

TO: City of Albany Industrial Development Finance Committee
FROM: City of Albany Industrial Development Agency Staff
RE: IndusPAD-Flair, LLC - IDA Application Summary
DATE: March 3, 2023

Applicant: IndusPAD-Flair, LLC

Managing Members (% of Ownership): Jitender Makkar (89.5%) and IndusPAD-The Awakening, LLC (10.5%).

Project Location: 38 Corporate Circle, Albany, NY

Project Description: The project involves the construction of a +/- 75,000 SF structure that will also include 5,000 SF of office space. The structure will serve as a distribution facility for FYE, the tenant.

Estimated Investment: \$11,206,638 (est)

Community Benefits: While this project is not requesting real property tax abatements through the IDA, the below community benefits of the project are highlighted for comparative purposes:

- *Identified Priority:* The proposed project is located on a vacant parcel(s) of land. The project supports multiple initiatives in the Albany 2030 Plan.
- *Identified Growth Area:* The proposed project is the construction of a manufacturing/distribution facility.
- *Job Creation:* The project is committing to the retention of 22 full time jobs, the creation of 13 permanent jobs and 49 construction jobs.
- *Investment:* The project is anticipating a project cost of more than \$11 million.

Employment Impact:

- Projected Permanent: 22 FTE jobs
- Projected Retained: 13 jobs
- Projected Construction: 49 jobs

Type of Financing: Straight Lease

Amount of Bonds Requested: None

Estimated Total Purchases Exempt from Sales Tax: \$3,200,000

Estimated Total Mortgage Amount: \$8,917,500

Requested PILOT: N/A

Estimated Value of Tax Exemptions:

- NYS Sales and Compensating Use Tax: \$256,000

- Mortgage Recording Taxes: \$89,175
- Real Property Taxes: N/A
- Other: N/A

Baseline Requirements:

- Application: Complete
- Meets NYS/CAIDA Requirements: Yes
- Albany 2030 Alignment:
 - Encourage investment in urban land and buildings for employment and housing.
- Planning Approval Status: Expected 1Q 2023
- Meets Project Use Definition: Yes
- Meets “But For” Requirement: Yes, affidavit signed.

Cost Benefit Analysis: See attached Exhibit A: Description of The Project Evaluation and Expected Public Benefits.

Estimated IDA Fee

- Fee amount: \$56,033.19

CAIDA Mission:The purpose of the Industrial Development Agency is to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, research and recreation facilities. The Agency aims to protect and promote the health of the inhabitants of the City of Albany by the conservation, protection and improvement of the natural and cultural or historic resources and environment and to control land, sewer, water, air, noise or general environmental pollution derived from the operation of industrial development.