

**Chair  
Wallace Altes**

**Vice-Chair**

**2012 Board Members**

Hon. Dean Bodnar

Mr. Paul Carroll

Hon. Robert Doherty

Steve Bouchey

Louis Anthony

Mary O'Neill

Lisa Kyer

Tina Urzan

**Troy  
Industrial Development  
Authority**

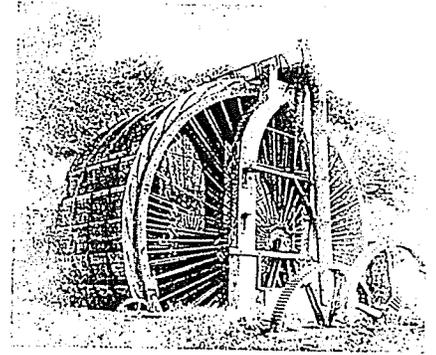
**BOARD OF DIRECTORS MEETING**

**October 11, 2012  
10:00 a.m.**

**Planning Department Conference  
Room**

**City Hall**

**A G E N D A**



- I. City Station East, LLC Public Hearing
- II. Approval of the Minutes from the September 10, 2012 Board meeting.
- III. New Business
  1. Initial project resolution for O'Neill Owners, LLC
  2. Review of Boards financial statements
- IV. Adjournment

PUBLIC HEARING AGENDA  
TROY INDUSTRIAL DEVELOPMENT AUTHORITY  
CITYSTATION EAST, LLC PROJECT

OCTOBER 11, 2012, AT 10:00 A.M.  
CITY HALL, 433 RIVER STREET, TROY, NEW YORK 12180

Report of the public hearing of the Troy Industrial Development Authority (the "Authority") regarding the CityStation East, LLC Project held on Thursday October 11, 2012, 10:00 a.m., at the Troy City Hall, located at 433 River Street, Troy, New York 12180.

I. ATTENDANCE

II. CALL TO ORDER: (Time: 10:00 a.m.). \_\_\_\_\_ opened the hearing and Joseph Amicone read the following into the hearing record:

This public hearing is being conducted pursuant to Title 11 of Article 8 of the Public Authorities Law of the State of New York, as amended, and Chapter 759 of the Laws of 1967 of the State of New York, as amended (collectively, the "Act"). A Notice of Public Hearing describing the Project was published in *Troy Record* on \_\_\_\_\_, a copy of which is attached hereto and is an official part of this transcript. A copy of the Application submitted by CityStation East, LLC to the Authority, along with a cost-benefit analysis, is available for review and inspection by the general public in attendance at this hearing.

III. PROJECT SUMMARY

**CITYSTATION EAST, LLC** (the "Company"), has requested the Authority's assistance with a certain project (the "Project") consisting of (i) the acquisition and retention by the Authority of fee title to certain parcels of real property located in the vicinity of 1522 Sixth Avenue, Troy, New York 12180 (the "Land", being comprised of approximately 2.03 acres of real property and more particularly identified as TMID Nos 101.62-5-1, 101.62-5-2 and 101.61-8-3.2) and the existing site and infrastructure improvements located thereon (the "Existing Improvements"), (ii) the construction and equipping upon the Land and around the Existing Improvements of a five (5) story, mixed-use commercial and residential facility including (a) approximately 13,000 square feet of commercial and retail space, (b) forty-eight (48) units of rental residential housing, and (c) certain vehicle parking improvements and structures to accommodate approximately 250 parking spaces (collectively, the "Improvements"), such Improvements to be known as "City Station East", and (iii) the acquisition and installation by the Company in and around the Existing Improvements and Improvements of certain items of equipment and other tangible personal property necessary and incidental in connection with the Company's development of the Project in and around the Land and Existing Improvements (the "Equipment", and collectively with the Land, the Existing Improvements and the Improvements, the "Facility").

It is contemplated that the Authority will acquire title to, or a leasehold interest in, the Facility and lease the Facility back to the Company. The Company will operate the Facility during the term of the lease. At the end of the lease term, the Company will purchase the Facility from the Authority, or if the Authority holds a leasehold interest, the leasehold interest will be terminated. The Authority contemplates that it will provide financial assistance (the "Financial Assistance") to the Company in the form of (a) a mortgage recording tax exemption relating to one or more financings secured in furtherance of the Project; (b) a sales and use tax exemption for purchases and rentals related to the Project; and (c) a partial real property tax abatement structured through a PILOT Agreement. The foregoing Financial Assistance and the Authority's involvement in the Project are being considered to promote the economic welfare and prosperity of residents of the City of Troy, New York.

The Authority is considering a deviation from its Uniform Tax Exemption Policy ("UTEP") with respect to the contemplated payment-in-lieu-of-tax-agreement (the "PILOT Agreement") to be entered into between the Authority and the Company. Specifically, the Authority is contemplating a deviation from the UTEP to provide: (i) a PILOT term of up to twenty (20) years; (ii) a fixed PILOT payment schedule requiring initial annual fixed-dollar amount payments for each of the forty-eight (48) residential units to be incorporated into the Project, with such annual payments escalating annually during the term of the PILOT Agreement; and (iii) a graduated abatement schedule relating to the Added Value attributable to the construction of the approximately 13,000 square feet of commercial space and parking garage improvements to be incorporated within the Project. The Land and Existing Improvements are currently exempt from real property and special district taxes by virtue of their ownership by the Authority (as part of CityStation West), the City and/or DOT. Upon due consideration of the Company's application, the various positive economic and social impacts of the Project, and the Project's general satisfaction of several considerations set forth within the UTEP, including, but not limited to (i) the impact of the proposed project on existing and proposed businesses and economic development projects in the City; (ii) the substantial capital investment associated with the Project derived from Company sources; and (iii) the extent to which the proposed project will provide additional sources of revenue for municipalities or school districts, the Authority desires to approve the proposed terms of the PILOT Agreement.

#### IV. AGENCY COST-BENEFIT ANALYSIS:

The Company Application for Financial Assistance indicates a total project cost of approximately \$18,000,000.00 with the addition of 39 new full-time jobs and 27 part-time jobs within 1 year of project completion and 44 full-time jobs and 37 part-time jobs within 2 years of project completion. A significant number of construction jobs are contemplated, and the Company contemplates investing over \$12,820,000.00 in improvements to the Facility.

Based upon additional information provided by the Company, the Agency estimates the following amounts of financial assistance to be provided to the Company:

Mortgage Recording Tax Exemption (\$12,820,000 Mortgage Loan) x 1.0%	=	\$128,200.00
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Sales and Use Tax Exemptions (Estimated \$6,000,000 in taxable materials) x 7.75%	=	\$465,000.00
PILOT Payments (estimated) \$804,745 (Housing) \$335,611 (est. Commercial at \$332k Base) \$822,528 (FMV for Added Value \$2.4M)	=	\$1,962,884.00
Estimated Full Taxes (est. \$10M FMV)	=	\$8,764,000.00
Estimated PILOT Savings	=	\$6,801,116.00
<b>Total estimated Financial Assistance</b>	=	<b>\$7,394,316.00</b>

IV. SEQRA:

The City's Planning Board previously assumed lead agency status under Article 8 of the Environmental Conservation Law and Regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively, "SEQRA") for purposes of review of the Project and adopted a Negative Declaration on September 13, 2012. It is contemplated that the Authority will ratify the findings adopted by the Planning Board prior to or commensurate with the approval of the undertaking of the Project.

V. COMMENTS AND SUBMISSIONS FROM AFFECTED TAX JURISDICTIONS

[The Authority has received and reviewed the following correspondence from the affected taxing jurisdictions:]

The Authority now invites any representatives of the affected taxing jurisdictions to address this public hearing and meeting of the Authority with regard to the Project and the proposed deviation.

VI. PUBLIC COMMENTS

VII. ADJOURNMENT

As there were no comments, the public hearing was closed at \_\_\_\_\_ a.m.

# City of Troy Industrial Development Authority

September 10, 2012  
10:10AM  
Meeting Minutes

Present: Wallace Altes, Dean Bodnar, Lou Anthony, Tina Urzan, Mary O'Neill, Lisa Kyer and Robert Doherty

Absent: Paul Carroll and Steve Bouchey

Also in attendance: Bill Dunne, Denee Zeigler, Justin Miller, Esq., Monica Kurzejeski, Jeff Buell, Joe Uccellini, Ryan Silva and Ken Crowe.

## Old Business

- I. Approval of minutes from the July 9<sup>th</sup> meeting. The Chairman asked that one correction be made to include the abstained vote with the results. Correction was made.

**Bob Doherty made the motion to approve.  
Lou Anthony seconded the motion.**

## New Business

- II. Review of application for City Station East, LLC

Jeff Buell and Joe Uccellini of United Group made a presentation to the Board regarding the third phase of their six phase mixed use building project, City Station East. They explained that this building will be exclusively for RPI's graduate students and will have above ground parking located behind the building. There will be ground level retail space with the addition of underground parking for the shoppers.

A discussion took place between the Board members and the presenters from United Group regarding the overall project. Justin explained the steps and what forms of assistance that may be available to them.

- III. Resolution #1: Initial Project Resolution for Financial Assistance to City Station East, LLC

**Lou Anthony made the motion to approve the  
resolution for financial assistance to City Station East,  
LLC.**

**Tina Urzan seconded the motion.**  
**7 Ayes                      0 Nays, motion carried.**

Old Business

Bill Dunne discussed future plans of the IDA. He spoke about restructuring an older PILOT agreement with the O'Neill Apartments. He also discussed a possible use for IDA funds that would allow them to work on projects that complimented TLDC projects.

Wallace Altes discussed the open Vice Chairman position. He mentioned that Steve Bouchey had reached out to him and expressed interest.

**Lisa Kyer made the motion for Steve Bouchey to be the Vice Chairman.**  
**Robert Dougherty seconded the motion.**  
**7 Ayes                      0 Nays, motion carried.**

No interest has been shown for Audit and Governance Committees, therefore the Chair will select board members for those positions.

Justin Miller Esq. gave updates on Stoneledge and Monument Square projects.

Justin Miller Esq. asked the board to discuss a resolution regarding Hoosick Hospitality LLC re-financing their current leaseback agreement in order to change to a different lender. He gave background information on the proposed re-finance. A discussion between the board took place and Resolution#2 was added to agenda.

**Tina Urzan made the motion to approve a resolution for Hoosick Hospitality LLC to re-finance.**  
**Louis Anthony seconded the motion.**  
**7 Ayes                      0 Nays, motion carried.**

Wallace Altes thanked everyone for attending and looked forward to working with the new Economic Development Coordinator, Monica Kurzejeski. He advised that the next meeting would have fallen on a holiday and will move it to October 15<sup>th</sup> at 10:00. It was also mentioned that City Hall would be in its new location by the next meeting. Info will be sent out to the board members with directions.

IV. Adjournment

**Tina Urzan made the motion to adjourn.**  
**Dean Bodnar seconded the motion to adjourn.**

TROY INDUSTRIAL DEVELOPMENT AUTHORITY  
APPLICATION FOR FINANCIAL ASSISTANCE

IMPORTANT NOTICE: The answers to the questions contained in this application are necessary to determine your firm's eligibility for financing and other assistance from the Troy Industrial Development Authority. These answers will also be used in the preparation of papers in this transaction. Accordingly, an officer or other employee of your firm who is thoroughly familiar with the business and affairs of your firm and who is thoroughly familiar with the proposed project should answer all questions accurately and completely. This application is subject to acceptance by the Authority.

TO: TROY INDUSTRIAL DEVELOPMENT AUTHORITY  
City Hall  
1776 Sixth Avenue  
Troy, New York 12180  
Attention: Chairman

This application by applicant respectfully states:

APPLICANT: Onil Owners LLC

APPLICANT'S STREET ADDRESS: 179 Cedar Lane, Suite H

CITY: Tencks STATE: NJ PHONE NO.: 201.836.1575

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

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

NAME OF FIRM: Nixon Peabody, LLP

NAME OF ATTORNEY: Joseph J. Lynch

ATTORNEY'S STREET ADDRESS: 437 Mahison Avenue

CITY: New York STATE: NY PHONE NO: 212.940.3917

NOTE: PLEASE READ THE INSTRUCTIONS ON PAGE 2 BEFORE FILLING OUT THIS APPLICATION.

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

A. Identity of Company:

1. Company Name: Oncil Owners, LLC  
 Present Address: 179 Cedar Lane, Suite H, Teaneck, NJ ~~07666~~  
 Zip Code: 07666  
 Employer's ID No: 46-0853156

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

3. Indicate type of business organization of Company:

- Corporation. If so, incorporated in what country? \_\_\_\_\_;  
 What State? \_\_\_\_\_; Date Incorporated \_\_\_\_\_;  
 Type of Corporation? \_\_\_\_\_; Authorized to do business in New York?  
 Yes \_\_\_ No \_\_\_.
- Partnership. If so, indicate type of partnership \_\_\_\_\_; Number of general partners  
 \_\_\_\_\_; Number of limited partners \_\_\_\_\_.
- Limited Liability Company. If so, organized in what State? NY.  
 Authorized to do business in New York? Yes  No \_\_\_\_\_.
- Sole proprietorship.

4. Is the Company a subsidiary or direct or indirect affiliate of any other organization(s)? If so, indicate name of related organization(s) and relationship:

B. Management of Company:

1. List all owners, officers, directors, partners and members (complete all columns for each person):

NAME AND HOME ADDRESS	OFFICE HELD	OTHER PRINCIPAL BUSINESS
<u>Rinaldo Toporowsky</u>	<u>Managing Member</u>	<u>Toporowsky &amp; Sons Realty</u>
<u>20 West Palumbo Ave. Englewood, NJ</u>		
<u>Asher Toporowsky</u>	<u>Member</u>	<u>Toporowsky &amp; Sons Realty</u>
<u>173 Morrison Street, Teaneck, NJ</u>		

2. Is the Company or management of the Company now a plaintiff or a defendant in any civil or criminal litigation?  
Yes \_\_\_ No

3. Has any person listed above ever been convicted of a criminal offense (other than a minor traffic violation)?  
Yes \_\_\_ No

4. Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated a bankrupt? Yes \_\_\_ No

5. If the answer to any of question 2 through 4 is yes, please, furnish details in a separate attachment.

C. Principal owners of Company:

1. Is Company publicly held? Yes \_\_\_ No . If yes, please list exchanges stock traded:

\_\_\_\_\_  
\_\_\_\_\_

2. If no, list all stockholders, partners or members having a 5 % or more interest in the Company:

NAME	ADDRESS	PERCENTAGE OF HOLDING

D. Company's principal bank(s) account: \_\_\_\_\_

NAME OF BANK	ADDRESS

II. DATA REGARDING PROPOSED PROJECT

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

*See attached Project Narrative*

B. Location of the Project: See attached project narrative.

C. Description of the Project site:

1. Approximate size (in acres or square feet) of Project site: 1.43 Acres.  
Is a map, survey or sketch of the Project site attached? Yes  No .

2. Are there existing buildings on the Project site? Yes  No .

a) If yes, indicate the number of buildings on the site: One Also, please briefly identify each existing building and indicate the approximate size (in square feet) of each such building:  
Please see attached survey.

b) Are the existing buildings in operation? Yes  No . If yes, describe present use of buildings: Affordable Senior Housing.

c) Are the existing buildings abandoned? Yes  No . About to be abandoned? Yes  No . If yes, describe:

d) Attach photograph of present buildings.

3. Utilities serving the Project site:

Water:

- Municipal
- Other, describe

Sewer

- Municipal
- Other, describe

Electricity

- Utility
- Other, describe

Heat

- Utility
- Other, describe

4. Present legal owner of the Project site:

SNI Development Company, LP

- a) If the Company owns the Project site, indicate date of purchase: N/A purchase price: \$ N/A
- b) If Company does not own the Project site, does Company have an option signed with the owner to purchase the Project site? Yes  No . If yes, indicate date option signed with the owner: and the date the option expires: Signed: August 13, 2012 Expires: March 29, 2013
- c) If the Company does not own the Project site, is there a relationship legally or by common control between the Company and the present owner of the Project site? Yes  No . If yes, describe;

5. Zoning District in which the Project site is located: M-2 R5

Are there any variances or special permits affecting the Project site? Yes  No . If yes, list below and attach copies of all such variances or special permits:

**PROJECT NARRATIVE**

**O'Neil Apartments REHABILITATION**

**2121 6<sup>th</sup> Avenue, Troy, New York**

**July 2012**

O'Neil Apartments (the "Project") is a 115-unit affordable housing development located 2121 6<sup>th</sup> Avenue, Troy, New York. Since its original construction in 1979 O'Neil Apartments has provided much needed low-income housing for seniors in the Capital/Albany region of New York State. In January 2009 the Project was approved for a five year extension of its current HAP Contract pursuant to the Mark-up to-Market Program. Subsequently in July 2010 the current ownership, AIMCO, refinanced its existing debt with a FNMA loan originated by Wells Fargo Bank. In July 2012, a Purchase and Sale Agreement was entered into between AIMCO and an entity controlled by Rinaldo and Asher Toporovsky for the purchase, rehabilitation and preservation of the Project. Rinaldo Toporovsky and Asher Toporovsky are the key executives of Toporovsky and Sons Realty Corp., a diversified private real estate organization involved in the ownership, development, redevelopment and management of market rate and affordable multifamily, commercial, retail, and industrial properties. Toporovsky and Sons currently owns and manages approximately 1,500 units of multifamily housing in and around New York.

The Owners intend to execute a tax credit, preservation and rehabilitation financing transaction for the Project. HFA/HCR tax exempt bond and subordinate financing will be utilized to retire the existing Wells Fargo Bank debt. Rehabilitation will occur during calendar year 2013. The Owner anticipates completion of the capital work and 100% qualified occupancy will occur 12-18 months after closing on the financing.

Existing HAP Contract and Acquisition Fund Debt

One Hundred and Fourteen (114) of the units at O'Neil Apartments receive Section 8 subsidies from HUD pursuant to a Housing Assistance Payment ("HAP") Contract. (One unit is a superintendent's apartment.) In connection with the Mark up to Market contract renewal, the HAP contract was renewed for a 5-year period effective January 30, 2010, and ending on January 29, 2015. The contract was last awarded an OCAF-based rent increase effective January 30, 2012. The following is a summary of the units covered under the contract and the contract rents:

Unit Type	# of Units	Contract Rent*
1-BR	114	\$680.00
2-BR	1	N/A

\* Net of utility allowance.

Rehabilitation Needs

The Owners have commissioned a capital needs assessment (“CNA”) from EFI Global (“EFI”) to identify the building’s capital needs and provide cost estimates for each item in the proposed scope of work. Based on EFI’s report, the Owners will develop a scope of work for the planned rehabilitation that will fund all immediate capital needs and a portion of the capital needs anticipated to occur over the next 15 years. The balance of the capital work required over the next 15 years will be funded out of replacement reserves; to provide the funding for capital replacements and repairs over the next 15 years, the Owners plan a replacement reserve contribution of \$250 per unit per year.

Immediately after contract execution Ownership will select an architect and retain the same to begin preparing plans and specifications for the proposed work. The current estimated cost of the scope of work is approximately \$2,500,000. A&A Property Maintenance Services, Inc. (“A&A”), a construction company affiliated with Toporovsky and Sons Realty, will be retained as general contractor for the renovation work.

A&A is a diversified full service construction company founded in 1986 with a focus on general contracting. A&A has over the years completed numerous construction and rehabilitation projects including new construction, complete building rehabs, and replacement of major building systems and components.

Additional information on Asher and Rinaldo Toporovsky, Toporovsky and Sons Realty Corp., A&A Property Maintenance Services can be provided upon request.

Preliminary Financing Plan

The payoff of the Wells Fargo loan, as well as the funding of the rehabilitation work, is expected to be provided through HFA tax-exempt bonds, along with equity from the syndication of 4% Low Income Housing Tax Credits (“Tax Credits”) and a subordinate subsidy loan from HCR. The following is a preliminary sources and uses analysis for the project:

<b>Project Costs (Uses)</b>	<b>Amount</b>
Acquisition	\$5,500,000
Construction Hard Costs	\$2,514,569
Soft Costs	\$1,380,875
Development Fees	\$1,200,000
<b>Total Project Costs</b>	<b>\$10,595,444</b>

<b>Permanent Sources</b>	<b>Amount</b>
HFA Tax-Exempt Bonds	\$4,655,000
HCR Subsidy	\$1,800,000
Tax Credit Equity	\$3,243,953
Reserves	\$390,000
Deferred Development Fees	\$506,491
<b>Total Permanent Sources</b>	<b>\$10,595,444</b>

