

**RESOLUTION WAIVING DEFAULT AND APPROVING EXTENSION
CLINTON AVENUE APARTMENTS II LLC AND CLINTON AVENUE APARTMENTS II
HOUSING DEVELOPMENT FUND CORPORATION PROJECT**

A regular meeting of City of Albany Industrial Development Agency (the "Agency") was convened in public session at the office of the Agency located at 21 Lodge Street in the City of Albany, Albany County, New York on July 17, 2025 at 12:15 o'clock p.m., local time.

The meeting was called to order by the (Vice) Chair of the Agency and, upon roll being called, the following members of the Agency were:

PRESENT:

Elizabeth Staubach	Chair
Lee E. Eck, Jr.	Vice Chair
Darius Shahinfar	Treasurer
Anthony Gaddy	Secretary
Joseph Better	Member
John F. Maxwell	Member

ABSENT:

Christopher Betts	Member
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AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Ashley Mohl	Chief Executive Officer
Andrew Corcione	Chief Operating Officer
Andrew Biggane	Chief Financial Officer
Michael Bohne	Communications and Marketing Manager, Capitalize Albany Corporation
Cassidy Roberts	Program Assistant, Capitalize Albany Corporation
Maria Lynch	Executive Assistant
Olivia Sewak	Program Assistant, Capitalize Albany Corporation
Robert Magee, Esq.	Agency Counsel
Christoper C. Canada, Esq.	Special Agency Counsel

The following resolution was offered by Darius Shahinfar, seconded by Joseph Better, to wit:

Resolution No. 0725-___

**RESOLUTION WAIVING DEFAULT AND APPROVING EXTENSION IN
CONNECTION WITH THE CLINTON AVENUE APARTMENTS II LLC PROJECT.**

WHEREAS, City of Albany Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred

to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of manufacturing, warehousing, research, commercial and industrial facilities, among others, 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 State of New York, to improve their prosperity and standard of living, and to prevent unemployment and economic deterioration; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act), or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, on January 27, 2023 (the "Closing"), the Agency entered into a lease agreement dated as of January 1, 2023 (the "Lease Agreement") by and between Clinton Avenue Apartments II LLC and Clinton Avenue Apartments II Housing Development Fund Corporation (collectively, the "Company") in connection with a project (the "Project") for the benefit of the Company, said Project including the following: (A) (1) the acquisition of an interest in approximately 6 parcels of land totaling approximately one (1) acre located at 78, 133, 163, 303, 307 and 236 Clinton Avenue (respectively Tax Map numbers: 65.82-3-30, 65.82-2-46, 65.81-1-22, 65.73-1-32, 65.73-1-34, and 65.73-2-14.1) in the City of Albany, Albany County, New York (collectively, the "Land") together with approximately four buildings located thereon (collectively, the "Existing Facility"), (2) the renovation of the Existing Facility, (3) the construction of a 3-story mixed use building on the Land (the "New Facility" and collectively with the Existing Facility, the "Facility"), and (4) the acquisition and installation therein and thereon of certain machinery, equipment and other personal property (collectively, the "Equipment") (the Land, the Facility and the Equipment being collectively referred to as the "Project Facility"); all of the foregoing to be owned by the Company and operated as an approximately 61 unit residential apartment buildings, with approximately 12,320 square feet of commercial/retail space and any other directly and indirectly related activities; (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 real property transfer taxes and real estate taxes (collectively, the "Financial Assistance"); and (C) the lease of the Project Facility to the Company pursuant to the terms of the Lease Agreement; and

WHEREAS, simultaneously with the execution and delivery of the Lease Agreement (A) the Company executed and delivered to the Agency (1) a certain lease to agency dated as of January 1, 2023 (the "Lease to Agency") by and between the Company, as landlord, and the Agency, as tenant, pursuant to which the Company leased to the Agency a portion of the Land and all improvements now or hereafter located on said portion of the Land (collectively, the "Leased Premises"); and (2) a certain license agreement dated as of January 1, 2023 (the "License to Agency") by and between the Company, as licensor, and the Agency, as licensee, pursuant to which the Company granted to the Agency (a) a license to enter upon the balance of the Land (the "Licensed Premises") for the purpose of undertaking and completing the Project and (b) in the event of an occurrence of an Event of Default by the Company, an additional license to enter upon the Licensed Premises for the purpose of pursuing its remedies under the Lease Agreement; (B) the Company and the Agency executed and delivered certain payment in lieu of tax agreements dated as of January 1, 2023 (collectively, the "Payment in Lieu of Tax Agreement") by and between the Agency and the Company, pursuant to which the Company agreed to pay certain payments in lieu of taxes with respect to the Project Facility; (C) the Agency and the Company executed and delivered the uniform agency project agreement dated as of January 1, 2023 (the "Uniform Agency Project Agreement") by and between the Agency and the Company relating to the terms of the granting by the Agency of the Financial Assistance to the Company; and (D) the Agency filed with the assessor and mailed to the chief executive officer of each "affected tax jurisdiction" (within the meaning of such quoted term in Section 854(16) of the Act) a copy of a New York State Board of Real Property Services Form 412-a (the form required to be filed by

the Agency in order for the Agency to obtain a real property tax exemption with respect to the Project Facility under Section 412-a of the Real Property Tax Law) (the "Real Property Tax Exemption Form") relating to the Project Facility and the Payment in Lieu of Tax Agreement (collectively with the Lease Agreement, the "Basic Documents"); and

WHEREAS, pursuant to the Basic Documents, the Company has failed to (A) comply with completion of the Project by December 31, 2024 (the "Completion Date"); and (B) provide the requisite insurance coverage; and therefore triggered an "Event of Default"; and

WHEREAS, pursuant to correspondence dated July 2, 2025 (the "Request"), which Request is attached hereto as Exhibit A, the Company is requesting the Agency to not pursue the Agency's remedies under an Event of Default and to extend the Completion Date to September 30, 2026; and

WHEREAS, in connection with the Request, the Agency's staff is recommending the Agency, except for obtaining the requisite insurance coverage, to not pursue the Agency's remedies available under an Event of Default and to extend the Completion Date to September 30, 2026; and

WHEREAS, pursuant to Article 8 of the Environmental Conservation Law, Chapter 43-B of the Consolidated Laws of New York, as amended (the "SEQR Act") and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York, being 6 NYCRR Part 617, as amended (the "Regulations" and collectively with the SEQR Act, "SEQRA"), it appears that the Request constitutes a Type II action under SEQRA;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF CITY OF ALBANY INDUSTRIAL DEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. Based upon an examination of the Request, the Agency hereby makes the following determinations:

(A) The Request constitutes a "Type II action" pursuant to 6 NYCRR 617.5(c)(26), and therefore that, pursuant to 6 NYCRR 617.6(a)(1)(i), the Agency has no further responsibilities under SEQRA with respect to the Request.

(B) That since compliance by the Agency with the Request will not result in the Agency providing more than \$100,000 of "financial assistance" (as such quoted term is defined in the Act) to the Company, Section 859-a of the Act does not require a public hearing to be held with respect to the Request.

Section 2. Subject to receipt by the Chief Executive Officer of (1) evidence of the requisite insurance coverage and the approval of some by counsel, (2) the Agency's administrative fee relating to the Request, if any, and (3) counsel's fees relating to the Request; the Agency hereby determines to not pursue the Agency's remedies with respect to an Event of Default under the Basic Documents and waives the default outlined in the Request, provided, however, that this waiver shall not be deemed to be a waiver of any other default under the Basic Documents.

Section 3. The Agency hereby authorizes the Chair, Chief Executive Officer, and Chief Operating Officer of the Agency to implement the Request.

Section 4. All action taken by the Agency's staff, Chief Executive Officer, and Chief Operating Officer of the Agency with respect to the Request are hereby ratified and confirmed.

Section 5. This resolution shall take effect immediately.

The question of the adoption of the foregoing resolution was duly put to a vote on roll call, which resulted as follows:

Elizabeth Staubach	VOTING	YES
Lee F. Eck, Jr.	VOTING	YES
Darius Shahinfar	VOTING	YES
Anthony Gaddy	VOTING	YES
Joseph Better	VOTING	YES
Christopher Betts	VOTING	ABSENT
John F. Maxwell	VOTING	YES

The foregoing resolution was thereupon declared duly adopted.

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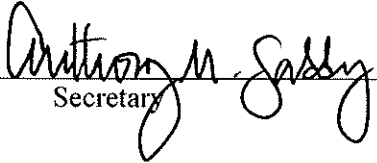
STATE OF NEW YORK)
) SS.:
COUNTY OF ALBANY)

I, the undersigned Secretary of City of Albany Industrial Development Agency (the "Agency"), DO HEREBY CERTIFY that I have compared the foregoing annexed extract of the minutes of the meeting of the members of the Agency, including the resolution contained therein, held on July 17, 2025 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

I FURTHER CERTIFY that (A) all members of the Agency had due notice of said meeting; (B) said meeting was in all respects duly held; (C) pursuant to Article 7 of the Public Officers Law (the "Open Meetings Law"), said meeting was open to the general public, and due notice of the time and place of said meeting was duly given in accordance with such Open Meetings Law; and (D) there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY that, as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed, or rescinded.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 17th day of July, 2025.


Secretary

(SEAL)

EXHIBIT A
REQUEST
- SEE ATTACHED -

July 2, 2025

Elizabeth Staubach, Chair
City of Albany IDA
21 Lodge Street,
Albany NY 12207

RE: Clinton Ave II Construction Loan Modification Approval Request

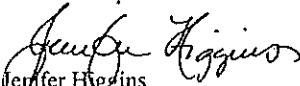
Dear Ms. Staubach,

Home Leasing, LLC, as Sponsor of Clinton Avenue Apartments II, is respectfully requesting an extension of the Completion Date to September 2026 and the waiving of default that would otherwise be triggered for the project.

The project has been delayed due to a number of unanticipated issues related to the deteriorated condition of several historic structures and difficulties securing construction trade laborers. However, construction is progressing, and the project's funders are working with Home Leasing through conversion to permanent financing in 2026. M&T Bank, the construction lender, has agreed to extend and modify the construction loan with a term through September 2026.

Please let us know if you have any questions.

Thank you,


Jennifer Higgins
Authorized Signatory