

AGENCY POLICY MANUAL

CITY OF ALBANY CAPITAL RESOURCE CORPORATION

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Andrew Corcione - Chief Operating Officer, City of Albany Capital Resource Corporation; Vice President, Capitalize Albany Corporation

Andrew Biggane – Chief Financial Officer, City of Albany Capital Resource Corporation; Director of Operations and Finance, Capitalize Albany Corporation

Michael Bohne - Communications & Marketing Manager, Capitalize Albany Corporation

Kaylie Hogan-Schnittker – Senior Economic Developer, Capitalize Albany Corporation

Maria Lynch – Executive Assistant, Capitalize Albany Corporation

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***Hodgson Russ LLP
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CITY OF ALBANY CAPITAL RESOURCE CORPORATION

UNIFORM TAX EXEMPTION POLICY

SECTION 1. PURPOSE AND AUTHORITY. The City of Albany Capital Resource Corporation desires to establish a uniform tax exemption policy applicable to the provision of any financial assistance of more than one hundred thousand dollars to any project.

SECTION 2. DEFINITIONS. All words and terms used herein and defined in Title One of Article 18-A of the General Municipal Law (the "Act") shall have the meanings assigned to them in the Act, unless otherwise defined herein or unless the context or use indicates another meaning or intent. The following words and terms used herein shall have the respective meanings set forth below, unless the context or use indicates another meaning or intent:

(A) "Administrative fee" shall mean a charge imposed by the Corporation to an applicant or project occupant for the administration of project.

(B) "Agency" shall mean the City of Albany Industrial Development Agency.

(C) "Applicant" shall mean an applicant for financial assistance.

(D) "City" shall mean the City of Albany.

(E) "Corporation fee" shall mean the normal charges imposed by the Corporation on an applicant or a project occupant to compensate the Corporation for the Corporation's participation in a project. The term "Corporation Fee" shall include not only the Corporation's normal administrative fee, but also may include (1) reimbursement of the Corporation's expenses, (2) rent imposed by the Corporation for use of the property of the Corporation, and (3) other similar charges imposed by the Corporation.

(F) "County" shall mean the County of Albany.

(G) "PILOT" or "Payment in Lieu of Tax" shall mean any payment made to the Corporation or an affected tax jurisdiction equal to all or a portion of taxes which would have been levied by or on behalf of an affected tax jurisdiction with respect to a project but for tax exemption obtained by reason of the involvement of the Corporation in such project, but such term shall not include Corporation fees. It is expressly understood that any PILOT or Payment in Lieu of Tax will refer to exemptions from New York sales and use taxes, mortgage recording taxes and real estate transfer taxes. The Corporation is not generally authorized under New York law to grant exemptions from New York real property taxes.

(H) "School District" shall mean the school district of the City of Albany.

(I) "Tax Exemption" shall mean any financial assistance granted to a project which is based upon all or a portion of the taxes which would otherwise be levied and assessed against a project but for the involvement of the Corporation.

SECTION 3. GENERAL PROVISIONS. (A) General Policy. The general policy of the Corporation is to grant tax exemption as hereinafter set forth to any project which has been or will be financed by the issuance by the Corporation of bonds, notes or other evidences of indebtedness with respect thereto.

(B) Exceptions. The Corporation intends to follow the general policy enunciated under subsection (A) of this Section absent special circumstances. The Corporation reserves the right to deviate from such policy in special circumstances. In determining whether special circumstances exist to justify such a deviation, the Corporation may consider factors which make the project unusual, which factors might include but not be limited to the following: (1) the magnitude and/or importance of any permanent private sector job creation and/or retention related to project; (2) whether the affected tax jurisdictions will be reimbursed by the project occupant if the project does not fulfill the purposes for which tax exemption was granted; (3) the impact of the project on existing and proposed businesses and/or economic development projects; (4) the amount of private sector investment generated or likely to be generated by the project; (5) demonstrated public support for the project; (6) the estimated value of the tax exemptions requested; and (7) the extent to which the proposed project will provide needed services and/or revenues to the affected tax jurisdictions. In addition, the Corporation may consider the other factors outlined in Section 874(4)(a) of the Act.

(C) Application. No request for a tax exemption shall be considered by the Corporation unless an application and environmental assessment form are filed with the Corporation on the forms prescribed by the Corporation pursuant to the rules and regulations of the Corporation, including a description of the proposed project and of each tax exemption sought with respect to the project, the estimated value of each tax exemption sought with respect to the project, the proposed financial assistance being sought with respect to the project, the estimated date of completion of the project, an analysis of the costs and benefits of the project, and whether such financial assistance is consistent with this part.

SECTION 4. SALES AND USE TAX EXEMPTION. (A) General. State law provides that purchases of tangible personal property by the Corporation or by an agent of the Corporation, and purchases of tangible personal property by a contractor for incorporation into or improving, maintaining, servicing or repairing real property of the Corporation, are exempt from sales and use taxes imposed pursuant to Article 28 of the Tax Law. The Corporation has a general policy of abating sales taxes applicable only to the initial acquisition, construction and/or equipping of each project with respect to which the Corporation grants financial assistance. The Corporation has no requirement for imposing a payment in lieu of tax arising from the exemption of a project from sales and/or use taxes applicable to the initial acquisition, construction and/or equipping of such project, except (1) as described in subsection (E) below or (2) in the circumstance where (a) a project is offered sales tax exemption on the condition that a certain event (such as the issuance of bonds by the Corporation with respect to the project) occur by a certain date and (b) such event does not occur, in which case the Corporation may require that the applicant make payments in lieu of sales tax to the New York State Department of Taxation and Finance.

(B) Period of Exemption. Except as set forth in subsection (A) above, the period of time for which a sales tax exemption shall be effective (the "tax exemption period") shall be determined as follows:

(1) General. Unless otherwise determined by the Corporation, the tax exemption for sales and use taxes shall be for the tax exemption period commencing with the issuance by the Corporation of bonds, notes or other evidences of indebtedness with respect to the project and ending on the date of completion of the project.

(2) Early Commencement. The tax exemption period may, at the discretion of the Corporation, commence earlier than the date of issuance by the Corporation of the Corporation's debt relating to the project, provided that (a) the Corporation has complied with the requirements of Section 859-a of the Act, (b) the Corporation thereafter adopts a resolution determining to

commence such period earlier, said resolution to be substantially in the form of resolutions used by the Agency, (c) the applicant agrees to the conditions of such resolution and supplies to the Corporation the materials required to be supplied to the Corporation thereunder, and (d) the Executive Director of the Corporation acknowledges satisfaction of all conditions to the granting of such tax exemption set forth in such resolution.

(3) Normal Termination. The tax exemption period will normally end upon the completion of the project. On construction projects, the parties shall agree on the estimated date of completion of the project, and the tax exemption shall cease on the earlier of (a) the actual date of completion of the project or (b) the date which is six (6) months after the estimated date of such project. On non-construction project, the parties shall agree on the estimated date of completion of the project, and the tax exemption shall cease on the earlier of (a) the actual date of completion of the project or (b) the date which is three (3) months after the estimated date of completion of the project. If the Corporation and the applicant shall fail to agree on a date for completion of the project, the Corporation shall on notice to the applicant make the determination on the basis of available evidence.

(4) Later Termination. The Corporation, for good cause shown, may adopt a resolution extending the period for completion of the project and/or extending the tax exemption period.

(C) Items Exempted. The sales and use tax exemption granted by the Corporation shall normally extend only to the following items acquired during the tax exemption period described in subsection (B) above:

- (1) Items incorporated into the real property;
- (2) Tangible personal property, including furniture, furnishings and equipment used to initially equip the project or otherwise forming part of the project, if purchased as agent of the Corporation;
- (3) The rental of tools and other items necessary for the construction and/or equipping of the project, if rented as agent of the Corporation; and
- (4) Office supplies, fuel and similar items consumed in the process of acquiring, constructing and/or equipping the project, if purchased as agent of the Corporation.

(D) Items Not Exempted. A sales and use tax exemption shall not be granted for the following:

- (1) purchases occurring beyond the tax exemption period described in subsection (B) above;
- (2) repairs, replacements or renovations of the project, unless such repairs, replacements or renovations constitute major capital-type expenses approved by the Corporation as a separate project in the manner contemplated by the Act; or
- (3) operating expenses, unless such operating expenses constitute major capital-type expenses approved by the Corporation as a separate project in the manner contemplated by the Act.

(E) Percentage of Exemption. Unless otherwise determined by resolution of the Corporation, the sales and use tax exemption shall be equal to one hundred percent (100%) of the sales and/or use taxes that would have been levied if the project were not exempt by reason of the Corporation's involvement in the project. If an exemption of less than one hundred percent (100%) is determined by the Corporation, then the applicant shall be required to pay a PILOT to the Corporation equal to the applicable percentage of sales and/or use tax liability not being abated. The Corporation shall remit such PILOT within thirty (30) days of receipt by the Corporation to the affected tax jurisdictions in accordance with Section 874(3) of the Act.

(F) Confirmation Letter. The final act of granting a sales and/or use tax exemption by the Corporation shall be confirmed by the execution by an authorized officer of the Corporation of a confirmation letter by the Corporation. Such confirmation letter shall be in the form of a final sales tax letter issued by the Agency (where the exemption is permanent, because the Corporation is satisfied that any conditions precedent to such tax exemption, such as the issuance of bonds by the Corporation, have been satisfied) or an interim sales tax letter issued by the Agency (where such exemption is tentative, because there remain conditions precedent to such tax exemption which have not been satisfied). Each such confirmation letter shall describe the scope and term of the sales and use tax exemption being granted.

(G) Required Filings. The New York State Department of Taxation and Finance requires that proper forms and supporting material be filed with a vendor to establish a purchaser's entitlement to a sales tax exemption. For example, TSB-M-87(7) outlines the material that must be filed to establish entitlement to sales tax exemption as "agent" of the Corporation. It is the responsibility of the applicant and/or project occupant to ensure that the proper documentation is filed with each vendor to obtain any sales tax exemptions authorized by the Corporation.

(H) Required Reports and Records. Pursuant to Section 874(B), the applicant and/or project occupant is required to annually file with the New York State Department of Taxation and Finance a statement of the value of all sales and use tax exemptions claimed under the Act by the applicant and/or the project occupant and/or all agents, subcontractors and consultants thereof. The project documents shall require that (1) a copy of such statement will also be filed with the Corporation and (2) that the project occupant shall maintain, for a period ending seven (7) years after the last purchase made under the sales and use tax exemption, and make available to the Corporation at the request of the Corporation, detailed records which shall show the method of calculating the sales and use tax exemption benefit granted by the Corporation.

SECTION 5. MORTGAGE RECORDING TAX EXEMPTION. (A) General. State law provides that mortgages recorded by the Corporation are exempt from mortgage recording taxes imposed pursuant to Article 11 of the Tax Law. The Corporation has a general policy of abating mortgage recording taxes for the initial financing obtained from the Corporation with respect to each project with respect to which the Corporation issues debt which will be secured by a mortgage upon real property. In instances where the initial financing commitment provides for a construction financing of the Corporation to be replaced by a permanent financing of the Corporation immediately upon the completion of the project, the Corporation's general policy is to abate the mortgage recording tax on both the construction financing and the permanent financing.

(B) Refinancing. In the event that the Corporation retains title to a project, it is the general policy of the Corporation to abate mortgage recording taxes on any debt issued by the Corporation for the

purpose of refinancing prior debt issued by the Corporation, and on any modifications, extensions and renewals thereof, so long as the Corporation fees relating to the same have been paid.

(C) Non-Corporation Projects. In the event that the Corporation does not hold title to a project, it is the policy of the Corporation not to join in a mortgage relating to that project and not to abate any mortgage recording taxes relating to that project.

(D) Non-Corporation Financings. Occasionally, a situation will arise where the Corporation holds title to a project, the project occupant needs to borrow money for its own purposes (working capital, for example), and the lender will not make the loan to the project occupant without obtaining a fee mortgage or leasehold mortgage, if applicable, as security. In such instances, the policy of the Corporation is to consent to the granting of such mortgage and to join in such mortgage, so long as the following conditions are met:

(1) the documents relating to such proposed mortgage make it clear that the Corporation is not liable on the debt, and that any liability of the Corporation on the mortgage is limited to the Corporation's interest in the project;

(2) the granting of the mortgage is permitted under any existing documents relating to the project, and any necessary consents relating thereto have been obtained by the project occupant; and

(3) the payment of the Corporation fee relating to the same.

(E) Exemption Affidavit. The act of granting mortgage recording tax exemption by the Corporation is confirmed by the execution by an authorized officer of the Corporation of an exemption affidavit relating thereto. The form of the mortgage recording tax exemption affidavit shall be similar to the form used by the Agency.

(F) PILOT Payments. If the Corporation is a party to a mortgage that is not to be granted a mortgage recording tax exemption by the Corporation (a "non-exempt mortgage"), then the applicant and/or project occupant or other person recording same shall pay the same mortgage recording taxes with respect to same as would have been payable had the Corporation not been a party to said mortgage (the "normal mortgage tax"). Such mortgage recording taxes are payable to the County Clerk of the County, who shall in turn distribute same in accordance with law. If for any reason a non-exempt mortgage is to be recorded and the Corporation is aware that such non-exempt mortgage may for any reason be recorded without the payment of the normal mortgage tax, then the Corporation shall prior to executing such non-exempt mortgage collect a PILOT equal to the normal mortgage tax and remit same within thirty (30) days of receipt by the Corporation to the affected tax jurisdiction in accordance with Section 874(3) of the Act.

SECTION 6. REAL ESTATE TRANSFER TAXES. (A) Real Estate Transfer Tax. Article 31 of the Tax Law provides for the imposition of a tax upon certain real estate transfers. Section 1405(b)(2) of the Tax Law provides that transfers into the Corporation are exempt from such tax, and the New York State Department of Taxation and Finance has ruled that transfers of property by the Corporation back to the same entity which transferred such property to the Corporation are exempt from such tax. The general policy of the Corporation is to impose no payment in lieu of tax upon any real estate transfers to or from the Corporation.

(B) Required Filings. It shall be the responsibility of the applicant and/or project occupant to ensure that all documentation necessary relative to the real estate transfer tax are timely filed with the appropriate officials.

SECTION 7. PROCEDURES FOR DEVIATION. (A) General. In the case where the Corporation shall determine that any policy of the Corporation as herein established is inappropriate or unfair, the Corporation may determine:

(1) the amount of the tax exemption, the amount and nature of the PILOT, the duration of the exemption and of the PILOT and whether or not an exemption of any kind shall be granted and shall impose such terms and conditions as shall be just and proper; and

(2) the Corporation shall give written notice of the proposed deviation from the policy set forth herein to each affected taxing jurisdiction setting forth the terms and conditions of the deviation and the reasons therefor.

(B) Troubled Projects. Where a project is owned and operated by the Corporation or has been acquired by the Corporation for its own account after a failure of a project occupant, the project shall at the option of the Corporation be exempt from all taxes in accordance with law.

(C) Unusual Projects. Where a project is unusual in nature and requires special considerations related to its successful operations as demonstrated by appropriate evidence presented to the Corporation, the Corporation shall consider the granting of a deviation from the established exemption policy in accordance with the procedures provided in the title. The Corporation may authorize a minimum payment in lieu of tax or such other arrangement as may be appropriate.

SECTION 8. ANNUAL REVIEW OF POLICIES. (A) General. At least annually, the Corporation shall review its tax exemption policies to determine relevance, compliance with law, effectiveness, and shall adopt any modifications or changes that it shall deem appropriate. Unless otherwise provided by resolution, such annual review shall take place at the regular annual meeting of the Corporation, notice for comments on such policies shall be circulated as provided by law for input from the City of Albany and affected tax jurisdictions, and adoption of any changes shall take not less than 10 days thereafter. The Executive Director shall be responsible for conducting an annual review of the tax exemption policy and for an evaluation of the internal control structure established to ensure compliance with the tax exemption policy which shall be submitted to the Corporation for approval. The thirty day comment period shall not apply to the adoption of the original policies of the Corporation which said policies shall become effective as herein provided.

CITY OF ALBANY CAPITAL RESOURCE CORPORATION

INVESTMENT POLICY

SECTION 101. PURPOSE AND AUTHORITY. (A) Corporation Funds. The purpose of this Part is to implement Section 858-a(3) of Title One of Article 18-A of the General Municipal Law (the “Act”), and to make the Act applicable to deposits and investments made by City of Albany Capital Resource Corporation (the “Corporation”) of funds for the use and account of the Corporation (“Corporation Funds”).

(B) Non-Corporation Funds. The provisions of this Policy shall not apply to funds derived from the sale of bonds, notes or other obligations issued to fund a particular project for the benefit of a particular applicant, or any other funds of the Corporation which are not Corporation Funds.

SECTION 102. DEPOSITS OF CORPORATION FUNDS. (A) Designation of Depositories. The Corporation shall by resolution or resolutions of the directors of the Corporation designate one or more banks or trust companies (each, a “Depository”) for the deposit of Corporation Funds received by the treasurer or any other officer of the Corporation authorized by law or the by-laws of the Corporation to make deposits. Such resolution or resolutions shall specify the maximum amount that may be kept on deposit at any time in each Depository. Such designations and amounts may be changed at any time by a further resolution of the directors of the Corporation.

(B) Security. All Corporation Funds in excess of the amount insured under the provisions of the Federal Deposit Insurance Act as now or hereinafter amended shall be secured in accordance with the provisions of Section 10(3) of the General Municipal Law. Generally, Section 10(3) of the General Municipal Law provides that Corporation Funds may be secured by (1) a pledge of “eligible securities” (as defined in Section 10(1) of the General Municipal Law), together with a security agreement and custodial agreement meeting the requirements of Section 10(3)(a) of the General Municipal Law, or (2) an “eligible surety bond” or an “eligible letter of credit” (as such quoted terms are defined in Section 10(1) of the General Municipal Law) securing 100% of such Corporation Funds.

SECTION 103. INVESTMENTS OF CORPORATION FUNDS. (A) Investment Policy. It is the general policy of the Corporation that Corporation Funds not required for immediate expenditure shall be invested in the types of investments as described in subsection (C) below. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived. The Corporation has considered issues of yield, convenience and safety and its general policy regarding the investment of Corporation Funds will be to purchase from local banks the investments described in Section 103(C)(1) hereof. The Corporation has considered issues of yield, convenience and safety and its general policy regarding the investment of Corporation Funds will be to purchase from local banks the investments described in Section 103(C)(1) hereof.

(B) Designation of Investment Officers. The Treasurer, the Chairman and any other officer or employee of the Corporation so authorized by the by-laws of the Corporation or by resolution of the directors of the Corporation (each, an “Investment Officer”) are authorized to temporarily invest Corporation Funds not required for immediate expenditure. Any designation of an Investment Officer

made by resolutions of the directors of the Corporation may be changed at any time by a further resolution of the directors of the Corporation.

(C) Types of Investments. Except as otherwise provided by resolution of the directors of the Corporation, an Investment Officer may invest Corporation Funds in any obligation described in Section 11(2) and Section 11(3) of the General Municipal Law. Generally, Sections 11(2) and 11 of the General Municipal Law permit the following types of investments:

(1) special time deposits in, or certificates of deposit issued by, any bank or trust company located and authorized to do business in the State of New York, provided that such deposit account or certificate of deposit is secured in the same manner as is provided for securing deposits of Corporation Funds by Section 10(3) of the General Municipal Law;

(2) obligations of, or obligations where the payment of principal and interest are guaranteed by, the United States of America;

(3) obligations of the State of New York; and

(4) with the approval of the State Comptroller, tax anticipation notes and revenue anticipation notes issued by any municipality or school district or district corporation organized under the laws of the State of New York.

(D) Custodians. The Corporation may, by resolution of the directors of the Corporation, authorize the Investment Officers to turn over the physical safekeeping and evidences of the investments made pursuant to subsection (C) of this Section ("Corporation Investments") to any entity authorized pursuant to Section 11(4) of the General Municipal Law to act as a custodian of Corporation Investments, but only upon compliance with the requirements of Section 11(4) of the General Municipal Law. Generally, Section 11(4) of the General Municipal Law allows the following types of entities to act as custodians of Corporation Investments:

(1) any bank or trust company incorporated in the State of New York;

(2) any national bank located in the State of New York; and

(3) any private banker duly authorized by the New York State Superintendent of Banks to engage in business in New York State which maintains a permanent capital of not less than one million dollars in New York State.

(E) Commingling. Any Corporation Funds invested pursuant to this Section may be commingled for investment purposes upon compliance with the requirements of Section 11(6) of the General Municipal Law. Generally, Section 11(6) of the General Municipal Law allows commingling of Agency Investments so long as (1) such investment is payable or redeemable at the option of the Corporation within such time as the proceeds are needed by the Corporation, (2) the separate identity of such funds are maintained at all times, and (3) income received on such commingled monies is credited on a pro rata basis to the fund or account from which the monies were invested.

(F) Proper Records. The treasurer of the Corporation shall maintain (or cause the Investment Officers to maintain) a proper record of all books, notes, securities or other evidences of indebtedness held by or for the Corporation for purposes of investment. Such record shall at least (where applicable) (1)

identify the security, (2) the fund for which held, (3) the place where kept, (4) the date of sale or other disposition, and (5) the amount received from such sale or other disposition.

(G) Sample Resolution. Attached hereto as **Schedule A** is a sample form of resolution naming Depositories and Investment Officers pursuant to this Part and restricting the types of investments in which an Investment Officer may invest Corporation Funds.

SECTION 104. INTERNAL CONTROLS. (A) Periodic Reviews. To the maximum extent possible, the Executive Director of the Corporation shall prepare and submit to the directors of the Corporation at each regular meeting of the Corporation (but not more often than monthly), a summary showing the amount of Corporation Funds on deposit in each Depository and the general nature of the investment of such Corporation Funds. Such reports shall be prepared within thirty (30) days of the end of each fiscal quarter. The treasurer shall in turn present such reports at the next regularly scheduled meeting of the Corporation following the completion of such report.

(B) Annual Report. Within thirty (30) days of the end of each fiscal year, the Chief Executive Officer of the Corporation shall prepare and submit to the directors of the Corporation an annual investment report (the "Annual Investment Report") showing the deposits and investments of Corporation Funds as of the beginning of such fiscal year, a summary of the changes in such amounts during such fiscal year, a summary of the earnings thereon during such fiscal year, and the balance thereof as of the end of such fiscal year. The Treasurer of the Corporation shall then present said report to the directors of the Corporation at the last regular meeting of the Corporation for the fiscal year.

(C) Annual Audit. The Annual Investment Report shall be audited by the Corporation's independent certified public accountant as part of the Corporation's annual general audit.

(D) Annual Review. The directors of the Corporation shall review the Annual Investment Report and the annual audit and this Part, and shall make any amendments to this Part necessary to achieve the purposes of this Part.

SCHEDULE "A"

**RESOLUTION NAMING DEPOSITORIES
AND INVESTMENT OFFICERS
AND RESTRICTING TYPES OF INVESTMENTS**

WHEREAS, City of Albany Capital Resource Corporation (the "Corporation") is a not-for-profit corporation of the State of New York duly established pursuant to Section 1411 of the New York State Not-For-Profit Corporation Law (the "NFPCL"); and

WHEREAS, pursuant to the Corporation's Investment Policy, the Corporation has decided to have Section 10 and Section 11 of the General Municipal Law apply to the deposit and investment of funds for the Corporation's own use and account ("Corporation Funds"); and

WHEREAS, the Corporation Investment Policy was adopted by the directors of the Corporation on _____; and

WHEREAS, the directors of the Corporation now desire to determine certain matters required to be determined pursuant to the Deposit and Investment Policy;

NOW, THEREFORE, BE IT RESOLVED BY THE DIRECTORS OF CITY OF ALBANY CAPITAL RESOURCE CORPORATION AS FOLLOWS:

SECTION 1. Pursuant to the Investment Policy, the Corporation hereby (A) designates the following banks and/or trust companies as depositories (each, a "Depository") for the deposit of Corporation Funds received by the Corporation, and (B) determines that the maximum amount that may be kept on deposit in each such depository is the amount set forth opposite the name of such depository in the following table:

<u>INSTITUTION</u>	<u>MAXIMUM AMOUNT TO BE ON DEPOSIT</u>
_____	\$ _____
_____	\$ _____

SECTION 2. Pursuant to the Investment Policy, the following officers of the Corporation (each, an "Investment Officer") are authorized to temporarily invest Corporation Funds not required for immediate expenditure:

<u>NAME</u>	<u>OFFICE</u>
_____	_____
_____	_____
_____	_____

SECTION 3. Unless otherwise determined by resolution of the directors of the Corporation, Corporation Funds shall be kept in insured certificates of deposit, insured money market accounts or other accounts of a Depository which are insured by the Federal Deposit Insurance Corporation, and no Corporation Funds shall be deposited in an account if such deposit would cause such account to exceed the maximum insured limit.

SECTION 4. This resolution shall take effect immediately, and shall remain in effect, as modified, amended, supplemented by subsequent resolutions of the directors of the Corporation, until the same may be rescinded by subsequent resolutions of the directors of the Corporation.

CITY OF ALBANY CAPITAL RESOURCE CORPORATION

PROCUREMENT POLICY

SECTION 1. PURPOSE AND AUTHORITY. The purpose of this procurement policy (the “Policy”) is to outline the procurement policy of City of Albany Capital Resource Corporation (the “Corporation”) applicable to procurements of goods and services paid for by the Corporation for its own use and benefit.

SECTION 2. SECURING GOODS AND SERVICES. All goods and services will be secured by use of written requests for proposals, written quotations, verbal quotations, or any other method that assures that goods will be purchased at the lowest price and that favoritism will be avoided except for in the following circumstances: Purchases costing less than \$500; goods purchased from agencies for the blind or severely handicapped pursuant to Section 175-b of the State Finance Law; goods purchased from correctional institutions pursuant to Section 186 of the Correction Law; Purchases under state contracts pursuant to Section 104 of the General Municipal Law; Purchases under county contracts pursuant to Section 103(3) of the General Municipal Law; or Purchases pursuant to Section 4 of this Policy.

SECTION 3. METHOD OF PURCHASE. The following method of Purchase will be used when required by this Policy in order to achieve the highest savings:

<u>Estimated Amount of Purchase Contract</u>	<u>Method</u>
\$500-\$2,999	2 verbal quotations
\$3,000 and above	3 written/fax quotations or written request for proposals
<u>Estimated Amount of Public Works Contract</u>	<u>Method</u>
\$500-\$2,999	2 verbal quotations
\$3,000-\$4,999	2 written/fax quotations
\$5,000 and above	3 written/fax quotations or written request for proposals

(B) Number of Proposals or Quotations. A good faith effort shall be made to obtain the required number of proposals or quotations. If the purchaser is unable to obtain the required number of proposals or quotations, the purchaser will document the attempt made at obtaining the proposals. In no event shall the failure to obtain the proposals be a bar to the procurement.

(C) Documentation. Documentation is required of each action that is taken in connection with any procurement. Documentation and an explanation is required whenever a contract is awarded to other than the lowest responsible offeror. This documentation will include an explanation of how the reward will achieve savings or how the offeror was not responsible. A determination that the offeror is not responsible shall be made by the purchaser and may not be challenged under any circumstances.

SECTION 4. CIRCUMSTANCES WHERE SOLICITATION OF ALTERNATIVE PROPOSALS AND QUOTATIONS NOT IN BEST INTEREST. This Policy may contain circumstances when, or types of procurements for which, in the sole discretion of the directors of the Corporation, the solicitation of

alternative proposals or quotations will not be in the best interest of the Corporation. In the following circumstances, it may not be in the best interests of the Corporation to solicit quotations or document the basis for not accepting the lowest bid:

(A) Professional Services. Professional services or services requiring special or technical skill, training or expertise. The individual, company or firm must be chosen based on accountability, reliability, responsibility, skill, conflict of interests, reputation, education and training, judgement, integrity, continuity of service and moral worth. Furthermore, certain professional services to be provided to the Corporation, e.g., legal and accounting services, impact liability issues of the Corporation and its directors, including securities liability in circumstances where the Corporation is issuing bonds. These qualifications and the concerns of the Corporation regarding its liability and the liability of its directors are not necessarily found or addressed in the individual, company or firm that offers the lowest price and the nature of these services are such that they do not readily lend themselves to competitive procurement procedures.

In determining whether a service fits into this category, the Corporation shall take into consideration the following guidelines: (a) whether the services are subject to state licensing or testing requirements; (b) whether substantial formal education or training is a necessary prerequisite to the performance of the services; and (c) whether the services require a personal relationship between the individual and the directors of the Corporation. Professional or technical services shall include but not be limited to the following: services of an attorney (including bond counsel); services of a physician; technical services of an engineer engaged to prepare plans, maps and estimates; securing insurance coverage and/or services of an insurance broker; services of a certified public accountant; investment management services; printing services involving extensive writing, editing or art work; management of Corporation-owned property; real estate brokerage services; appraisers; and computer software or programming services for customized programs, or services involved in substantial modification and customizing of pre-packaged software.

(B) Emergency Purchases. Due to the nature of this exception, these goods or services must be purchased immediately and a delay in order to seek alternate proposals may threaten the life, health, safety or welfare of the public. This section does not preclude alternate proposals if time permits.

(C) Purchases of Secondhand Goods. If alternate proposals are required, the Corporation is precluded from purchasing surplus and second-hand goods at auctions or through specific advertised sources where the best prices are usually obtained. It is also difficult to try to compare prices of used goods and a lower price may indicate an older product.

(D) Goods or Services Under \$500. The time and documentation required to Purchase through this Policy may be more costly than the item itself and would therefore not be in the best interests of the taxpayer. In addition, it is not likely that such de minimis contracts would be awarded based on favoritism.

(E) Special Findings. In the event the Corporation determines that the solicitation of alternative proposals or quotations is not in the best interests of the Corporation, the Corporation must make such determination by resolution duly adopted and entered into the minutes of the Corporation. Such resolution should include any findings described in this Section 4 supporting such determination.

SECTION 5. EQUAL EMPLOYMENT OPPORTUNITIES FOR MINORITY GROUP MEMBERS AND WOMEN. (A) All Corporation documents soliciting bids or proposals for Corporation contracts shall contain or make reference to the following provisions:

1. The Corporation will not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, and will undertake or continue existing programs of affirmative action to ensure that minority

group members and women are afforded equal employment opportunities without discrimination. For purposes of this Section, affirmative action shall mean recruitment, employment, job assignment, promotion, upgradings, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation; and

2. The Corporation shall state, in all solicitations or advertisements for employees, that, in the performance of the Corporation contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

(B) Any contract awarded by the Corporation will include the provisions of Section 5(A) hereof in any subcontract, in such a manner that the provisions will be binding upon each subcontractor as to work in connection with the Corporation contract.

(C) The provisions of this Section 5 shall not be binding upon contractors or subcontractors in the performance of work or the provision of services or any other activity that are unrelated, separate or distinct from the Corporation contract as expressed by its terms.

(D) In the implementation of this Section 5, the Corporation shall consider compliance by a contractor or subcontractor with the requirements of any federal law concerning equal employment opportunity which effectuates the purpose of this Section. The Corporation shall determine whether the imposition of the requirements of the provisions hereof duplicate or conflict with any such law and if such duplication or conflict exists, the Corporation shall waive the applicability of this Section 5 to the extent of such duplication or conflict.

(E) The Corporation shall ensure that "certified businesses" (as defined in Section 310 of the Executive Law of the State of New York) shall be given the opportunity for meaningful participation in the performance of Corporation contracts and to identify those Corporation contracts for which certified businesses may best bid to actively and affirmatively promote and assist their participation in the performance of Corporation contracts so as to facilitate the award of a fair share of Corporation contracts to such businesses.

SECTION 6. POLICY REVIEW. This policy will be reviewed annually.

CITY OF ALBANY CAPITAL RESOURCE CORPORATION

ENFORCEMENT OF PROJECTS

1. **PURPOSE AND AUTHORITY.** The purpose of this Part is to outline the procedures utilized by the City of Albany Capital Resource Corporation (the “Corporation”) to review compliance with Corporation requirements relating to job creation, retention and reporting.

2. **JOB CREATION AND RETENTION.** When considering applications for financial assistance, the Corporation will consider and review the job creation and retention information contained in the application completed by the applicant.

3. REQUIREMENTS OF THE APPLICANT.

(A) Background. In order to satisfy its internal reporting and policy requirements and other requirements under applicable law, the Corporation will require applicants for financial assistance to satisfy the requirements described in paragraph 3(B) below.

(B) Applicant Requirements. Each applicant for financial assistance from the Corporation will agree to satisfy the following requirements as a condition to the receipt of such financial assistance:

(1) 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 City of Albany Department of Administrative Services and Workforce Development, such programs collectively with the DOC, hereinafter referred to as the “Workforce Investment Program”.

(2) Except as otherwise provided by collective bargaining agreements, where practicable, the applicant will first consider persons eligible to participate in the Workforce Investment Program who shall be referred by DOC and the City of Albany Department of Administrative Services and Workforce Development for new employment opportunities created as a result of the Project.

(3) The applicant agrees, whenever requested by the Corporation, to provide and certify or cause to be provided and certified such information concerning the Applicant, its finances and other topics as the Corporation from time to time reasonably considers necessary or appropriate, including, but not limited to, such information as to enable the Corporation to make any reports required by law or governmental regulation.

(4) Within sixty (60) days after the end of each calendar year, the applicant shall furnish to the Corporation a certificate of an Authorized Representative of the applicant stating that no Event of Default under the Installment Sale Agreement [or Lease Agreement or Loan Agreement] has occurred or is continuing or, if any Event of Default exists, specifying the nature and period of existence thereof and what action the applicant has taken or proposes to take with respect thereto, and setting forth the unpaid principal balance of the Bonds and accrued but unpaid interest thereon and that no defenses, offsets or counterclaims exist with respect to the indebtedness evidenced thereby.

(5) The applicant shall insure that all employees and applicants for employment with regard to the Project are afforded equal employment opportunities without discrimination.

(6) Pursuant to the requirements of subsection one of Section 6 of Chapter 127 of the 1995 Laws of the State, the applicant agrees to file with the Corporation, no later than sixty (60) days after the end of each calendar year, reports regarding the number of people employed at the Project Facility and certain other matters, the initial said report to be in substantially the form annexed as Schedule A attached hereto, and subsequent reports to be in the form annexed as Schedule B attached hereto.

4. COMPLIANCE.

(A) Compliance. The City of Albany Department of Administrative Services and Workforce Development (“DASWD”) will act as agent to the Corporation to review and report on compliance by applicants with the requirements described in paragraph 3(B) above. The obligations of DASWD regarding compliance will be described in a service contract between the Corporation and DASWD.

(B) Annual Reports. Within seventy-five (75) days after the end of each calendar year, DASWD will provide the Corporation with an annual report describing the compliance by applicants with the requirements described in paragraph 3(B) above, including the filing of annual reports and the number of jobs created and retained by the applicant.

(C) Corporation Review. The Corporation will review the report prepared by DASWD at a regular meeting of the Corporation. After the review of the report prepared by DASWD, the Corporation will take such action as it deems necessary, including but not limited to, (1) scheduling meetings with applicants to review non-compliance and to discuss remedial actions, (2) considering enforcement action against applicants that fail to comply with the requirements described in paragraph 3(B) above, as described in paragraph 5 below, and (3) preparation of letters of commendation or other forms of congratulation to those applicants that have created and/or retained jobs consistent with (or in excess of) the estimates contained in the applicant’s original application to the Corporation.

5 ENFORCEMENT.

(A) General. Upon completion of the report prepared by DASWD regarding compliance by applicants with the requirements described in paragraph 3(B) above, the Corporation will initiate enforcement action against those applicants that have failed to comply with such requirements.

(B) Enforcement Action. Enforcement action by the Corporation shall include, but not be limited to, the following:

- (1) Requesting the information and/or compliance by a final notice letter.
- (2) Forwarding an event of default notice to the involved parties, including the lender.
- (3) Notifying appropriate New York State agencies of the applicant's failure to comply with such requirements.
- (4) Terminating the financial assistance provided by the Corporation.

SCHEDULE A

INITIAL EMPLOYMENT REPORT

COMPANY NAME: _____

ADDRESS: _____

TYPE OF BUSINESS: _____

CONTACT PERSON: _____

TELEPHONE NUMBER: _____

Please complete the following chart describing your projected employment plan following receipt of financial assistance (the "Financial Assistance") from City of Albany Capital Resource Corporation (the "Corporation"):

Current and Planning Full Time Occupations in Company	Current Number Full Time Jobs Per Occupation	Estimated Number of Full Time Jobs After Completion of the <u>Project</u>		
		1 year	2 year	3 year

PROFESSIONAL

SKILLED/UNSKILLED

SEMI-SKILLED

Please indicate the estimated hiring dates for the new jobs shown above and any special recruitment or training that will be required.

Are the employees of your firm currently covered by a collective bargaining agreement?
Yes_____No _____

If yes, Name and Local

Prepared by:

Title:

Signature:

Date:

SCHEDULE B

SUBSEQUENT EMPLOYMENT REPORT

EMPLOYMENT PLAN STATUS REPORT

To be Filed By _____

COMPANY NAME _____

ADDRESS _____

TYPE OF
BUSINESS _____

CONTACT PERSON _____

TELEPHONE NUMBER _____

OCCUPATION	NUMBER OF NEW JOBS	NUMBER LISTED	NUMBER FILLED	
			JOB SERVICE DIVISION APPLICANTS	JOB TRAINING PARTNERSHIP ACT ELIGIBLE PERSONS

With local Jobs Service Division and local service delivery office created pursuant to the Job Training Partnership Act.

CITY OF ALBANY CAPITAL RESOURCE CORPORATION

PAAA OF 2005 POLICIES

A. CODE OF ETHICS

1. Generally. This Code of Ethics applies to both the Directors and the employees of City of Albany Capital Resource Corporation (the “Corporation”). The purpose of this Code of Ethics is to promote honest and ethical conduct and compliance with the law.

2. Definitions. For purposes of this section, unless the context specifically indicates otherwise:

(a) “Corporation” shall mean the City of Albany Capital Resource Corporation.

(b) “employee” shall mean any employee of the City of Albany Capital Resource Corporation.

3. Rule With Respect to Conflicts of Interest. No Director or employee of the Corporation should have any interest, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity or incur any obligation of any nature, which is in substantial conflict with the proper discharge of his duties in the public interest.

4. Standards.

(a) No member or employee of the Corporation should accept other employment which will impair his independence of judgment in the exercise of his official duties.

(b) No Director or employee of the Corporation should accept employment or engage in any business or professional activity which will require him to disclose confidential information which he has gained by reason of his official position or authority.

(c) No Director or employee of the Corporation should disclose confidential information acquired by him in the course of his official duties nor use such information to further his personal interests.

(d) No Director or employee of the Corporation should use or attempt to use his official position to secure unwarranted privileges or exemptions for himself or others.

(e) No Director or employee of the Corporation should engage in any transaction as representative or agent of the Corporation with any business entity in which he has a direct or indirect financial interest that might reasonably tend to conflict with the proper discharge of his official duties.

(f) A Director or employee of the Corporation should not by his conduct give reasonable basis for the impression that any person can improperly influence him or unduly enjoy his favor in the performance of his official duties, or that he is affected by the kinship, rank, position or influence of any party or person.

(g) A Director or employee of the Corporation should abstain from making personal investments in enterprises which he has reason to believe may be directly involved in decisions to be made by him or which will otherwise create substantial conflict between his duty in the public interest and his private interest.

(h) A Director or employee of the Corporation should endeavor to pursue a course of conduct which will not raise suspicion among the public that he is likely to be engaged in acts that are in violation of his trust.

(i) No Director or employee of the Corporation, employed on a full-time basis, nor any firm or association of which such an officer or employee is a member, nor corporation a substantial portion of the stock of which is owned or controlled directly or indirectly by such officer or employee, should sell goods or services to any person, firm, corporation or association which is licensed or whose rates are fixed by the Corporation.

(j) If any officer or employee of the Corporation shall have a financial interest, direct or indirect, having a value of ten thousand dollars or more in any activity which is subject to receiving benefits from the Corporation, he should file with the Directors of the Corporation a written statement that he has such a financial interest in such activity which statement shall be open to public inspection.

5. Violations. In addition to any penalty contained in any other provision of law any such Director or employee who shall knowingly and intentionally violate any of the provisions of this section may be fined, suspended or removed from office or employment in the manner provided by law.

B. COMPENSATION POLICY

1. Generally. Directors of the City of Albany Capital Resource Corporation shall serve without compensation.

2. Reimbursement. Directors may be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their regular duties. Directors may not be compensated for rendering services to the Corporation in any capacity other than Director unless such other compensation is reasonable and otherwise permitted by the Corporation's By-Laws.

C. RETALIATORY ACTION POLICY

1. Definitions. For purposes of this section, unless the context specifically indicates otherwise:

(a) “Employee” means an individual who performs services for and under the control and direction of an employer for wages or other remuneration.

(b) “Employer” means any person, firm, partnership, institution, corporation, or association that employs one or more employees.

(c) “Law, rule or regulation” includes any duly enacted statute or ordinance or any rule or regulation promulgated pursuant to any federal, state or local statute or ordinance.

(d) “Public body” includes the following:

(i) the United States Congress, any state legislature, or any popularly-elected local governmental body, or any member or employee thereof;

(ii) any federal, state, or local judiciary, or any member or employee thereof; or any grand or petit jury;

(iii) any federal, state, or local regulatory, administrative, or public agency or authority, or instrumentality thereof;

or

(iv) any federal, state, or local law enforcement agency, prosecutorial office, or police or peace officer.

(e) “Retaliatory personnel action” means the discharge, suspension or demotion of an employee, or other adverse employment action taken against an employee in the terms and conditions of employment.

(f) “Supervisor” means any individual with an employer's organization who has the authority to direct and control the work performance of the affected employee; or who has managerial authority to take corrective action regarding the violation of the law, rule or regulation of which the employee complains.

2. Prohibitions. An employer shall not take any retaliatory personnel action against an employee because such employee does any of the following:

(a) discloses, or threatens to disclose to a supervisor or to a public body an activity, policy or practice of the employer that is in violation of law, rule or regulation which violation creates and presents a substantial and specific danger to the public health or safety;

(b) provides information to, or testifies before, any public body conducting an investigation, hearing or inquiry into any such violation of a law, rule or regulation by such employer; or

(c) objects to, or refuses to participate in any such activity, policy or practice in violation of a law, rule or regulation.

3. Application. The protection against retaliatory personnel action provided by paragraph (a) of subdivision two of this section pertaining to disclosure to a public body shall not apply to an employee who makes such disclosure to a public body unless the employee has brought the activity, policy or practice in violation of law, rule or regulation to the attention of a supervisor of the employer and has afforded such employer a reasonable opportunity to correct such activity, policy or practice.

4. Violation; Remedy.

(a) An employee who has been the subject of a retaliatory personnel action in violation of this section may institute a civil action in a court of competent jurisdiction for relief as set forth in subdivision five of this section within one year after the alleged retaliatory personnel action was taken.

(b) Any action authorized by this section may be brought in the city in which the alleged retaliatory personnel action occurred, in the city in which the complainant resides, or in the city in which the employer has its principal place of business.

(c) It shall be a defense to any action brought pursuant to this section that the personnel action was predicated upon grounds other than the employee's exercise of any rights protected by this section. It shall also be a defense that the individual was an independent contractor.

(d) Notwithstanding the provisions of paragraphs (a) and (c) of this subdivision, a health care employee who has been the subject of a retaliatory action by a health care employer in violation of section seven hundred forty-one of this article may institute a civil action in a court of competent jurisdiction for relief as set forth in subdivision five of this section within two years after the alleged retaliatory personnel action was taken. In addition to the relief set forth in that subdivision, the court, in its discretion, based upon a finding that the employer acted in bad faith in the retaliatory action, may assess the employer a civil penalty of an amount not to exceed ten thousand dollars, to be paid to the improving quality of patient care fund established pursuant to section ninety-seven-aaaa of the state finance law.

5. Relief in any action brought pursuant to subdivision four of this section, the court may order relief as follows:

- (a) an injunction to restrain continued violation of this section;
- (b) the reinstatement of the employee to the same position held before the retaliatory personnel action, or to an equivalent position;
- (c) the reinstatement of full fringe benefits and seniority rights;
- (d) the compensation for lost wages, benefits and other remuneration; and
- (e) the payment by the employer of reasonable costs, disbursements, and attorney's fees.

6. Employer Relief. A court, in its discretion, may also order that reasonable attorneys' fees and court costs and disbursements be awarded to an employer if the court determines that an action brought by an employee under this section was without basis in law or in fact.

7. Existing Rights. Nothing in this section shall be deemed to diminish the rights, privileges, or remedies of any employee under any other law or regulation or under any collective bargaining agreement or employment contract; except that the institution of an action in accordance with this section shall be deemed a waiver of the rights and remedies available under any other contract, collective bargaining agreement, law, rule or regulation or under the common law.

D. POLICY FOR TRAVEL OF AGENCY DIRECTORS

1. Generally. It is the policy of the Corporation that uniform procedures will be followed for the authorization and expenditure of funds for travel associated with Corporation's business.

(a) Expenses incurred by the Corporation's Directors, to be reimbursed from the Corporation's funds, must be approved in advance by the Board Chairman. The Chairman will advise the Chief Executive Officer of all requests received.

(b) All requests for reimbursement of expenses incurred by the Chairman must be approved by the Directors of the Corporation.

(c) The Chairman will inform the Chief Executive Officer or his/her designee of all pre-approved expenses of the Directors.

(d) The Chief Executive Officer or his/her designee will assist a Director, if desired, with arrangements for travel and the accompanying reimbursement procedures.

E. REAL PROPERTY ACQUISITION POLICY

SECTION 1. DEFINITIONS.

(A) “Acquire” or “acquisition” shall mean acquisition of title or any other beneficial interest in personal or real property in accordance with the applicable provisions of Article 18-A of the New York State General Municipal Law.

(B) “Contracting officer” shall mean the officer or employee of the City of Albany Capital Resource Corporation (hereinafter, the “Corporation”) who shall be appointed by resolution to be responsible for the acquisition of property.

(C) “Property” shall mean personal property in excess of five thousand dollars (\$5,000.00) in value, and real property, and any inchoate or other interest in such property, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party.

SECTION 2. DUTIES.

(A) The Corporation shall maintain adequate inventory controls and accountability systems for all property owned by the Corporation and under its control

(B) The Corporation shall prepare, not less frequently than annually, a report listing all real property owned in fee by the Corporation. Such report shall consist of a list and full description of all real and personal property acquired of during such period. The report shall contain the price paid by the Corporation and the name of the seller for all such property acquired by the Corporation during such period

SECTION 3. ACQUISITION OF PROPERTY.

(A) Supervision and Direction. Except as otherwise provided herein, the duly appointed contracting officer (the “Contracting Officer”) shall have supervision and direction over the acquisition of property of the Corporation. The Corporation shall have the right to acquire its property for any valid corporate purpose.

(B) Appraisal Report. An independent appraiser shall be hired to provide an opinion of fair market value before the Corporation shall make an offer with respect to the acquisition of the property. The appraiser should have a professional affiliation with a national appraisal organization and must not have an interest in the property (or be retained as an agent to sell the property). The appraisal report shall be in form and substance satisfactory to the Corporation and shall be included in the record of the transaction.

Notwithstanding the foregoing, the preparation of an appraisal report shall not be required where the Corporation is acquiring the property pursuant to a donation, or if the valuation of the property is uncomplicated and the fair market value is determined to be less than \$10,000.

(C) Method of Acquisition. Unless otherwise permitted by applicable law, the Corporation shall acquire property for not more than its fair market value by sale, exchange, or transfer, for cash, credit, or other property, with or without warranty, and upon such other terms and conditions as the Corporation and/or contracting officer deems proper. The Corporation may execute such documents for

the acquisition of title or other interest in property and take such other action as it deems necessary or proper to acquire such property under the provisions of this section. Provided, however, the Corporation may acquire property for more than its fair market value, as described in an appraisal report reviewed by the Corporation, upon a finding by the Corporation pursuant to resolution of the Corporation that the acquisition of such property at such price is necessary for the Corporation to further its corporate purpose.

(D) Validity of Deed, Bill of Sale, Lease, or Other Instrument. A deed, bill of sale, lease, or other instrument executed by or on behalf of the seller of the property and accepted by the Corporation, purporting to transfer title or any other interest in property of the seller to the Corporation in accordance herewith shall be conclusive evidence of compliance with the provisions of these guidelines and all applicable law insofar as concerns title or other interest of any bona fide grantor or transferor who has received valuable consideration for such title or other interest and has not received actual or constructive notice of lack of such compliance prior to closing.

(E) Insurance. The must ensure that all insurable real and personal property under its control is insured against physical loss or damage.

The designated Contracting Officer for the Agency is the Chief Executive Officer of the Agency.

F. PROPERTY DISPOSITION POLICY

SECTION 1. DEFINITIONS.

(A) “Contracting officer” shall mean the officer or employee of the City of Albany Capital Resource Corporation (hereinafter, the “Corporation”) who shall be appointed by resolution to be responsible for the disposition of property.

(B) “Dispose” or “disposal” shall mean transfer of title or any other beneficial interest in personal or real property in accordance with section 2897 of the New York State Public Authorities Law.

(C) “Property” shall mean personal property in excess of five thousand dollars (\$5,000.00) in value, and real property, and any inchoate or other interest in such property, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party.

SECTION 2. DUTIES.

(A) The Corporation shall:

(i) maintain adequate inventory controls and accountability systems for all property owned by the Corporation and under its control;

(ii) periodically inventory such property to determine which property shall be disposed of;

(iii) produce a written report of such property in accordance with subsection B herewith; and

(iv) transfer or dispose of such property as promptly and practicably as possible in accordance with Section 3 below.

(B) The Corporation shall:

(i) publish, not less frequently than annually, a report listing all real property owned in fee by the Corporation. Such report shall consist of a list and full description of all real and personal property disposed of during such period. The report shall contain the price received by the Corporation and the name of the purchaser for all such property sold by the Corporation during such period; and

(ii) shall deliver copies of such report to the Comptroller of the State of New York, the Director of the Budget of State of New York, the Commissioner of the New York State Office of General Services, and the New York State Legislature (via distribution to the Majority Leader of the Senate and the Speaker of the Assembly).

SECTION 3. TRANSFER OR DISPOSITION OF PROPERTY.

(A) Supervision and Direction. Except as otherwise provided herein, the duly appointed contracting officer (the "Contracting Officer") shall have supervision and direction over the disposition and sale of property of the Corporation. The Corporation shall have the right to dispose of its property for any valid corporate purpose.

(B) Custody and Control. The custody and control of Corporation property, pending its disposition, and the disposal of such property, shall be performed by the Corporation or by the Commissioner of General Services when so authorized under this section.

(C) Method of Disposition. Unless otherwise permitted, the Corporation shall dispose of property for not less than its fair market value by sale, exchange, or transfer, for cash, credit, or other property, with or without warranty, and upon such other terms and conditions as the Corporation and/or contracting officer deems proper. The Corporation may execute such documents for the transfer of title or other interest in property and take such other action as it deems necessary or proper to dispose of such property under the provisions of this section. Provided, however, except in compliance with all applicable law, no disposition of real property, any interest in real property, or any other property which because of its unique nature is not subject to fair market pricing shall be made unless an appraisal of the value of such property has been made by an independent appraiser and included in the record of the transaction.

(D) Sales by the Commissioner of General Services (the "Commissioner"). When the Corporation shall have deemed that transfer of property by the Commissioner will be advantageous to the State of New York, the Corporation may enter into an agreement with the Commissioner pursuant to which the Commissioner may dispose of property of the Corporation under terms and conditions agreed to by the Corporation and the Commissioner. In disposing of any such property, the Commissioner shall be bound by the terms hereof and references to the contracting officer shall be deemed to refer to such Commissioner.

(E) Validity of Deed, Bill of Sale, Lease, or Other Instrument. A deed, bill of sale, lease, or other instrument executed by or on behalf of the Corporation, purporting to transfer title or any other interest in property of the Corporation in accordance herewith shall be conclusive evidence of compliance with the provisions of these guidelines and all applicable law insofar as concerns title or other interest of any bona fide grantee or transferee who has given valuable consideration for such title or other interest and has not received actual or constructive notice of lack of such compliance prior to closing.

(F) Bids for Disposal; Advertising; Procedure; Disposal by Negotiation; Explanatory Statement.

(i) Except as permitted by all applicable law, all disposals or contracts for disposal of property made or authorized by the Corporation shall be made after publicly advertising for bids except as provided in subsection (iii) of this Section F.

(ii) Whenever public advertising for bids is required under subsection (i) of this Section F:

(A) the advertisement for bids shall be made at such time prior to the disposal or contract, through such methods, and on such terms and conditions as shall

permit full and free competition consistent with the value and nature of the property proposed for disposition;

(B) all bids shall be publicly disclosed at the time and place stated in the advertisement; and

(C) the award shall be made with reasonable promptness by notice to the responsible bidder whose bid, conforming to the invitation for bids, will be most advantageous to the Corporation, price and other factors considered; provided, that all bids may be rejected at the Corporation's discretion.

(iii) Disposals and contracts for disposal of property may be negotiated or made by public auction without regard to subsections (i) and (ii) of this Section F but subject to obtaining such competition as is feasible under the circumstances, if:

(D) the personal property involved is of a nature and quantity which, if disposed of under subsections (i) and (ii) of this Section F, would adversely affect the state or local market for such property, and the estimated fair market value of such property and other satisfactory terms of disposal can be obtained by negotiation;

(E) the fair market value of the property does not exceed fifteen thousand dollars (\$15,000.00);

(F) bid prices after advertising therefore are not reasonable, either as to all or some part of the property, or have not been independently arrived at in open competition;

(G) the disposal will be to the state or any political subdivision or public benefit corporation, and the estimated fair market value of the property and other satisfactory terms of disposal are obtained by negotiation;

(H) the disposal is for an amount less than the estimated fair market value of the property, the terms of such disposal are obtained by public auction or negotiation, the disposal of the property is intended to further the public health, safety or welfare or an economic development interest of the Corporation, the state or a political subdivision (to include but not limited to, the prevention or remediation of a substantial threat to public health or safety, the creation or retention of a substantial number of job opportunities, or the creation or retention of a substantial source of revenues, or where the authority's enabling legislation permits or other economic development initiatives), the purpose and the terms of such disposal are documented in writing and approved by resolution of the board of the Corporation; or

(I) such action is otherwise authorized by law.

(iv)(A) An explanatory statement shall be prepared of the circumstances of each disposal by negotiation of:

(1) any personal property which has an estimated fair market value in excess of fifteen thousand dollars (\$15,000.00);

(2) any real property that has an estimated fair market value in excess of one hundred thousand dollars (\$100,000.00), except that any real property disposed of by lease or exchange shall only be subject to clauses (3) through (5) of this subparagraph;

(3) any real property disposed of by lease for a term of five (5) years or less, if the estimated fair annual rent is in excess of one hundred thousand dollars (\$100,000.00) for any of such years.

(4) any real property disposed of by lease for a term of more than five (5) years, if the total estimated rent over the term of the lease is in excess of one hundred thousand dollars (\$100,000.00); or

(5) any real property or real and related personal property disposed of by exchange, regardless of value, or any property any part of the consideration for which is real property.

(J) Each such statement shall be transmitted to the persons entitled to receive copies of the report required under all applicable law not less than ninety (90) days in advance of such disposal and a copy thereof shall be preserved in the files of the Corporation making such disposal.

This Policy is subject to modification and amendment at the discretion of the Corporation and shall be filed annually with all local and state agencies as required under all applicable law.

G. DEFENSE AND INDEMNIFICATION POLICY

SECTION 1. DEFINITIONS.

1. As used in this section, unless the context otherwise requires:

(a) The term “public entity” shall mean (i) a county, city, town, village or any other political subdivision or civil division of the state, (ii) a school district, board of cooperative educational services, or any other governmental entity or combination or association of governmental entities operating a public school, college, community college or university, (iii) a public improvement or special district, (iv) a public authority, commission, agency or public benefit corporation, or (v) any other separate corporate instrumentality or unit of government; but shall not include the state of New York or any other public entity the officers and employees of which are covered by section seventeen of this chapter or by defense and indemnification provisions of any other state statute taking effect after January first, nineteen hundred seventy-nine.

(b) The term “employee” shall mean any commissioner, member of a public board or commission, trustee, director, officer, employee, volunteer expressly authorized to participate in a publicly sponsored volunteer program, or any other person holding a position by election, appointment or employment in the service of a public entity, whether or not compensated, but shall not include the sheriff of any county or an independent contractor. The term “employee” shall include a former employee, his estate or judicially appointed personal representative.

(c) The term “governing body” shall mean the board or body in which the general legislative, governmental or public powers of the public entity are vested and by authority of which the business of the public entity is conducted.

SECTION 2. APPLICATION OF POLICY

2. The provisions of this section shall apply to any public entity:

(a) whose governing body has agreed by the adoption of local law, by-law, resolution, rule or regulation (i) to confer the benefits of this section upon its employees, and (ii) to be held liable for the costs incurred under these provisions; or

(b) where the governing body of a municipality, for whose benefit the public entity has been established, has agreed by the adoption of local law or resolution (i) to confer the benefits of this section upon the employees of such public entity, and (ii) to be held liable for the costs incurred under these provisions.

SECTION 3. COVERAGE

3. (a) Upon compliance by the employee with the provisions of subdivision five of this section, the public entity shall provide for the defense of the employee in any civil action or proceeding, state or federal, arising out of any alleged act or omission which occurred or allegedly occurred while the employee was acting within the scope of his public employment or duties. This duty to provide for a defense shall not arise where such civil action or proceeding is brought by or at the behest of the public entity employing such employee.

(b) Subject to the conditions set forth in paragraph (a) of this subdivision, the employee shall be entitled to be represented by private counsel of his choice in any civil action or proceeding whenever the chief legal officer of the public entity or other counsel designated by the public entity determines that a conflict of interest exists, or whenever a court, upon appropriate motion or otherwise by a special proceeding, determines that a conflict of interest exists and that the employee is entitled to be represented by counsel of his choice, provided, however, that the chief legal officer or other counsel designated by the public entity may require, as a condition to payment of the fees and expenses of such representation, that appropriate groups of such employees be represented by the same counsel. Reasonable attorneys' fees and litigation expenses shall be paid by the public entity to such private counsel from time to time during the pendency of the civil action or proceeding with the approval of the governing body of the public entity.

(c) Any dispute with respect to representation of multiple employees by a single counsel or the amount of litigation expenses or the reasonableness of attorneys' fees shall be resolved by the court upon motion or by way of a special proceeding.

(d) Where the employee delivers process and a written request for a defense to the public entity under subdivision five of this section, the public entity shall take the necessary steps on behalf of the employee to avoid entry of a default judgment pending resolution of any question pertaining to the obligation to provide for a defense.

SECTION 4. INDEMNIFICATION

4. (a) The public entity shall indemnify and save harmless its employees in the amount of any judgment obtained against such employees in a state or federal court, or in the amount of any settlement of a claim, provided that the act or omission from which such judgment or claim arose occurred while the employee was acting within the scope of his public employment or duties; provided further that in the case of a settlement the duty to indemnify and save harmless shall be conditioned upon the approval of the amount of settlement by the governing body of the public entity.

(b) Except as otherwise provided by law, the duty to indemnify and save harmless prescribed by this subdivision shall not arise where the injury or damage resulted from intentional wrongdoing or recklessness on the part of the employee.

(c) Nothing in this subdivision shall authorize a public entity to indemnify or save harmless an employee with respect to punitive or exemplary damages, fines or penalties, or money recovered from an employee pursuant to section fifty-one of the general municipal law; provided, however, that the public entity shall indemnify and save harmless its employees in the amount of any costs, attorneys' fees, damages, fines or penalties which may be imposed by reason of an adjudication that an employee, acting within the scope of his public employment or duties, has, without willfulness or intent on his part, violated a prior order, judgment, consent decree or stipulation of settlement entered in any court of this state or of the United States.

(d) Upon entry of a final judgment against the employee, or upon the settlement of the claim, the employee shall serve a copy of such judgment or settlement, personally or by certified or registered mail within thirty days of the date of entry or settlement, upon the chief administrative officer of the public entity; and if not inconsistent with the provisions of this section, the amount of such judgment or settlement shall be paid by the public entity.

5. The duty to defend or indemnify and save harmless prescribed by this section shall be conditioned upon: (i) delivery by the employee to the chief legal officer of the public entity or to its chief administrative officer of a written request to provide for his defense together with the original or a copy of any summons, complaint, process, notice, demand or pleading within ten days after he is served with such document, and (ii) the full cooperation of the employee in the defense of such action or proceeding and in defense of any action or proceeding against the public entity based upon the same act or omission, and in the prosecution of any appeal.

6. The benefits of this section shall inure only to employees as defined herein and shall not enlarge or diminish the rights of any other party nor shall any provision of this section be construed to affect, alter or repeal any provision of the workers' compensation law.

7. This section shall not in any way affect the obligation of any claimant to give notice to the public entity under section ten of the court of claims act, section fifty-e of the general municipal law, or any other provision of law.

8. Any public entity is hereby authorized and empowered to purchase insurance from any insurance company created by or under the laws of this state, or authorized by law to transact business in this state, against any liability imposed by the provisions of this section, or to act as a self-insurer with respect thereto.

9. All payments made under the terms of this section, whether for insurance or otherwise, shall be deemed to be for a public purpose and shall be audited and paid in the same manner as other public charges.

10. The provisions of this section shall not be construed to impair, alter, limit or modify the rights and obligations of any insurer under any policy of insurance.

11. Except as otherwise specifically provided in this section, the provisions of this section shall not be construed in any way to impair, alter, limit, modify, abrogate or restrict any immunity to liability available to or conferred upon any unit, entity, officer or employee of any public entity by, in accordance with, or by reason of, any other provision of state or federal statutory or common law.

12. Except as otherwise provided in this section, benefits accorded to employees under this section shall be in lieu of and take the place of defense or indemnification protections accorded the same employees by another enactment; unless the governing body of the public entity shall have provided that these benefits shall supplement, and be available in addition to, defense or indemnification protection conferred by another enactment.

13. The provisions of this section shall also be applicable to any public library supported in whole or in part by a public entity whose governing body has determined by adoption of a local law, ordinance, bylaw, resolution, rule or regulation to confer the benefits of this section upon the employees of such public library and to be held liable for the costs incurred under these provisions.

14. If any provision of this section or the application thereof to any person or circumstance be held unconstitutional or invalid in whole or in part by any court, such holding of unconstitutionality or invalidity shall in no way affect or impair any other provision of this section or the application of any such provision to any other person or circumstance.

CRC ADMINISTRATIVE AND OTHER FEES

SECTION 1. PURPOSE AND AUTHORITY. The purpose of this Part is to establish such procedures relating to the imposition of fees of the City of Albany Capital Resource Corporation (the “CRC”) in connection with CRC Projects. A CRC Project is defined as any “project” (as defined in the certificate of incorporation of the CRC).

SECTION 2. TYPES OF FEES. The types of fees imposed by the CRC in connection with CRC Projects shall consist of (A) application fees, (B) administrative fees, and (C) other CRC administrative fees.

SECTION 3. APPLICATION FEES. (A) Finance Transactions. The CRC will charge a nonrefundable application fee for finance transactions equal to \$1,500 upon the submission of the CRC’s Application For Financial Assistance. Finance Transactions shall consist of projects involving the issuance of tax-exempt obligations, taxable obligations and refunding obligations. The application fee is in addition to the administrative fee payable to the CRC.

(B) Modification/Amendment Transactions. The CRC will charge a nonrefundable application fee for modification/amendment transactions equal to \$500 upon the submission of a letter to the CRC explaining in detail the requested action. Such letter may be accompanied by the CRC’s Application For Financial Assistance, if required by the CRC. Modification/Amendment Transactions shall include actions to modify or amend existing documents previously executed by the CRC. The application fee is in addition to any administrative fee payable to the CRC.

SECTION 4. ADMINISTRATIVE FEES.

(A) Timing. The CRC will charge an administrative fee in connection with a CRC Project. Such administrative fee shall be payable upon the successful conclusion of the sale of the obligations.

(B) Amount: Bond Transactions. The amount of the administrative fee for a CRC Project involving the sale of tax-exempt or taxable obligations issued by the CRC shall be computed as follows:

- (i.) For issuance up to \$24,500,000 – one percent (1%)
- (ii.) For additional issuance between 24,500,001 to \$50,000,000 – one-half of one percent (0.5%)
- (iii.) For additional issuances of \$50,000,000 and higher – one-quarter of one percent (0.25%)

The CRC may modify the amount of the administrative fee computed herein if Bond Counsel advises the CRC that such modification is necessary in order to ensure that the interest on the obligations is excludable from gross income for federal income tax purposes.

(C) Amount: Refunding Bond Transactions. The amount of the administrative fee for a CRC Project involving the sale of obligations to refund an outstanding amount of obligations shall be computed as follows:

If the outstanding obligations were originally issued by the CRC (or the City of Albany Industrial Development Agency) and the amount of the refunding obligations does not exceed the amount of the existing obligations, the administrative fee shall be one-quarter of one percent (.25%) of the aggregate principal amount of the refunding obligations to be issued.

If the outstanding obligations were originally issued by the CRC and the amount of the refunding obligations does exceed the amount of the outstanding obligations, an administrative fee shall be payable on such difference based on the formula contained in Section 4(B) above.

If the outstanding obligations were not originally issued by the CRC, an administrative fee shall be payable on the total aggregate principal amount of the refunding obligations based on the formula contained in Section 4(B) above.

The CRC may modify the amount of the administrative fee computed herein if Bond Counsel advises the CRC that such modification is necessary in order to ensure that the interest on the refunding obligations is excludable from gross income for federal income tax purposes.

SECTION 5. OTHER CRC ADMINISTRATIVE FEES.

(A) Other CRC Administrative Fees. The CRC will also charge certain other administrative fees described in this Section 5 in connection with CRC Projects. Such fees include post-closing modification/amendment transaction fees and special meeting fees. Such administrative fees shall typically be payable upon the execution and delivery of documents completing the transaction.

(B) Amount: Post-Closing Modification/Amendment Transactions. The amount of the administrative fee for Post-Closing Modification/Amendment Transactions shall be determined by the staff of the CRC, with the review and approval by the CRC. The minimum

administrative fee for such transactions shall equal \$500, payable at the time the applicant submits the application to the CRC.

(C) Amount: Special Meeting Fees. The amount of the administrative fee for the holding of a special meeting of the CRC shall equal \$500.

(D) TEFRA Approval Fees. In circumstances where the CRC is participating in the financing of a project, but the obligations are being issued by another governmental issuer (and not the CRC or the City of Albany IDA), the amount of the administrative fee for processing and providing for the approval of a project and the issuance of obligations under Section 147(f) of the Internal Revenue Code of 1986, as amended, shall be equal to be one-quarter of one percent (.25%) of the aggregate principal amount of the obligations to be issued.

(E) Other Miscellaneous Fees. The CRC reserves the right to determine and impose other administrative fees on CRC Projects in consideration for the financial assistance being granted by the CRC and/or the costs incurred by the CRC.

SECTION 6. EXPENSES. In addition to any application fees and administrative fees a CRC Project is subject, the CRC may also charge its reasonable expenses incurred in connection with a CRC Project. Such expenses include the following: publication charges, stenographer and transcription expenses and the expenses and fees of CRC Counsel. Any moneys generated by the payment of the expenses of the CRC pursuant to this Section 6 shall become the property of the CRC and part of its general fund.

SECTION 7. REIMBURSEMENT. The application and administrative fees provided for in this Part are designed to cover operating and other expenses of the CRC.

SECTION 8. DEVIATION. The CRC may provide for a different application fee and/or a different administrative fee and/or an additional administrative fee for a particular project by resolution duly adopted by the CRC.

CITY OF ALBANY CAPITAL RESOURCE CORPORATION

CONDUCT AND NOTIFICATION OF PUBLIC HEARINGS

SECTION 1501. PURPOSE AND AUTHORITY. The purpose of this Part is to implement Sections 859-a(2) and 859-a(3) of Title One of Article 18-A of the General Municipal Law (the “Act”), which sets forth certain requirements regarding the holding of public hearings and the notification of such hearings by the City of Albany Capital Resource Corporation (the “CRC”). The CRC has determined to make applicable to the CRC the provisions of Sections 859-a(2) and 859-a(3) of the Act.

SECTION 1502. DEFINITIONS. All words and terms used herein and defined in the Act shall have the meanings assigned to them under the Act, unless otherwise defined herein or unless the context or use indicates another meaning or intent.

SECTION 1503. PUBLIC HEARINGS. (A) General. Prior to the granting of any financial assistance of more than one hundred thousand dollars to any project, the CRC shall hold a public hearing with respect to the project and the proposed financial assistance being contemplated by the CRC.

(B) Time and Location. Except as specifically provided by the CRC, the public hearings shall be scheduled to occur prior to the beginning of the regular meetings of the CRC. The public hearings shall be held at the offices of the CRC located at 21 Lodge Street, Albany, New York.

(C) Publication of Notice. (1) The notice of such hearing shall be published in the Albany Times Union, or equivalent newspaper having general circulation in the City of Albany, prior to the proposed hearing date in accordance with applicable state and federal laws.

(2) Except as hereinafter provided, Bond Counsel to the CRC shall arrange for the publication of the notice of public hearing following the adoption by the CRC of a resolution authorizing the publication of such notice. CRC staff may direct CRC Bond Counsel to arrange for the publication of the notice of public hearing prior to adoption by the CRC of a resolution authorizing the publication of such notice upon the satisfaction of the following conditions: (a) CRC staff sends members of the CRC a copy of the proposed notice of public hearing at least three (3) business days prior to the proposed date of submission to the newspaper, and (b) CRC staff receives no objection to the submission of such notice from the members of the CRC at least one (1) business day prior to the proposed date of submission to the newspaper.

(3) Bond Counsel shall be responsible for obtaining copies of the affidavit of publication and delivering same to the CRC at the public hearing.

(4) The notice of the hearing shall also be posted on the web site of the CRC.

(D) Responsibility for Preparation, Publication and Mailing. Bond Counsel shall be responsible for preparing and forwarding the notice of the public hearing to the Albany Times Union, or equivalent newspaper having general circulation in the City of Albany. Bond Counsel shall be responsible for preparing the letter of notification to the affected taxing jurisdictions and causing such letter to be mailed to the affected taxing jurisdictions in accordance with the Act. A copy of the form of the letter to be prepared by Bond Counsel is attached hereto as Appendix 15G. Bond Counsel shall be responsible for reviewing the form of such letter with the staff of the CRC and then mailing the letter to the affected taxing jurisdictions. Bond Counsel shall be responsible for delivering copies of the letter and affidavits of mailing to the CRC.

(E) Form of Notice. The form of notice for the following types of projects are attached hereto:

- (1) Appendix 15A: Taxable bonds;
- (2) Appendix 15B: Tax-Exempt 501(c)(3) bonds;
- (3) Appendix 15C: Tax-Exempt manufacturing bonds; and
- (4) Appendix 15D: Straight Lease Transactions.

(F) Transcript. A transcript of the public hearing will be prepared by a stenographer and made available to the members of the CRC and the Mayor of the City of Albany. Any written comments received by the CRC shall be made part of the transcript. The scheduling of a stenographer for the public hearing shall be the responsibility of the applicant. The applicant shall provide written confirmation to the CRC that the applicant has made the necessary arrangements for a stenographer at least five (5) business days before the public hearing. The cost of the stenographer and preparing the transcript shall be paid by the applicant and the applicant shall provide a copy of the transcript to the CRC.

SECTION 1504. CONDUCT OF PUBLIC HEARINGS. Any public hearing of the CRC held pursuant to this Part of the Rules and Regulations of the CRC shall be conducted as follows:

(A) The public hearing shall be opened by an officer or staff member of the CRC (hereinafter referred to as the "Hearing Officer"), and unless the Hearing Officer shall determine otherwise, the public hearing shall follow the form of public hearing script attached as Appendix 15E for a project involving tax exempt bonds and Appendix 15F for a project involving a straight lease transaction.

(B) The applicant and/or Bond Counsel shall provide to the Hearing Officer a copy of the affidavit of publication of the public hearing notice.

(C) The Hearing Officer shall read the public notice and indicate the publication in which it was published and when it was published. At the discretion of the Hearing Officer, the Hearing Officer may waive reading of the complete public notice. In any event, the public notice shall be entered into the record of the public hearing.

(D) The Hearing Officer shall indicate that the purpose of the public hearing is to provide interested parties an opportunity to present their views with respect to the project, both in writing and orally.

(E) The Hearing Officer shall indicate for the public record whether the CRC had received any written comments regarding the project. If so, the Hearing Officer shall accept such written comments and enter such comments into public record.

(F) Any person wishing to make a public comment may sign-in on the appropriate sign-in sheet that will be distributed by CRC staff. The Hearing Officer will then call on the individuals listed on the sign-in sheet in the order in which they appear on the sheet. Please wait to be recognized, once recognized, please stand and state your name, address, and affiliation for the record.

(G) The Hearing Officer, in his discretion, may limit each interested party wishing to speak at the public hearing to five minutes in which to express his or her views.

(H) Comments must relate to the purpose of the public hearing.

(I) The public hearing will not be a question and answer period. However, any person who would like to have a question answered may ask the question at the public hearing in writing or orally and the CRC will post responses to the questions on its website within ten (10) business days of the hearing.

(J) Members of the Board, speakers, and audience members must observe proper decorum. Any statement made during the public hearing shall not involve personal, impertinent, or slanderous attacks on individuals.

(K) The use of profane, vulgar, inflammatory, threatening, abusive, or disparaging language or racial or ethnic slurs directed at any other individual shall not be tolerated.

(L) Banners, flyers, or other signs are not permitted in the public hearing.

(M) Distribution of flyers is not permitted in the public hearing.

(N) Any individual who disregards the directives of the Hearing Officer in enforcing the rules or who generally conducts himself or herself in a boisterous or inappropriate manner while addressing the Board and/or is disruptive will be barred from further participation and forfeit their opportunity to address the Board.

SECTION 1505. NOTIFICATION OF AFFECTED TAX JURISDICTIONS.

(A) General. The CRC shall notify the County Executive of Albany County, the Mayor of the City of Albany and the Superintendent of the Albany City School District of any public hearing held pursuant to this Part.

(B) Form of Notification. The form of the notification to such affected tax jurisdictions is attached hereto as Appendix 15G.

APPENDIX 15A

FORM OF NOTICE OF PUBLIC HEARING
FOR PROJECT INVOLVING TAXABLE BONDS

NOTICE OF PUBLIC HEARING
ON PROPOSED PROJECT
AND FINANCIAL ASSISTANCE
RELATING THERETO

Notice is hereby given that a public hearing pursuant to Section 859-a(2) of the General Municipal Law of the State of New York (the "Act") will be held by the City of Albany Capital Resource Corporation (the "CRC") on the _____ day of _____, 20__ at _____ o'clock __.m., local time, at _____ in the [City, Village, Town] of _____, Albany County, New York, in connection with the following matters:

[**THE COMPANY**] (the "Company") has requested that the CRC consider undertaking a project (the "Project") consisting of [**PROJECT DESCRIPTION**] (being collectively referred to as the "Project Facility"); (B) the financing of all or a portion of the costs of the foregoing by the issuance of its industrial development revenue bonds in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, presently estimated to be approximately \$ _____ (the "Bonds"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the CRC.

The CRC is considering whether (A) to undertake the Project, (B) to finance the Project by issuing, from time to time, the Bonds, (C) to use the proceeds of the Bonds to pay the cost of undertaking the Project together with incidental costs in connection therewith, and (D) to provide certain exemptions from taxation with respect to the Project, including (1) exemption from mortgage recording taxes with respect to any documents recorded by the CRC with respect to the Project in the office of the County Clerk of Albany County, New York or elsewhere, (2) exemption from sales taxes relating to the acquisition, construction and installation of the Project Facility, (3) exemption from deed transfer taxes and real estate transfer gains taxes on real estate transfers to and from the CRC with respect to the Project, and (4) exemption from real estate taxes (but not including special assessments and special ad valorem levies), subject to the obligation of the Company to make payments in lieu of taxes with respect to the Project Facility.

If the issuance of the Bonds is approved, (A) interest on the Bonds will not be excluded from gross income for federal income tax purposes, (B) the Project Facility will be acquired, constructed and installed by the CRC and will be sold by the CRC to the Company or its designee pursuant to a project agreement (the "Agreement") requiring that the Company or its designee make payments equal to debt service on the Bonds and make certain other payments and (C) the Bonds will be a special obligation of the CRC payable solely out of certain of the proceeds of the Agreement and certain other assets of the CRC pledged to the repayment of the Bonds. THE BONDS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR THE CITY OF ALBANY, NEW YORK, AND NEITHER THE STATE OF NEW YORK NOR THE CITY OF ALBANY, NEW YORK SHALL BE LIABLE THEREON.

The CRC, by resolution adopted on_____, 20 , determined pursuant to Article 8 of the Environmental Conservation Law (the “SEQR Act”) that the Project is an “unlisted action” and will not have a “significant effect on the environment” pursuant to the SEQR Act and, therefore, that no environmental impact statement is required to be prepared with respect to the Project.

The CRC will at said time and place hear all persons with views on either the location and nature of the proposed Project or the financial assistance being contemplated by the CRC in connection with the proposed Project.

Dated:_____, 20 .

CITY OF ALBANY CAPITAL
RESOURCE CORPORATION

By:_____

(Vice) Chair

APPENDIX 15B

FORM OF NOTICE OF PUBLIC HEARING
FOR PROJECT INVOLVING TAX-EXEMPT 501(c)(3) BONDS

NOTICE OF PUBLIC HEARING
ON PROPOSED PROJECT
AND FINANCIAL ASSISTANCE
RELATING THERETO

Notice is hereby given that a public hearing pursuant to Section 859-a(2) of the General Municipal Law of the State of New York (the “Act”) and Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”) will be held by City of Albany Capital Resource Corporation (the “CRC”) on _____, the _____ day of, _____ 20____ at _____ o’clock __m., local time, at _____ in the [City, Village, Town] of _____, Albany County, New York, in connection with the following matters:

[**THE COMPANY**] (the “Company”) has requested that the CRC consider undertaking a project (the “Project”) consisting of [**PROJECT DESCRIPTION** (being collectively referred to as the “Project Facility”)]; (B) the financing of all or a portion of the costs of the foregoing by the issuance of its civic facility revenue bonds in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, presently estimated to be approximately \$ _____ (the “Bonds”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the CRC.

The CRC is considering whether (A) to undertake the Project, (B) to finance the Project by issuing, from time to time, the Bonds, (C) to use the proceeds of the Bonds to pay the costs of undertaking the Project, together with incidental costs in connection therewith, and (D) to provide certain exemptions from taxation with respect to the Project, including (1) exemption from mortgage recording taxes with respect to any documents recorded by the CRC with respect to the Project in the office of the County Clerk of Albany County, New York or elsewhere, and (2) exemption from deed transfer taxes and real estate transfer gains taxes on any real estate transfers to and from the CRC with respect to the Project.

If the issuance of the Bonds is approved, (A) interest on the Bonds will be excluded from gross income for federal income tax purposes pursuant to Section 145 of the Internal Revenue Code of 1986, as amended, (B) the Project Facility will be acquired, constructed and installed by the CRC and will be leased (with an obligation to purchase) or sold by the CRC to the Company or its designee pursuant to a project agreement (the “Agreement”) requiring that the Company or its designee make payments equal to debt service on the Bonds and make certain other payments and (C) the Bonds will be a special obligation of the CRC payable solely out of certain of the proceeds of the Agreement and certain other assets of the CRC pledged to the repayment of the Bonds. THE BONDS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR THE CITY OF ALBANY, NEW YORK, AND NEITHER THE STATE OF NEW YORK NOR THE CITY OF ALBANY, NEW YORK SHALL BE LIABLE THEREON.

The CRC, by resolution adopted on _____, 20____, determined pursuant to Article 8 of the Environmental Conservation Law (the “SEQR Act”) that the Project constitutes an “unlisted action” and will not have a “significant effect on the environment” pursuant to the SEQR Act

and, therefore, that no environmental impact statement is required to be prepared with respect to the Project.

The CRC will at said time and place hear all persons with views on either the location and nature of the proposed Project or the financial assistance being contemplated by the CRC in connection with the proposed Project.

Dated:_____.

CITY OF ALBANY CAPITAL
RESOURCE CORPORATION

By:(Vice) Chair

APPENDIX 15C

FORM OF NOTICE OF PUBLIC HEARING
FOR PROJECT INVOLVING TAX-EXEMPT MANUFACTURING BONDS

NOTICE OF PUBLIC HEARING
ON PROPOSED PROJECT
AND FINANCIAL ASSISTANCE
RELATING THERETO

Notice is hereby given that a public hearing pursuant to Section 859-a(2) of the General Municipal Law of the State of New York (the “Act”) and Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”) will be held by City of Albany Capital Resource Corporation (the “CRC”) on the _____ day of _____, 20__ at ____ o’clock __m., local time, at _____ in the [City, Village or Town] of _____ Albany County, New York, in connection with the following matters:

[**THE COMPANY**] (the “Company”) has requested that the CRC consider undertaking a project (the “Project”) consisting of [**PROJECT DESCRIPTION** (being collectively referred to as the “Project Facility”)]; (B) the financing of all or a portion of the costs of the foregoing by the issuance of its industrial development revenue bonds in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, presently estimated to be approximately \$ _____ (the “Bonds”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the CRC.

The CRC is considering whether (A) to undertake the Project, (B) to finance the Project by issuing, from time to time, the Bonds, (C) to use the proceeds of the Bonds to pay the cost of undertaking the Project, together with incidental costs in connection therewith, and (D) to provide certain exemptions from taxation with respect to the Project, including (1) exemption from mortgage recording taxes with respect to any documents recorded by the CRC with respect to the Project in the office of the County Clerk of Albany County, New York or elsewhere, (2) exemption from sales taxes relating to the acquisition, construction and installation of the Project Facility, (3) exemption from deed transfer taxes and real estate transfer gains taxes on any real estate transfers to and from the CRC with respect to the Project, and (4) exemption from real estate taxes (but not including special assessments and special ad valorem levies), subject to the obligation of the Company to make payments in lieu of taxes with respect to the Project.

If the issuance of the Bonds is approved, (A) interest on the Bonds will be excluded from gross income for federal income tax purposes pursuant to Section 144(a) of the Internal Revenue Code of 1986, as amended, (B) the Project Facility will be acquired, constructed and installed by the CRC and will be sold by the CRC to the Company or its designee pursuant to a project agreement (the “Agreement”) requiring that the Company or its designee make payments equal to debt service on the Bonds and make certain other payments and (C) the Bonds will be a special obligation of the CRC payable solely out of certain of the proceeds of the Agreement and certain other assets of the CRC pledged to the repayment of the Bonds. **THE BONDS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR THE CITY OF ALBANY, NEW YORK, AND NEITHER THE STATE OF NEW YORK NOR THE CITY OF ALBANY, NEW YORK SHALL BE LIABLE THEREON.**

The CRC, by resolution adopted on_____, 20 , determined pursuant to Article 8 of the Environmental Conservation Law (the “SEQR Act”) that the Project is an “unlisted action” and will not have a “significant effect on the environment” pursuant to the SEQR Act and, therefore, that no environmental impact statement is required to be prepared with respect to the Project.

The CRC will at said time and place hear all persons with views on either the location and nature of the proposed Project or the financial assistance being contemplated by the CRC in connection with the proposed Project.

Dated:_____.

CITY OF ALBANY CAPITAL
RESOURCE CORPORATION

By:(Vice) Chair

APPENDIX 15D

FORM OF NOTICE OF PUBLIC HEARING
FOR PROJECT INVOLVING A STRAIGHT LEASE TRANSACTION

NOTICE OF PUBLIC HEARING
ON PROPOSED PROJECT
AND FINANCIAL ASSISTANCE
RELATING THERETO

Notice is hereby given that a public hearing pursuant to Section 859-a(2) of the General Municipal Law of the State of New York (the “Act”) will be held by City of Albany Capital Resource Corporation (the “CRC”) on _____, the ____ day of, _____ 20__ at _____ o’clock __.m., local time, at _____ in the [City, Village, Town] of _____, Albany County, New York, in connection with the following matters:

[**The Company**] (the “Company”), has presented an application (the “Application”) to the CRC, a copy of which Application is on file at the office of the CRC, requesting that the CRC consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following: (A) [**ProjectDescription**]; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the CRC.

The CRC is considering whether (A) to undertake the Project, and (B) to provide certain exemptions from taxation with respect to the Project, including (1) exemption from mortgage recording taxes with respect to any documents, if any, recorded by the CRC with respect to the Project in the office of the County Clerk of Albany County, New York or elsewhere, (2) exemption from deed transfer taxes on any real estate transfers, if any, with respect to the Project, (3) exemption from sales taxes relating to the acquisition, construction, renovation and installation of the Project Facility, and (4) in the event that the Project Facility would be subject to real property taxation if owned by the Company but shall be deemed exempt from real property taxation due to the involvement of the CRC therewith, exemption from real property taxes (but not including special assessments and special ad valorem levies), if any, with respect to the Project Facility, subject to the obligation of the Company to make payments in lieu of taxes with respect to the Project Facility. If any portion of the Financial Assistance to be granted by the CRC with respect to the Project is not consistent with the CRC’s uniform tax exemption policy, the CRC will follow the procedures for deviation from such policy set forth in Section 874(4) of the Act prior to granting such portion of the Financial Assistance.

If the CRC determines to proceed with the Project, the Project Facility will be acquired, constructed, reconstructed and installed by the CRC and will be leased (with an obligation to purchase) or sold by the CRC to the Company or its designee pursuant to a project agreement (the “Agreement”) requiring that the Company or its designee make certain payments to the CRC.

The CRC has not yet made a determination pursuant to Article 8 of the Environmental Conservation Law (the “SEQR Act”) regarding the potential environmental impact of the Project.

The CRC will at said time and place hear all persons with views on either the location and nature of the proposed Project, or the Financial Assistance being contemplated by the CRC in connection with the proposed Project. A copy of the Application filed by the Company with the CRC with respect to the Project, including an analysis of the costs and benefits of the Project, is available for public inspection during business hours at the offices of the CRC. A transcript or summary report of the hearing will be made available to the members of the CRC.

Additional information can be obtained from, and written comments may be addressed to: _____, Chief Executive Officer, City of Albany Capital Resource Corporation, 21 Lodge Street, Albany, New York 12207; Telephone: 518-434-2532 ext. .

Dated: _____, 20 .

CITY OF ALBANY CAPITAL
RESOURCE CORPORATION

By: _____
(Vice) Chair

APPENDIX 15E

FORM OF PUBLIC HEARING SCRIPT FOR
PROJECT INVOLVING TAX-EXEMPT BONDS

**PUBLIC HEARING PURSUANT TO
SECTION 859-a OF
THE GENERAL MUNICIPAL LAW
AND
SECTION 147(f) OF
THE INTERNAL REVENUE CODE**

Issuer	City of Albany Capital Resource Corporation (the “CRC”)
Project Name:	Project
Project Beneficiary:	(the “Company”)
Project Location:	City of Albany, Albany County, New York
Hearing Date:	, 20
Hearing Time:	: o’clock, _m.
Hearing Location:	

Opening Remarks

Good afternoon.

My name is _____, and I am the Chair of the City of Albany Capital Resource Corporation (the “Issuer”) in connection with the project which is the subject of this public hearing.

Today we are holding this Public Hearing to allow citizens to make a statement, for the record, relating to the involvement of the CRC with a project (the “Proposed Project”) for the benefit of _____, a [state of incorporation] [type of entity] (the “Company”).

I will now ask _____, the Chief Executive Officer of the CRC, to make certain preliminary remarks with respect to the Project and to then start the public hearing.

Introductory Comments by Chief Executive Officer

Good Afternoon.

The Proposed Project is located at [Project Address] and consists of [Summary Description].

Copies of the notice of this Public Hearing are available on the table.

Now, unless there is any objection, I am going to suggest waiving the full reading of the notice of this Public Hearing, and instead request that the full text of the notice of this Public Hearing be inserted into the record of this Public Hearing.

I will also note that general information on the CRC’s general authority and public purpose are contained in a separate statement and it will be entered into the record.

Remarks by the Company

[If a representative of the Company is present at the Public Hearing.] I will now introduce_____, who is appearing on behalf of the Company, who will describe the Proposed Project in further detail.

Open Public Hearing to the Floor for Comments

I will now open this Public Hearing for public comment at : o'clock, _m.

By way of operating rules, if you wish to make a public comment, please sign-in on the appropriate sign-in sheet that has been distributed by CRC staff. I will then call on the individuals listed on the sign-in sheet in the order in which they appear on the sheet. Please wait to be recognized, once recognized, please stand and state your name, address, and affiliation for the record.

[Unless there are a large number of citizens present who wish to comment, this paragraph may be skipped.] Please keep your comments to five (5) minutes so that all those present today may have a chance to comment for the record. If your comments mirror those of someone who has already spoken, you may so indicate and then relinquish the podium to another speaker so that all views represented at this hearing may be heard.

When everyone has had the opportunity to speak, I will conclude this Public Hearing. As indicated above, a record of this Public Hearing will be prepared and reviewed by the members of the Issuer in connection with the Issuer's consideration of the Proposed Project. Also as indicated above, a copy of the record of this Public Hearing will be presented to the Mayor of the City of Albany, New York.

Again, the purpose of this Public Hearing is to solicit public comment. We are not here to answer questions. However, we will in the course of this Public Hearing consider questions if we have the information to answer the questions and there is sufficient time to consider such questions.

I will now refer to the sign-in sheet to identify individuals who wish to comment on either on the nature and location of the Project Facility or the proposed Financial Assistance being contemplated by the Issuer with respect to the Proposed Project, including but not limited to the issuance of the Obligations for the purpose of assisting in financing the Proposed Project.

For the record, please state your name and indicate your comments on either the Proposed Project or the Financial Assistance contemplated by the Issuer with respect to the Proposed Project.

Written Comments

The notice of this Public Hearing indicated that written comments could be addressed to: _____, the Chief Executive Officer of the Issuer. No written comments have been received by the Issuer prior to this Public Hearing.

Formal closure of the public hearing

[After ascertaining that there is no one else present who wishes to comment and ascertaining that at least 15 minutes has passed after the scheduled time for the hearing].

So, if there are no further comments, I will now close this Public Hearing at : ____ o'clock, __.m.

Thank you all for attending.

GENERAL INFORMATION

Legal Authorization and Powers of the Issuer

The provisions of Chapter 1030 of Laws of 1969 of New York, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York as amended, and Chapter 325 of the 1974 Laws of the State of New York, as amended, codified as Section 903-a of said General Municipal Law (collectively, the “Act”), authorize the Issuer to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining and equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities, among others.

Purpose of this Public Hearing

Pursuant to Section 859-a(2) of the General Municipal Law of the State of New York (the “Act”), prior to the Issuer providing any “financial assistance” (as defined in the Act) of more than \$100,000 to any project, the Issuer, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project. Since the proposed “financial assistance” to be provided by the Issuer with respect to the Proposed Project may exceed \$100,000, then prior to providing any “financial assistance” (as defined in the Act) of more than \$100,000 to the Proposed Project, the Issuer must hold a public hearing on the nature and location of the Project Facility and the proposed “financial assistance” to be provided by the Issuer with respect to the Proposed Project.

Pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), if any portion of the Obligations is intended to be issued as federally tax-exempt obligations (the interest on which will be excludable from the gross income of the holders thereof for federal income tax purposes), then prior to issuing such portion of the Obligations, (A) the Issuer must hold a public hearing on the nature and location of the Project Facility and the issuance of the Obligations, and (B) thereafter the Mayor of the City of Albany, New York must approve the issuance of the Obligations.

After consideration of the Application received from the Company, the members of the Issuer adopted a resolution on _____, 20__ (the “Preliminary Inducement Resolution”) authorizing, among other things, the _____ of the Issuer to conduct this Public Hearing with respect to the Proposed Project pursuant to Section 147(f) of the Code.

The Chief Executive Officer of the CRC caused notice of this Public Hearing to be (A) mailed on _____, 20__ to the chief executive officers of the City of Albany, Albany County, and the Albany City School District and (B) published on _____, 20__ in The Albany Times Union, a newspaper of general circulation available to the residents of Albany, New York. In addition, the Chief Executive Officer of the CRC caused notice of this Public Hearing to be posted on _____, 20__ (A) on a public bulletin board located at the City Hall Rotunda located at 24 Eagle Street, in the City of Albany, Albany County, New York, and (B) the CRC’s website.

The comments received today at this Public Hearing will be presented to the members of the Issuer at or prior to the meeting at which the members of the Issuer will consider whether to approve the undertaking of the Project by the Issuer, the granting by the Issuer of any “financial assistance” in excess of \$100,000 with respect to the Project, and the issuance of the Obligations by the Issuer.

The comments received today at this Public Hearing will also be presented to the Mayor of the City of Albany, New York.

APPENDIX 15F

FORM OF PUBLIC HEARING SCRIPT FOR
PROJECT INVOLVING A STRAIGHT LEASE TRANSACTION

**PUBLIC HEARING PURSUANT TO
SECTION 859-a OF
THE GENERAL MUNICIPAL LAW**

Agency	City of Albany Capital Resource Corporation (the “CRC”)
Project Name:	Project
Project Beneficiary:	(the “Company”)
Project Location:	City of Albany, Albany County, New York
Hearing Date:	, 20
Hearing Time:	: o’clock, _m.
Hearing Location:	

Opening Remarks

Good afternoon.

My name is _____, and I am the Chair of City of Albany Capital Resource Corporation (the “CRC”) in connection with the project which is the subject of this public hearing.

Today we are holding this Public Hearing to allow citizens to make a statement, for the record, relating to the involvement of the CRC with a project (the “Proposed Project”) for the benefit of _____, a [state of incorporation] [type of entity] (the “Company”).

I will now ask _____, the Chief Executive Officer of the CRC, to make certain preliminary remarks with respect to the Project and to then start the public hearing.

Introductory Comments by Chief Executive Officer

Good Afternoon.

The Proposed Project is located at [Project Address] and consists of [Summary Description].

Copies of the notice of this Public Hearing are available on the table.

Now, unless there is any objection, I am going to suggest waiving the full reading of the notice of this Public Hearing, and instead request that the full text of the notice of this Public Hearing be inserted into the record of this Public Hearing.

I will also note that general information on the CRC’s general authority and public purpose are contained in a separate statement and it will be entered into the record.

Remarks by the Company

Before we start the public hearing, I would first like to introduce the project applicant and ask him to make a brief presentation with respect to the proposed Project.

Open Public Hearing to the Floor for Comments

I will now open this Public Hearing for public comment at 12: 0'clock, p.m.

By way of operating rules, if you wish to make a public comment, please sign-in on the appropriate sign-in sheet that has been distributed by CRC staff. I will then call on the individuals listed on the sign-in sheet in the order in which they appear on the sheet. Please wait to be recognized, once recognized, please stand and state your name, address, and affiliation for the record.

[Unless there are a large number of citizens present who wish to comment, this paragraph may be skipped.] Please keep your comments to five (5) minutes so that all those present today may have a chance to comment for the record. If your comments mirror those of someone who has already spoken, you may so indicate and then relinquish the podium to another speaker so that all views represented at this hearing may be heard.

When everyone has had the opportunity to speak, I will conclude this Public Hearing. A record of this Public Hearing will be prepared and reviewed by the members of the CRC in connection with the CRC's consideration of the Proposed Project.

Again, the purpose of this Public Hearing is to solicit public comment. We are not here to answer questions. However, we will in the course of this Public Hearing consider questions if we have the information to answer the questions and there is sufficient time to consider such questions.

I will now refer to the sign-in sheet to identify individuals who wish to comment on either on the nature and location of the Project Facility or the proposed Financial Assistance being contemplated by the Issuer with respect to the Proposed Project, including but not limited to the issuance of the Obligations for the purpose of assisting in financing the Proposed Project.

For the record, please state your name and indicate your comments on either the Proposed Project or the proposed "financial assistance" being contemplated by the CRC with respect to the Proposed Project.

Written Comments

The notice of this Public Hearing indicated that written comments could be addressed to: Sarah Reginelli, the Chief Executive Officer of the CRC. [No] written comments have been received by the CRC prior to this Public Hearing.

Formal closure of the public hearing

[After ascertaining that there is no one else present who wishes to comment and ascertaining that at least 15 minutes has passed after the scheduled time for the hearing].

So, if there are no further comments, I will now close this Public Hearing at : ____
o'clock, __m.

Thank you for attending.

GENERAL INFORMATION

Legal Authorization and Powers of the CRC

The provisions of Chapter 1030 of Laws of 1969 of New York, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York as amended, and Chapter 325 of the 1974 Laws of the State of New York, as amended, codified as Section 903-a of said General Municipal Law (collectively, the “Act”), authorize the CRC to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining and equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others.

Purpose of this Public Hearing

Pursuant to Section 859-a(2) of the General Municipal Law of the State of New York (the “Act”), prior to the CRC providing any “financial assistance” (as defined in the Act) of more than \$100,000 to any project, the CRC, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project. Since the proposed “financial assistance” to be provided by the CRC with respect to the Proposed Project may exceed \$100,000, then prior to providing any “financial assistance” (as defined in the Act) of more than \$100,000 to the Proposed Project, the CRC must hold a public hearing on the nature and location of the Project Facility and the proposed “financial assistance” to be provided by the CRC with respect to the Proposed Project.

After consideration of the Application received from the Company, the members of the CRC adopted a resolution on _____, 20__ (the “Public Hearing Resolution”) authorizing the _____ of the CRC to conduct this Public Hearing with respect to the Proposed Project pursuant to Section 859-a(2) of the Act.

The Chief Executive Officer of the CRC caused notice of this Public Hearing to be (A) mailed on _____, 20__ to the chief executive officers of the City of Albany, Albany County, and the Albany City School District and (B) published on _____, 20__ in The Albany Times Union, a newspaper of general circulation available to the residents of Albany, New York. In addition, the Chief Executive Officer of the CRC caused notice of this Public Hearing to be posted on _____, 20__ (A) on a public bulletin board located at the City Hall Rotunda located at 24 Eagle Street, in the City of Albany, Albany County, New York, and (B) the CRC’s website.

The comments received today at this Public Hearing will be presented to the members of the CRC at or prior to the meeting at which the members of the CRC will consider whether to approve the undertaking of the Project by the CRC and the granting by the CRC of any “financial assistance” in excess of \$100,000 with respect to the Project.

APPENDIX 15G

FORM OF LETTER OF NOTIFICATION TO
AFFECTED TAX JURISDICTIONS

[LETTERHEAD OF CITY OF ALBANY CAPITAL RESOURCE CORPORATION]

_____, 20__

County Executive
County Office Building
112 State Street
Albany, New York 12207,

Mayor
City Hall
Eagle Street
Albany, New York 12207,

Superintendent
City School District of Albany
Academy Park
Albany, New York 12207

RE: CITY OF ALBANY CAPITAL RESOURCE CORPORATION
PROPOSED [PROJECT NAME] PROJECT

Gentlemen:

Pursuant to Section 859-a(3) of the New York General Municipal Law (the “Act”), City of Albany Capital Resource Corporation (the “CRC”) hereby informs you that the CRC has received an application (the “Application”) from [THE COMPANY] (the “Company”) for financial assistance in connection with a project (the “Project”) consisting of (A) (1) [PROJECT DESCRIPTION] (being collectively referred to as the “Project Facility”); (B) the financing of all or a portion of the costs of the foregoing by the issuance of its civic facility revenue bonds in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, presently estimated to be approximately \$_____ (the “Bonds”) and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the CRC.

The financial assistance being contemplated includes exemptions from mortgage recording taxes, sales taxes and real estate taxes. The amount of the exemptions from mortgage recording taxes and sales taxes is being determined by the CRC. Pursuant to the CRC’s Uniform Tax-Exemption Policy, the Company will be exempt from paying mortgage recording taxes and sales taxes with respect to the Project. The Company will not receive any exemption from the payment of real property taxes because in accordance with the CRC’s Uniform Tax-Exemption Policy the Company is not provided with any abatement of real property taxes except as otherwise provided by New York law.

Enclosed is a notice of a public hearing to be held by the CRC relating to the proposed Project. The financial assistance being contemplated by the CRC in connection with the Project is described in said notice of hearing.

If you have any questions regarding the foregoing, please do not hesitate to contact me.

Very truly yours,

CITY OF ALBANY CAPITAL
RESOURCE CORPORATION

By: _____
(Vice) Chair

Enclosure

CITY OF ALBANY CAPITAL RESOURCE CORPORATION

MEDIA RELATIONS POLICY AND GUIDELINES

SECTION 2401. PURPOSE AND AUTHORITY. (A) The purpose of this Part is to establish such procedures relating to the interaction and coordination by the City of Albany Capital Resource Corporation (the “CRC”) with the members of the news media. The CRC offers certain financial benefits to promote, develop, encourage and assist projects for the purpose of promoting, attracting and developing economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the City of Albany (the “City”), to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration.

(B) While providing these benefits, the news media is frequently interested in the CRC. The CRC has a responsibility to be open and responsive to their information requests because the media are among the many ways the people of the City and the CRC’s business partners build their individual perceptions of the CRC and the work the CRC does in the City. This policy exists to assure that information disclosed by the CRC is timely, accurate, comprehensive, authoritative, and relevant to all aspects of the CRC. Adherence to this policy is intended to provide an effective and efficient framework to facilitate the timely dissemination of information.

SECTION 2402. SCOPE. This media policy applies to all employees of the CRC, and any subsidiaries, as well as the members of the CRC. This policy covers all external news media including broadcast, electronic, and print as well as social media, including but not limited to Facebook, Twitter, LinkedIn, and blogs.

SECTION 2403. DESIGNATION OF CRC SPOKESPERSON. (A) The Chief Executive Officer is designated as the CRC principal media contact and CRC spokesperson. The Chief Executive Officer has expertise in media relations and weighs each media inquiry to determine the best way to provide information in relationship with other information that is not yet public. The Chief Executive Officer will convey the official CRC position on issues of significance or situations that are particularly controversial or sensitive in nature. Among the Chief Executive Officer’s responsibilities:

(1) Increase public awareness and understanding of the CRC, the services that we provide the City and our future prospects for projects.

(2) Promote a positive public image of the CRC and the work we do to the audiences that are important to the CRC, which includes the people of the City, employees, and vendors/landlords as well as government officials, banks, shareholders and developers.

(B) Depending on the situation, an individual external to the Chief Executive Officer may be asked to be a spokesperson on a particular issue due to their knowledge, experience, and

expertise. The Chief Executive Officer will work with that designated spokesperson to prepare them for the media interview as needed. Preparation may include developing talking points as well as counseling, training and practicing for the interview.

SECTION 2404. GUIDELINES FOR TALKING WITH THE MEDIA. (A) A reporter, producer, or other news media may contact you for a number of reasons, for example:

- (1) To get information about the CRC.
- (2) To get information about a recent unexpected event such as natural disasters, thefts or arrests, accidents or injuries; citizen or employee complaints, federal, state or local regulatory actions; etc.
- (3) To get information or comment about an action or event that could impact the City, new projects, new development plans, changes in government or CRC policies.
- (4) To get general information on a topical story in the City such as changes in local governmental officials or policies, problems or issues specific to the City, etc.

(B) Refer all media calls to the Chief Executive Officer. Advise the reporter of the following: “the Corporation policy is to refer all media inquiries to the Chief Executive Officer. You can reach the Chief Executive Officer at (telephone number).”

(C) Whenever taking a call from the media, the same courtesy and professionalism in which we approach project applicants should be displayed toward the media. Act quickly when approached by the media to ensure that the reporter’s deadline is met. This is important because the way this call is handled may be the reporter’s first impression of the CRC and that first impression may end up in the story published or the news segment broadcast. In order to promote our image, it is important to respond quickly, courteously and professionally to all media calls.

(D) Contact the Chief Executive Officer if and when you have been approached by the media. Even though you have referred the media, the Chief Executive Officer will need your help to prepare a response. The Chief Executive Office may also direct a reporter to speak directly with a member of the CRC. Do not let a reporter compel you to answer questions on the spot. It is always beneficial to prepare in advance in order to provide accurate and relevant information.

SECTION 2405. GUIDELINES FOR PHOTOGRAPHS AND FILM. (A) A similar process as described above will be used when someone from the media is requesting permission to take photographs or to film inside a project facility or the CRC office. Refer the caller to the Chief Executive Officer. No one will be given access to a project facility for a photo or filming without approval from the Chief Executive Officer, and equally important, the Chief Executive Officer will not give approval without talking in advance with the project beneficiary. This is a joint decision between the project beneficiary and the Chief Executive Officer. Decisions will be based upon a number of considerations including but not limited to:

- (1) What does the CRC have to gain from the photo and filming?
- (2) How much disruption will this cause to the project?
- (3) What is the condition of the project facility?

(B) A reporter or camera crew may show up unannounced at a project facility or the CRC office. This is most likely to occur in a crisis situation. Or, it could occur if the media learned about an event at a project facility from an external source who has organized a demonstration or boycott.

(C) We cannot prevent the filming or photographing of common areas outside of the CRC office or a project facility. Examples would include public parking lots, courtyards and walk ways.

(D) The following guidelines should be used when television camera crews or print photographers show up unannounced at the CRC office or a project facility.

- (1) Although we cannot prevent the media from photographing or filming the exterior of our facilities, we will contact their news room and/or editors for clarification.

- (2) The media cannot enter our facility to photograph or film without permission.

- (3) The media cannot block the entrance to the facility or prevent people from entering the facility or conducting business as usual.

- (4) We can inform the media if a project beneficiary complains about the inconvenience caused in the parking lot or walkways.

(E) Be courteous and friendly, but also remember that no matter how congenial or affirming the reporter, photographer or camera crew are, everything you say and do may be observed and reported by the media representative who is trying to make the CRC office or project facility come alive for his/her audience.

SECTION 2406. GUIDELINES FOR SEEKING MEDIA COVERAGE. In circumstances in which you believe you have a positive news story to share with the public, contact the Chief Executive Officer. It is the only department authorized to distribute the CRC news releases, pitch coverage of particular events or hold news conferences.

- (1) Do not call a reporter directly without first consulting the Chief Executive Officer.

(2) The Chief Executive Officer will work with you to gather information and determine if and how the news media should be contacted. Similar measures used by editors and reporters will be considered to determine if your story is newsworthy.

(3) Some news items may be more appropriate for internal publicity such as through e-mail or other forms of employee communications.

SECTION 2407. RELEASE OF INFORMATION TO THE NEWS MEDIA. Under no circumstances should information be released to the external news media or social media outlets without prior approval from the Chief Executive Office as the CRC principal media contact and CRC spokesperson.

CITY OF ALBANY CAPITAL RESOURCE CORPORATION

LOCAL LABOR POLICY

SECTION 1. PURPOSE AND AUTHORITY. The purpose of this Part is to request companies benefiting from the City of Albany Capital Resource Corporation (the “CRC”) programs to engage local residents from the City of Albany - in addition to residents from Albany County, Columbia County, Fulton County, Greene County, Montgomery County, Rensselaer County, Saratoga County, Schenectady County, Schoharie County, Warren County and Washington County – in and during the construction phase of projects through the addition of an amendment to the CRC project application (attached as Exhibit A). The CRC was created pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York, as amended (the “Enabling Act”), the certificate of incorporation of the CRC (the “Certificate of Incorporation”), Revenue Ruling 57-187 and Private Letter Ruling 200936012. Under the Enabling Act, the CRC was created in order to advance the job opportunities, health, general prosperity, and economic welfare of the people of the State and to improve their standard of living.

SECTION 2. CONSTRUCTION JOBS. Construction jobs, although limited in time duration, are vital to the overall employment opportunities within the region since construction wages earned by local residents are reinvested in the local economy, adding greatly to its vitality. It is the CRC’s strong conviction that companies benefiting from its programs should employ local residents during the construction phase of projects. Only in that way can the public benefits accruing from the CRC’s efforts be maximally distributed to the residents and taxpayers of the City of Albany. It is, therefore, the CRC’s mission to promote employment opportunities during all project phases, including the construction phase.

SECTION 3. REQUIREMENTS OF THE APPLICANT. Each applicant for financial assistance from the CRC will agree to satisfy the following requirements, in form and substance satisfactory to the CRC, as a condition to the receipt of such financial assistance:

- (1) Identify the name, title, mailing address, and phone/fax/e-mail of the project contact person who will be responsible and accountable for providing information about the bidding for and awarding of future construction contracts relative to the application and project.
- (2) Describe, in the best way possible, the nature of construction jobs created by the project. The description should provide as much detail as possible, including the number, type, and duration of construction positions.
- (3) Submit to the CRC a “Construction Completion Report” listing the names and business locations of prime contractors, subcontractors, and vendors who have been engaged for the construction phase of the project by companies benefiting from CRC programs.

SECTION 4. CRC ACTION. The CRC will:

(1) Post all applications approved for a public hearing to its website within five business days of such authorization.

(2) Promptly update the website with current data following the public hearing held by the CRC.

CORPORATION MEETING POLICY

SECTION 1. PURPOSE AND SCOPE. Article 7 of the Public Officers Law (the “Open Meetings Law”) contains various provisions providing that, among other things, every meeting of a public body shall be open to the general public (the “Open Meetings”). Section 103-a of the Open Meetings Law (the “Remote Access Law”) further provides that a public body may use videoconferencing to conduct an Open Meeting in certain limited circumstances to be outlined and governed by written procedures. The purpose of this Policy is to set forth procedures to implement the Remote Access Law as it applies to Open Meetings conducted by City of Albany Capital Resource Corporation (the “Corporation”).

SECTION 2. DEFINITIONS. All words and terms used herein and not defined in the Open Meetings Law and the Remote Access Law shall have the meanings assigned to them in (a) the Article 18-A of the General Municipal Law of the State of New York (the “Act”); or (b) the Corporation’s certificate of incorporation filed with the New York Secretary of State’s Office (the “Certificate of Incorporation”) pursuant to Section 1411 of the Not-For-Profit Corporation Law of the State of New York, unless otherwise defined herein or unless the context or use indicates another meaning or intent. The following words and terms used herein shall have the respective meanings set forth below, unless the context or use indicates another meaning or intent:

“Immediate Family Member” shall mean a spouse, parent, sibling, child, domestic partner, or individual for whom the member is the designated guardian.

“In-Person Meeting” shall mean any Open Meeting of the Corporation which is not a Remote Access Meeting.

“Meeting Notice” shall mean the public notice required to be published by the Corporation regarding any Open Meeting pursuant to Section 104 of the Open Meetings Law and Section 103-a(2)(f) of the Remote Access Law.

“Non-Public Location” shall mean any remote location from which a member of the Corporation participates in a meeting that is (a) not open to the public; and (b) not required to be disclosed in the Meeting Notice.

“Open Meetings Law” shall mean the open meetings law, being Article 7 of the Public Officers Law.

“Public Location” shall mean (a) the Offices of the Corporation located at 21 Lodge Street, Albany, New York; or (b) any other physical location that is (1) open to the general public, and (2) identified on the Meeting Notice.

“Remote Access Law” shall mean Section 103-a of the Open Meetings Law.

“Remote Access Meeting” shall mean any Open Meeting of the Corporation where a member of the Corporation participates in the Open Meeting using videoconferencing from a Non-Public Location.

“Remote Connection” shall mean the process of connecting multiple Public Locations using videoconferencing.

“Sponsoring Municipality” shall mean the City of Albany, the municipality for whose benefit the Corporation was created.

SECTION 3. GENERAL RULE. (A) All meetings of the Corporation, including public hearings held by the Corporation, will be Open Meetings.

(B) Members of the Corporation shall be physically present at the Public Location(s) identified in the Meeting Notice unless such member is unable to be physically present due to extraordinary circumstances as identified in Section 4 of this Policy.

(C) A majority of the whole number of the members of the Corporation shall be physically present at the Public Location(s) identified in the Meeting Notice to establish a quorum. The Corporation must satisfy this quorum requirement whether it conducts an In-Person Meeting or a Remote Access Meeting.

(D) Members of the public shall be permitted to attend, listen and observe all Open Meetings at the Physical Location(s) identified in the Meeting Notice unless the in-person participation requirement is suspended pursuant to Section 103-a(3) of the Remote Access Law.

(E) If the Corporation conducts a Remote Access Meeting pursuant to this Policy, except in the case of executive sessions, members of the public shall be permitted to attend and observe the meeting using a videoconferencing service which permits the public to see, hear and identify the members of the Corporation attending said meeting.

(F) If the Corporation conducts a Remote Access Meeting pursuant to this Policy, the Corporation shall use the videoconferencing technology to permit access by members of the public with disabilities consistent with the 1990 Americans with Disabilities Act (ADA) pursuant to Section 103-a(5) of the Remote Access Law.

(G) Nothing herein shall prohibit the Corporation from holding meetings entirely by videoconference, with no in-person requirement, during a state of emergency declared by the Governor of the State of New York pursuant to Section 28 of the Executive Law or by the appropriate officials of the Sponsoring Municipality pursuant to Section 24 of the Executive Law if the Corporation determines that the circumstances necessitating the emergency declaration would affect or impair the ability of the Corporation to hold an In-Person Meeting.

SECTION 4. REMOTE ACCESS MEETINGS. (A) The Corporation may, at its discretion, conduct a Remote Access Meeting and permit a member or member(s) to participate in the meeting from a Non-Public Location using videoconferencing provided that (a) a quorum

of members are present in the identified Physical Location(s); and (b) the member is unable to be physically present at such meeting due to extraordinary circumstances including, but not limited to:

- (1) disability;
- (2) illness, including but not limited to compliance with applicable quarantine requirements;
- (3) the death of an Immediate Family Member;
- (4) caregiving responsibilities for an Immediate Family Member;
- (5) any other significant or unexpected factor that may preclude physical attendance; and
- (6) other significant or unexpected factors or events which shall be identified by the Corporation in subsequent amendments to this Policy.

(B) A member who wishes to participate in a meeting by videoconference must provide advance notice and justification for such member's absence to the extent possible to both the Chairperson and the Chief Executive Officer of the Corporation. The Chairperson and the Chief Executive Officer of the Corporation may require any member requesting to participate in a meeting by videoconference to provide documentation, to the extent possible, supporting such request and may publicly confirm that such documentation was received without publicly stating the contents of such documentation.

SECTION 5. PUBLIC PARTICIPATION. Members of the public shall only be permitted to participate in meetings of the Corporation where (a) the Corporation invites public comment, or (b) public comment is required by law. Where the public is permitted to participate, the Corporation shall permit public comment pursuant to the operating rules on the attached Appendix A. If public participation is permitted at a Remote Access Meeting, the Corporation shall ensure that members of the public have equal opportunity to participate in real time in such meetings whether attending in-person or remotely via videoconference.

SECTION 6. REMOTE ACCESS MEETING MINUTES. If the Corporation conducts a Remote Access Meeting, the minutes of such meeting shall (a) include which, if any, members participated remotely, (b) be available to the public within two weeks from the date of such meeting, and (c) be posted on the Corporation's website within two weeks from the date of such meeting. For purposes of this requirement, (I) unabridged video recordings or unabridged audio recordings or unabridged written transcripts may be deemed to be meeting minutes; and (II) this requirement shall not require the creation of minutes if the Corporation (or committee) would not otherwise take them.

SECTION 7. MEETING NOTICE. The Corporation shall give notice to the public and the news media of all meetings of the Corporation pursuant to the requirements of Section 104 of the Open Meetings Law and Section 103-a(2)(f) of the Remote Access Law. The Meeting

Notice shall include the following information:

- (a) the date and time the meeting is scheduled;
- (b) the Public Location where the meeting will be held;
- (c) the Public Location(s) where members will be participating using Remote Connection;
- (d) whether any members will be participating using Remote Access;
- (e) where the public can view and/or participate in such meeting whether in-person or remotely; and
- (f) where required documents and records will be posted or available.

SECTION 8. MEETING RECORDS. The Corporation shall ensure that (a) each meeting shall be streamed on its website in real time, (b) each meeting shall be recorded, (c) such recordings are posted or linked on the public website of the Corporation within five business days following such meeting, and (d) such recordings remain so available for a minimum of five years thereafter, pursuant to Section 103-a(2)(g) of the Remote Access Law and Section 857 of the Act. The Corporation shall further ensure that recordings of any Remote Access Meetings are transcribed upon request.

SECTION 9. POSTING. This Policy shall be conspicuously posted on the Corporation's website.

APPENDIX A

PUBLIC COMMENT OPERATING PROCEDURES

[To Be Inserted When Completed]