 parking in the garage behind --

9 MR. ROSENSTEIN: We have been
10 speaking to them. They believe they will
11 be able to give us up to 24 spaces of
12 parking for the tenants and for possibly
13 commercial business, yes.

14 CHAIRMAN FERRARA: Thank you very
15 much. Anyone else wish to speak for the
16 project or opposed to the project?

17 MS. SHEEHAN: Are you -- have we
18 discussed with them the issue of the
19 mortgage recording tax?

20 MR. YEVOLI: Yes.

21 MR. ROSENSTEIN: Unfortunately,
22 yes. Thank you.

23 MS. SHEEHAN: I just don't want

PROCEEDINGS

1 there to be any surprises.

2 MR. ROSENSTEIN: Thank you.

3 MR. SCOTT: Just a point of
4 information, Chair. We did post the
5 notice.

6 CHAIRMAN FERRARA: I'm sorry.

7 MR. SCOTT: That's okay. We
8 mailed the notice. The notice has been
9 published in the Times Union in accordance
10 with our operating procedures and with New
11 York State law. And I'm not aware, Erik,
12 are you aware, of any mailings that we've
13 received separately so the complete public
14 record would be comments received at
15 today's public hearing.

16 CHAIRMAN FERRARA: Very good.
17 Thank you, Joseph.

18 Anyone else wish to speak in
19 regard to this project? If not, I'll
20 officially close the public hearing in
21 regard to the Penta on Broadway, LLC,
22 project.

23 (The proceedings concluded at 12:10 p.m.)

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CERTIFICATION

I, BRENDA J. O'CONNOR-MARELLO, a
Certified Shorthand Reporter and Notary Public in
and for the State of New York, do hereby certify
that the foregoing record taken by me at the time
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