

CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY

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: Sixty State Place, LLC

APPLICANT'S ADDRESS: 50 State Street, 6th Floor

CITY: Albany STATE: NY ZIP CODE: 12207

PHONE NO.: 462-7411 FAX NO.: 462-8586 E-MAIL: jeffreygordon@gordondevelopment.net
davegordon@gordondevelopment.net

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

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

NAME OF ATTORNEY: John Harris

ATTORNEY'S ADDRESS: Harris Beach PLLC, 677 Broadway

CITY: Albany STATE: New York ZIP CODE: 12207

PHONE NO.: 518-701-2748 FAX NO.: 518-427-0235 E-MAIL: jharris@harrisbeach.com

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: Sixty State Place, LLC

Contact Person: Jeffrey S. Gordon

Phone Number: 518-462-7411

Occupant:

Project Location: 60 State Street, Albany, NY 12207

Approximate Size of Project Site: 25,000 sq. feet

Description of Project: Former Bank Building converted to mixed use commercial and residential

Type of Project: ☐ Manufacturing ☐ Warehouse/Distribution
☐ Commercial ☐ Not-For-Profit
☒ Other-Specify Mixed use

Employment Impact: Existing Jobs 0

New Jobs 30-40 FTE construction 85 FTE permanent (est)

Project Cost: \$ 6.5 Million

Type of Financing: ☐ Tax-Exempt ☐ Taxable ☒ Straight Lease

Amount of Bonds Requested: \$

Estimated Value of Tax-Exemptions:

N.Y.S. Sales and Compensating Use Tax:	\$ 170,000 est
Mortgage Recording Taxes:	\$ 9,200 est
Real Property Tax Exemptions:	\$ 1,000,000 est
Other (please specify):	\$

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

A. Identity of Company:

1. Company Name: Sixty State Place, LLC

Present Address: 50 State Street, 6th Floor, Albany, NY

Zip Code: 12207

Employer's ID No.:

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

Applicant and owner are one in the same

3. Indicate type of business organization of Company:

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

b. No Partnership (if so, indicate type of partnership N/A ,
Number of general partners N/A , Number of limited partners N/A).

c. X Limited liability company,
Date created? March 17, 2010 .

d. N/A 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:

The company is not a subsidiary or direct or indirect affiliate of any organization.

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
David J. Gordon 50 State St. Albany, NY 12207	Member	
Jeffrey S. Gordon 50 State St. Albany, NY	Member	

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
David Gordon	50 State	50%
Jeffrey Gordon	50 State	50%

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

II. DATA REGARDING PROPOSED PROJECT

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

Mixed use project for commercial use on the first floor with 11 residential apartment units on floors 2, 3 & 4

B. Location of Proposed Project:

1. Street Address 60 State Street
2. City of Albany
3. Town of N/A
4. Village of N/A
5. County of Albany

C. Project Site:

1. Approximate size (in acres or square feet) of Project site:.

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: 1 Building 25,000 sq. feet

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

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

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: Sixty State Place, LLC
- a. If the Company owns project site, indicate date of purchase: December 21, 2010; Purchase price: \$ 500,000.00
- b. If Company does not own the Project site, does Company have option signed with owner to purchase the Project site? Yes ____; No _____. If yes, indicate date option signed with owner: _____, 20____; and the date the option expires: _____, 20____. N/A
- 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 ____; No _____. If yes, describe: N/A
5. a. Zoning District in which the project site is located:
- 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:

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:

See attached project narrative

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

See attached project narrative

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: All New heating and air conditioning equipment. All new mechanical equipment through the residential portion
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: Heating & Cooling, Electrical, Plumbing

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?
Commercial & Residential use.
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:
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? 45 %
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 X; No _____. If yes, please explain:
Spectacular historic space inside main lobby of the building will draw visitors from beyond the city. Restaurant operator will draw visitors from beyond the City.
- 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: _____

Poverty rate of 36.9% of the MSA

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 X; No _____. If yes, please explain:

85 FTE permanent jobs will be created

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.

New York State Office of Parks Recreation & Historic Preservation ("SHPO")

New York State Homes and Community Renewal ("DHCR")

City of Albany Building Department

Local Historic Commission

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

We are applying to DHCR for a main street grant with the City of Albany Downtown Bid.

We will apply to SHPO for Historic Tax Credits. Local Historic Commission will also review portions of the architectural changes to the building.

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: Site acquisition equal to \$500,000

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:

1. Sublessee name: Bull & Buddha, LLC
Present Address: 319 Main Street
City: Poughkeepsie State: NY Zip: 12601
Employer's ID No.:
Sublessee is: _____ Corporation: _____ Partnership: _____ Sole Proprietorship X LLC
Relationship to Company: None
Percentage of Project to be leased or subleased: 44%
Use of Project intended by Sublessee: Restaurant
Date of lease or sublease to Sublessee: TBD
Term of lease or sublease to Sublessee: TBD (25 years likely)
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 X ; 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. See answers to II (F) (4) - (6) above.

2. Sublessee name: None
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.

TYPE OF EMPLOYMENT					
	PROFESSIONAL MANAGERIAL	SKILLED	SEMI- SKILLED	UNSKILLED	TOTALS
Present Full Time	0	0	0	0	0
Present Part Time					
Present Seasonal					
First Year Full Time					
First Year Part Time					
First Year Seasonal					
Second Year Full Time	4	15		66 FTE	85
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 See attached sheet

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	\$ _____
Buildings	\$ _____
Machinery and equipment costs	\$ _____
Utilities, roads and appurtenant costs	\$ _____
Architects and engineering fees	\$ _____
Costs of Bond issue (legal, financial	\$ _____

and printing)	\$ _____
Construction loan fees and interest	
(if applicable)	\$ _____
Other (specify)	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
TOTAL PROJECT COST	\$ _____

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

Acquisition of project Site/Building

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 ____.
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.

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? \$ 2,300,000.
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? \$ 2,000,000-2,500,000.
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:	\$ 170,000 est
b.	Mortgage Recording Taxes:	\$ 9,200 est
c.	Real Property Tax Exemptions:	\$ 1,000,000 est
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 ____.

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:

(Applicant) Sixty State Place, LLC

BY: 

David J. Gordon, Member

NOTE: APPLICANT MUST ALSO COMPLETE THE APPROPRIATE VERIFICATION APPEARING ON PAGES 18 THROUGH 21 HEREOF BEFORE A NOTARY PUBLIC AND MUST SIGN AND ACKNOWLEDGE THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 22

VERIFICATION

(If Applicant is a Corporation)

STATE OF _____)
) SS.:
COUNTY OF _____)

_____ deposes and says that he is the
(Name of chief executive of applicant)

_____ of _____
(Title) (Company Name)

the corporation 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. Deponent further says that the reason this verification is made by the deponent and not by said company is because the said company is a corporation. 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 an officer of and from the books and papers of said corporation.

(officer of applicant)

Sworn to before me this
_____ day of _____, 20__.

(Notary Public)

VERIFICATION

(If applicant is sole proprietor)

STATE OF _____)
) SS.:
COUNTY OF _____)

_____, deposes and says
(Name of Individual)

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.

Sworn to before me this
 ____ day of _____, 20__.

(Notary Public)

VERIFICATION

(If applicant is partnership)

STATE OF _____)
) SS.:
COUNTY OF _____)

_____, deposes and says
(Name of Individual)
that he is one of the members of the firm of _____,
(Limited Liability Company)

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.

Sworn to before me this
____ day of _____, 20__

(Notary Public)

VERIFICATION

(If applicant is limited liability company)

STATE OF New York)
) SS.:
COUNTY OF Albany)

David J. Gordon, deposes and says

(Name of Individual)

that he is one of the members of the firm of Sixty State Place, LLC,

(Partnership Name)

the partnership 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 partnership.

By: Sixty State Place, LLC

David J. Gordon, Member

Sworn to before me this
14 day of April, 2011

Theresa M. Gile

(Notary Public)

Notary Public, State of New York

No. 01GI5067757

Qualified in Rensselaer County

Commission Expires Oct. 28, 2015

NOTE: THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 22 IS SIGNED BY THE APPLICANT.

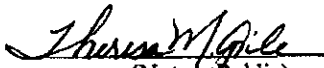
HOLD HARMLESS AGREEMENT

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.

(Applicant)

BY: 

Sworn to before me this
14 day of April, 2011


(Notary Public)

THERESA M. GILE
Notary Public, State of New York
No. 01GI5067757
Qualified in Rensselaer County
Commission Expires Oct. 28, 2015

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"):	
2. Brief Identification of the Project:	
3. Estimated Amount of Project Benefits Sought:	
A. Amount of Bonds Sought:	\$ 0
B. Value of Sales Tax Exemption Sought	\$ 170,000 est
C. Value of Real Property Tax Exemption Sought	\$ 1,000,000 est
D. Value of Mortgage Recording Tax Exemption Sought	\$ 9,200 est

PROJECTED PROJECT INVESTMENT

SEE ATTACHED PROJECT BUDGET

A. Land-Related Costs	
1. Land acquisition	\$
2. Site preparation	\$
3. Landscaping	\$
4. Utilities and infrastructure development	\$
5. Access roads and parking development	\$
6. Other land-related costs (describe)	\$
B. Building-Related Costs	
1. Acquisition of existing structures	\$
2. Renovation of existing structures	\$
3. New construction costs	\$
4. Electrical systems	\$
5. Heating, ventilation and air conditioning	\$
6. Plumbing	\$
7. Other building-related costs (describe)	\$

C. Machinery and Equipment Costs		
1.	Production and process equipment	\$
2.	Packaging equipment	\$
3.	Wharehousing equipment	\$
4.	Installation costs for various equipment	\$
5.	Other equipment-related costs (describe)	\$
D. Furniture and Fixture Costs		
1.	Office furniture	\$
2.	Office equipment	\$
3.	Computers	\$
4.	Other furniture-related costs (describe)	\$
E. Working Capital Costs		
1.	Operation costs	\$
2.	Production costs	\$
3.	Raw materials	\$
4.	Debt service	\$
5.	Relocation costs	\$
6.	Skills training	\$
7.	Other working capital-related costs (describe)	\$
F. Professional Service Costs		
1.	Architecture and engineering	\$
2.	Accounting/legal	\$
3.	Other service-related costs (describe)	\$
G. Other Costs		
1.		\$
2.		\$
H. Summary of Expenditures		
1.	Total Land-Related Costs	\$
2.	Total Building-Related Costs	\$
3.	Total Machinery and Equipment Costs	\$
4.	Total Furniture and Fixture Costs	\$
5.	Total Working Capital Costs	\$
6.	Total Professional Service Costs	\$
7.	Total Other Costs	\$

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	\$ -200,000	\$ -188,000
2	\$ -200,000	\$ -188,000
3	\$ 28,000	\$ 40,000
4	\$ 28,000	\$ 40,000
5	\$ 28,000	\$ 40,000

* see below - these are estimates

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	30-40 FTE	\$ 1,500,000	\$ 105,000
Year 1	30-40 FTE	\$ 1,000,000	\$ 70,000
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:

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year	0	0	0	0
Year 1				
Year 2				
Year 3				
Year 4				
Year 5				

* In year 9 the project will generate profit of \$18,000 w/out IDA benefits, in year 10 the project loses \$27,000 and in subsequent years those losses widen to approximately \$162,000 per year if the project pays full real property taxes starting in year 13.

II. Please provide estimates of total new permanent jobs to be created at the Project:

Year	Professional	Skilled	Semi-Skilled	Unskilled
Current Year	0	0	0	0
Year 1	4	15		66 FTE
Year 2				
Year 3				
Year 4				
Year 5				

III. Please provide estimates for the following:

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

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

As much as possible but conceivably in excess of 90%

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

PROJECTED OPERATING IMPACT

Restaurant service jobs will draw from surrounding area and workers will be trained

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

Additional Purchases (1 st year following project completion)	\$ 2,500,000
Additional Sales Tax Paid on Additional Purchases	\$ 100,000
Estimated Additional Sales (1 st full year following project completion)	\$ 5,000,000
Estimated Additional Sales Tax to be collected on additional sales (1 st full year following project completion)	\$ 400,000

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

Project is requesting 100% abatement on improvements over base year assessment for 20 years. Pilot will be fixed for 20 years using base year assessment as assessed value for term of project.

Year	Existing Real Property Taxes (Without IDA involvement)	New Pilot Payments (With IDA)	Total (Difference)
Current Year	28,000	28,000	0
Year 1	28,000	28,000	0
Year 2	28,000	28,000	0
Year 3	28,000	28,000	0
Year 4	28,000	28,000	0
Year 5	28,000	28,000	0
Year 6	28,000	28,000	0
Year 7	28,000	28,000	0
Year 8	28,000	28,000	0
Year 9	52,000	28,000	24,000
Year 10	76,000	28,000	48,000


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

See Project Narrative

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.

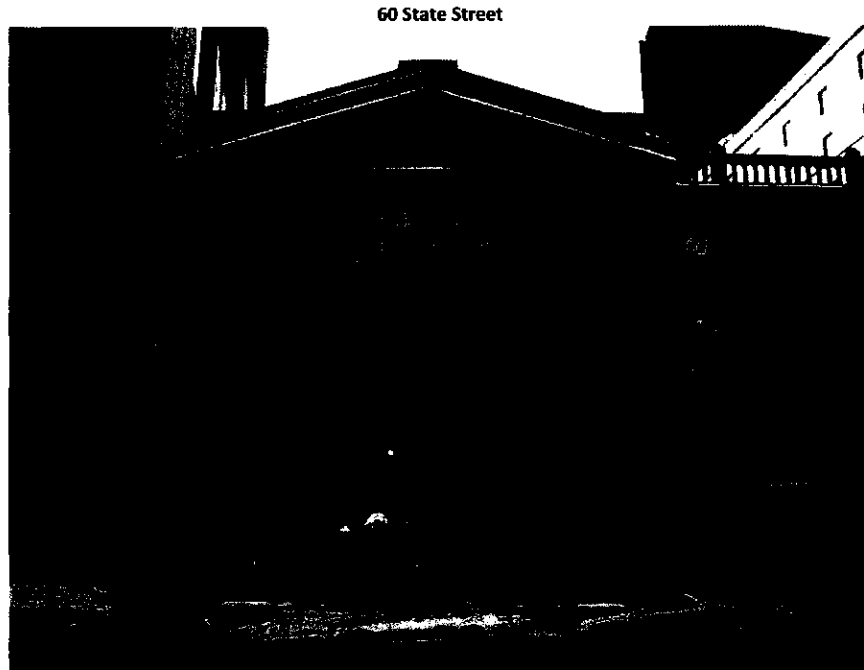
Date Signed: <u>April 14, __, 2001</u>	Name of Person Completing Project Questionnaire on behalf of the Company. By: <u>Sixty State Place, LLC</u> Name: <u>David J. Gordon</u> Title: <u>Member</u> Phone Number: <u>518-462-7411</u> Address: <u>50 State Street, 6th Floor</u> <u>Albany, New York 12207</u> Signature: 
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CREATION OF NEW JOB SKILLS

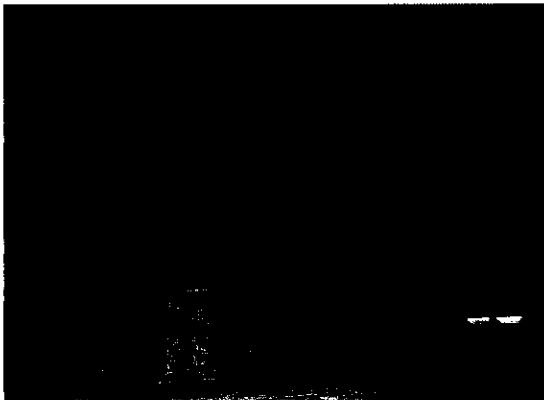
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Sixty State Place



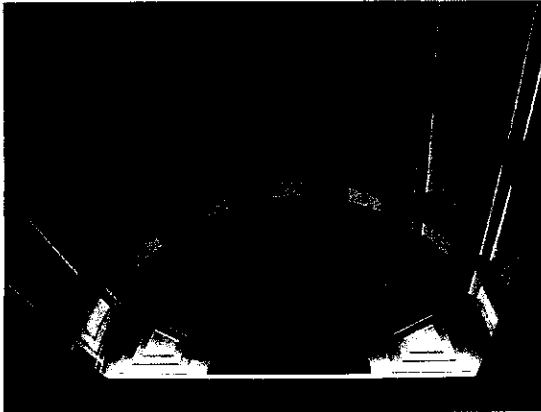
Sixty State Place will reinvent the vacant National State Bank Building into a 26,500 square foot mixed-use anchor project consisting of a 10,000 square foot restaurant / catering facility and 11-16 apartment units. The reenergization of 60 State Street builds upon a \$6.2 million dollar facelift of State Street and over \$6.9 million of building improvements in the immediate vicinity.



The lobby and first floor will be converted into a restaurant and catering facility, making the aesthetic landmark once again open to the public.



The upper floors, found in the rear of the building, will be renovated into 11-16 residential units that front on a public plaza.



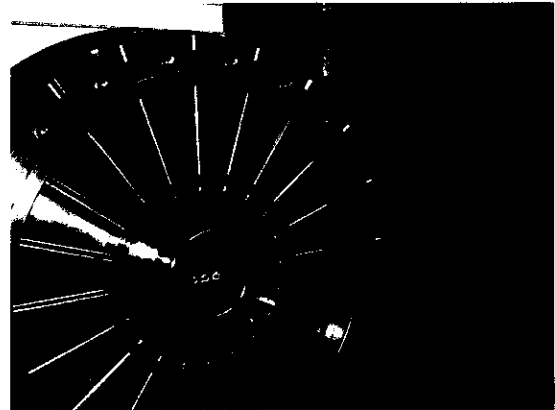
The interior maintains an incredible assortment of historic architectural details including the plaster painted ceiling above the lobby.



Each room contains unique historic features such as this original fireplace in the boardroom.



Intricate woodwork and detailing amplify the aesthetic of the building.



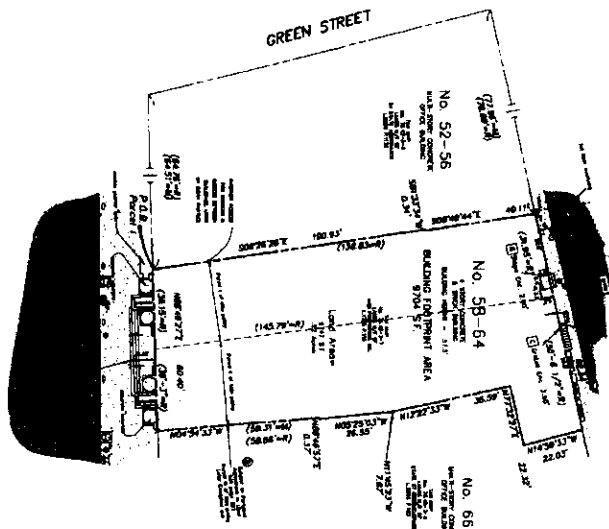
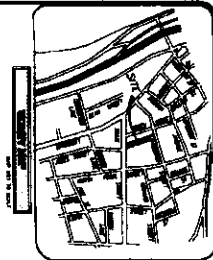
The redevelopment plan calls for the basement vault, constructed in 1920, to be used for private dining and special events.



The former bank offices, including the board room, will be repurposed for small catered events.



The successful redevelopment of the National State Bank Building will reopen this Downtown landmark to public use.



NO.	DESCRIPTION	AREA	REMARKS
1	Lot 52-56	1.0000	1/4 Section 36, T. 1 N., R. 1 E., S. 1/4
2	Lot 58-64	1.0000	1/4 Section 36, T. 1 N., R. 1 E., S. 1/4
3	Lot 65	1.0000	1/4 Section 36, T. 1 N., R. 1 E., S. 1/4

1. The survey was made by the Chicago Title Insurance Company, Chicago, Illinois, on the 1st day of May, 1964.

2. The survey was made by the Chicago Title Insurance Company, Chicago, Illinois, on the 1st day of May, 1964.

THIS SURVEY IS CERTIFIED TO:

1. CHICAGO TITLE INSURANCE COMPANY

2. SIXTY STATE PLAZA, L.L.C.

CHICAGO TITLE INSURANCE COMPANY

No. 58-64

STATE STREET

Copyright Insurance and Title Insurance Company, Chicago, Illinois, 1964.

1. CHICAGO TITLE INSURANCE COMPANY, CHICAGO, ILL. 60601

2. SIXTY STATE PLAZA, L.L.C., CHICAGO, ILL. 60601

Sixty State Place

Project Summary

Sixty State Place is a central project to the revitalization of downtown Albany. What has been a vacant building for over a year will be reenergized and reintroduced as 26,500 square foot mixed use anchor development consisting of a 10,000 square foot restaurant and 11-16 apartments. The project is ideally located at the gateway to Downtown on Albany's "main street", State Street, and will expand upon a \$6.2 million dollar facelift of the streetscape and over \$6.9 million of building renovations in the immediate vicinity. Sixty State Place will return one of Downtown's most historic buildings to public use, create jobs in an underserved community, and meet existing needs for commercial and residential space.

The project is located in the heart of Albany's Downtown Historic District and the oldest settled area of the City. This part of the City was at the center of development and expansion in the City dating back to the 1600's. Originally designed in 1901 by the Beaux-Arts architecture firm York and Sawyer, the National State Bank Building was constructed in 1902, underwent a major addition in 1920 and had significant interior renovations in the 1960's. Because this building has operated uninterrupted as a bank since its construction over 100 years ago, there are significant, irreplaceable historic features throughout the main lobby and first floor. The lobby, facing State Street, is a breathtaking four story space of approximately 5,250 sq. ft. The remainder of the space, comprising approximately 21,240 sq ft over four floors, used to serve as the bank offices. There is also a basement level that contains the original vault from 1920 and assorted mechanical equipment.

To take maximum advantage of the significant aesthetic features of the building, the 4-story 5,250 sq. ft. main lobby space as well as an additional 5,750 sq ft of space (predominantly first floor space) will be converted into a restaurant or catering hall facility. This will restore the historically public access to the unique interior as well as bolster the downtown dining and nightlife scenes. The State Street façade will be cleaned and refurbished, further enhancing the significant impact this project will have on State Street.

The upper floors, in the rear of the building, are proposed to be 11-16 "urban loft" residential units (3 to 4 units per floor). These units will take advantage of south facing windows and high ceilings to attract tenants who are looking for "urban living" in downtown Albany; Sixty State Place will be one of the most unique residential projects in the city with units ranging from about 650 sq ft to 1,300 sq ft. Adding residential units to downtown has been identified as a top priority of the City as a component to revitalizing the downtown.

The project comes at a time of significant reinvestment in the lower State Street corridor. A \$6.2 million facelift to be completed in October 2011 will add decorative sidewalks, lighting, benches and street trees to Albany's "main street". Gordon Companies, the developers of Sixty State Place, completed a \$2,000,000 renovation of its neighboring 50 State Street property into boutique Class A office space in 2010. Nearby, another developer invested \$1.25 million in greening its 54 State Street office building to be Energy Star certified. The project's close proximity to the proposed New York State Convention Center, as well as its prime location at the gateway to downtown Albany makes this site a priority for downtown revitalization. Furthermore, the mixed-use nature of this project meets several current market needs.

A recent residential market study commissioned by the Downtown Albany Business Improvement District and completed by Zimmerman/Volk Associates, a firm specializing in residential market analysis for urban markets, found that demand for downtown Albany living increased 53% to 3,750 units since 2006. The study also indicated that the downtown market could absorb at least 99 new multi-family rental units per year over the next three years; this would double to 198 units per year in 2014. The 11-16 rental units included at Sixty State Place would constitute 11-16% of the short term yearly demand for new apartments when the project is completed in 2012.

Sixty State Place will also have a significant impact for low income individuals. Located in a distressed census tract, the project will create 30-40 FTE construction jobs and 85 FTE long term hospitality jobs drawing from a community where jobs are scarce and opportunities are limited. The project sits in a census tract with a poverty rate of 36.9 percent, an unemployment rate of 23.6 percent and median incomes of 26.9 percent of the MSA. Stated another way, the current area medium income (AMI) for this census tract is \$10,897, compared to the City of Albany AMI of \$30,041, and the MSA's (Albany-Schenectady-Troy) AMI of \$43,250.

Converting a property of this nature to the proposed uses contains a number of technical difficulties with respect to the applicable building codes and life safety. A significant investment will be required to make the residential use on the upper floors possible. Investments will need to be made in the form of a new elevator, stair tower, fire escapes, sprinkler systems, electrical service, energy efficient windows, etc. in addition to the interior fit up and finishing of the units. The total cost of the project is \$6,405,000 (see attached budget) of which \$5,240,000.00 can be attributed to construction costs. Due to tight financing restrictions and the high cost of historic rehabilitation this project is reliant upon economic development assistance including grant funding and historic tax credits.

Once completed, this project will have a significant impact and serve as a linchpin to the further revitalization of State Street. Sixty State Place will retain the finest features of the building's historic character, while returning the building's magnificent interior to public access. A letter

of intent from a highly coveted higher end restaurant operator has been executed and a lease execution should follow the receipt of City of Albany Industrial Development Agency assistance. Based on the restaurant operator's track record the facility should draw from beyond the City of Albany, bringing new patrons to the downtown district. The residential portion of the project adds highly demanded living options to the downtown Albany neighborhood while the restaurant/catering hall enhances the downtown dining market and provides an anchor use to Downtown's gateway. Furthermore, the project will create 30-40 FTE construction jobs and 85 FTE permanent hospitality jobs in a neighborhood in need of blue collar employment. These public benefits, combined with economic development assistance, will ensure that one of Albany's most unique buildings will be restored to its highest and best use, while bringing new life to Albany's downtown.

Sixty State Place Budget Summary

Land Acquisition \$ 500,000.00

Soft Costs:

Legal Fees	\$ 100,000.00
Architectural Fees	\$ 135,000.00
Engineering Fees	\$ 100,000.00
Interest Carry	\$ 150,000.00
Taxes & Insurance	\$ 90,000.00
Closing Fees	\$ 90,000.00
Total Soft Costs:	\$ 665,000.00

Hard Costs

Total Demolition	\$ 350,000.00
Site work, General Requirements, Asbestos Abatement	
-General Requirements	\$ 160,000.00
-Site work and Infrastructure	\$ 125,000.00
-Asbestos Abatement	\$ 400,000.00
Total Site work, General Requirements, Asbestos Abatement	\$ 685,000.00
Materials and Masonry	
-Concrete	\$ 200,000.00
-Masonry	\$ 350,000.00
-Metals	\$ 225,000.00
-Wood and Plastics	\$ 200,000.00
Total Materials and Masonry	\$ 975,000.00
Equipment, Finishes, Furnishings	
-Doors and windows	\$ 175,000.00
-Finishes	\$ 850,000.00
-Equipment	\$ 260,000.00
-Furnishings	\$ 115,000.00
Total Equipment, Finishes, Furnishings	\$ 1,400,000.00
HVAC, Electrical, Mechanical, Weatherization	
-Thermal and Moisture Protection	\$ 165,000.00
-Conveying Systems	\$ 350,000.00
-Mechanical	\$ 965,000.00
-Electrical	\$ 350,000.00
Total HVAC, Electrical, Mechanical	\$ 1,830,000.00
Total Hard Costs	\$ 5,240,000.00

Total Project Cost \$ 6,405,000.00

