

Chairman
Kevin O'Bryan

Vice-Chair
Brian Carroll

Executive Director

Steven Strichman

Board Members

Hon. Dean Bodnar

Mr. Paul Carroll

Hon. Robert Doherty

Louis Anthony

Tina Urzan

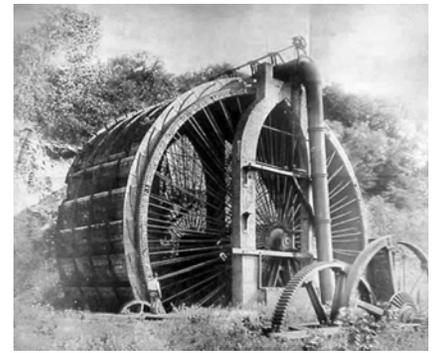
Adam Hotaling

Susan Farrell

Troy
Industrial Development
Authority

BOARD OF DIRECTORS MEETING
June 16, 2017
10:00 a.m.

Planning Department Conference
Room



A G E N D A

- I. Public Hearing – 10 River Street, LLC
- II. Approval of Minutes from the May 19, 2017 board meeting.
- III. Project Authorizing Resolution – 10 River Street, LLC
- IV. RDM Surveying – Mlock parcel subdivision
- V. Uniform Tax Exemption Policy Discussion
- VI. Executive Director Report
- VII. Financials
- VIII. Old Business
- IX. New Business
- X. Adjournment

PUBLIC HEARING AGENDA
TROY INDUSTRIAL DEVELOPMENT AUTHORITY
10 RIVER STREET LLC
JUNE 16, 2017 AT 10:00 A.M.
CITY HALL, 433 RIVER STREET, 5TH FLOOR, TROY, NEW YORK 12180

Report of the public hearing of the Troy Industrial Development Authority (the “Authority”) regarding the 10 River Street LLC Project held on Friday June 16, 2017 at 10:00 a.m., at the Troy City Hall, located at 433 River Street, 5th Floor, Troy, New York 12180.

I. ATTENDANCE

Steven Strichman, Executive Director
[list other TIDA representatives in attendance]
[_____, Company Representative]
Members of the General Public

II. CALL TO ORDER: (Time: 10:00 a.m.). _____ opened the hearing and _____ 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*, a copy of which is attached hereto and is an official part of this transcript. A copy of the Application submitted by 10 River Street 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

10 RIVER STREET LLC, for itself and/or on behalf of an entity to be formed (collectively, the “Company”), has requested the Authority’s assistance with a certain project (the “Project”) consisting of (i) the acquisition by the Authority of a leasehold interest in approximately 1.16 acre parcel of real property located at 2 River Street, Troy, New York 12180 along with portions of a parcel of real property located at 245 First Street, Troy, New York 12180 (collectively, the “Land”, being more particularly identified as TMID No. 100.76-9-24 and a portion of TMID No. 100.84-2-2) and the existing 4.5-story building located at 2 River Street, along with related parking, site and infrastructure improvements located thereon (the “Existing Improvements”), (ii) the planning, design, engineering, construction, reconstruction, rehabilitation and improvement of the Land and Existing Improvements into a residential apartment facility containing up to 80 apartment units to be leased by the Company to residential tenants, including improvements to and replacements of roofs, interior and exterior utilities, elevator, building systems, windows, exterior access and egress improvements, curbage, parking, landscaping and related exterior improvements (collectively, the “Improvements”), (iii) the acquisition and installation by the Company in and around the Land, 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, Existing Improvements and Improvements (the "Equipment", and collectively with the Land, the Existing Improvements and the Improvements, the "Facility"); and (iv) the lease of the Facility to the Company; and

It is contemplated that the Authority will acquire 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 leases. The Authority contemplates that it will provide financial assistance (the "Financial Assistance") to the Company in the form of (a) a sales and use tax exemption for purchases and rentals related to the Project; (b) mortgage recording tax exemptions(s) related to financings undertaken by the Company to construct the Facility; 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 contemplates providing a PILOT Agreement with a term of Twenty (20) years.

IV. AGENCY COST-BENEFIT ANALYSIS:

The Company Application for Financial Assistance indicates a total project cost of approximately \$13,500,000. 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	=	\$ 100,000.00
Sales and Use Tax Exemptions	=	\$ 430,000.00
Estimated PILOT Savings	=	\$3,593,927.00
Total estimated Financial Assistance	=	<u>\$ 4,123,927.00</u>

IV. SEQRA:

For purposes of the Project, the City Planning Commission served as lead agency for purposes of review pursuant to SEQRA.

VI. PUBLIC COMMENTS

VII. ADJOURNMENT

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

Troy Industrial Development Authority

May 19, 2017
10:00 AM
Meeting Minutes

Present: Kevin O'Bryan, Tina Urzan, Steve Strichman, Brian Carroll, Paul Carroll, Hon. Dean Bodnar and Lou Anthony

Absent: Hon. Robert Doherty, Susan Farrell, and Adam Hotaling

Also in attendance: Justin Miller, David Sarraf, Sharon Martin, Deanna DalPos, Jim Lozano and Denee Zeigler.

The Chairman called the meeting to order at 10:00 a.m.

I. Minutes

The board reviewed the minutes from the April 28, 2017 board meeting.

Tina Urzan made a motion to approve the April 28, 2017 meeting minutes.

Hon. Dean Bodnar seconded the motion, motion carried.

II. Initial Project Resolution – 10 River Street, LLC

Mr. Strichman advised David Sarraf is here to present his project that will be at the former Old Brick building located at 10 River Street. He advised that there will be approximately 80 units and it will be a \$13 Million dollar project. Mr. Sarraf introduced himself to the board and advised that he is from Fairbanks Properties and 10 River Street, LLC. He advised that his project will be 80 apartments consisting of studios, one and two bedroom apartments. He advised that there will be at least one, three bedroom apartment. Mr. Sarraf advised that they will be free market apartments; a little higher rent than the average in the neighborhood surrounding the project, but it will help create something different for the area and provide amenities that aren't available elsewhere. He added that there will be parking across the street as well as a park across from the entrance to the building. Mr. Sarraf noted that the entrance space will be moved from River Street and will be more of a courtyard entrance. He advised that they are trying to create something different for the area. Mr. Sarraf advised that all approvals have been received through SHPO, planning and zoning.

The chairman asked why this project, with market rate apartments, should receive IDA benefits. Mr. Sarraf advised that IDA assistance is needed for a project such as this in order for it to make sense economically and to assist with bank financing. The rents he is asking are on the higher than are typically seen in this area would create about a 1% return without the IDA's assistance. The board noted the risk for this project. Mr. Sarraf advised that he is aware of the risk and noted that this is something completely different for this neighborhood. The chairman agreed that this is a pioneer project for that area. Mr. Sarraf

noted that there is a thriving neighborhood to the east which he has had many conversations with and they are excited about the project. Mr. Sarraf noted that there are no projects of this scale with this many units in the neighborhood and that is the risk. The board asked if they are able to create higher end apartments for \$169,000 per unit. Mr. Sarraf advised that this amount is in line with a project we recently completed in Albany that was very similar to this building. The chairman advised this is the type of project we should be assisting because of the location and the use; this will be the first of its kind in that neighborhood and we should be doing things to expand the viability of neighborhoods in all parts of the city. Mr. Bodnar asked about the project recently completed by them in Albany. Mr. Sarraf advised they just finished the Arcade Building. Mr. Bodnar asked about what length of a PILOT are looking for. Mr. Strichman noted they are asking for a 20 year PILOT. Mr. Bodnar advised noted that this is different than some of the other projects we have looked at recently that were buildings previously not on the tax rolls. The board agreed that this building was recently on the tax rolls. Mr. Bodnar noted that when we start the PILOT negotiations, we start at the base value and work up to the full taxes. Mr. Miller advised that is correct, we will not start below the base value. Mr. Strichman advised that the building has a current assessment of \$625,000 and \$200,000 for the parking lot. The board had a general discussion on the park parcel. Ms. Urzan asked about the rent for each unit and what is included in the price. Mr. Sarraf advised that rents will be between \$900-\$2,000 and include all utilities except electric. Ms. Urzan asked if there will be any low income apartments. Mr. Sarraf advised no, only market rate and high end. The chairman advised that they do have a letter of interest from the bank regarding the project. Mr. Bodnar noted that there was a project similar to this being proposed at this site before and it did not happen. Mr. Miller explained that the previous project only went through the approval process with this board and did not get planning/zoning approval. Mr. Sarraf noted that they have received all of the necessary approvals and are ready to move forward with construction. Mr. Miller asked about the construction loan timing. Mr. Sarraf advised that he will try and close his construction loan by the end of June. Mr. Miller advised that as long as the IDA approves the project, the sales tax and mortgage recording tax exemption can be closed prior to the PILOT. Mr. Strichman noted that they also have received a letter of support from the neighborhood group. The board asked what his management capacity is. Mr. Sarraf explained that Fairbanks properties is a property management company; they have a separate company for construction. Mr. Sarraf advised that they are based out of Albany and currently manage about 50 units. The board asked how many jobs would be created from this project. Mr. Sarraf advised that there will be two jobs created as a result of this project; a maintenance person and property manager that would both be exclusive to this property. (See attached Resolution 05/17 #1)

Paul Carroll made a motion to approve the Initial Project Resolution for 10 River Street, LLC.

Lou Anthony seconded the motion, motion carried.

The board had a general discussion on transformational projects for neighborhoods such as this; noting the School One project as a similar type of project. Mr. Carroll advised that we as a board should take a hard look at market rate projects that don't have an obvious benefit to the city; he doesn't want to be characterized as offering deals to these types of projects. The chairman agreed. Mr. Carroll agreed that this project is on the line of residential

to the industrial zone and can be considered transformational. Ms. Urzan asked if the terms of the project can be cut down from 20 years. Mr. Strichman noted that he is still working out the details, but it look like it will stay at 20 years. The board agreed that overall it was a good presentation. Ms. Urzan noted that she would like to see additional jobs come out of the projects. The board agreed, but noted that residential projects have many other benefits that come out of them. Mr. Carroll noted that this may help to create jobs in other ways; another neighborhood restaurant or that sort of thing.

III. E-Civis grant software

Mr. Strichman advised that we previously approved to purchase the grant software, but have a clarification regarding the agreement between the IDA and CRC. Mr. Miller advised that the IDA will be purchasing the software and the CRC will provide the IDA 50% of the cost in the form of a grant over the next three years. Mr. Strichman noted that the CRC and the IDA will be co-owners and allow us to look for grant money. Mr. Miller added that the IDA cannot give out grants so they will be funding the software, but the CRC is able to give grants. Brian Carroll asked for clarification on grants given to by the CRC. Mr. Miller advised that they can grant funds to not for profits and government entities such as the city.

IV. Executive Directors report

Bow-Tie Cinemas - Mr. Strichman advised that the city council approved the LDA and they are preparing to come in front of the planning commission in June/July. They will be coming in before us in August. The board advised they look forward to reviewing that proposal seeing as the parcel has not been on the tax rolls for years. The board had a general discussion of the projects that have been proposed at this site.

Uncle Sam Garages – Mr. Strichman advised that Uncle Sam parking garage is behind in their PILOT payment that was due in January. He advised a notice of demand has been sent out. The board had a general discussion of the consequences that should take place when projects repeatedly get to the point of needing a notice of demand. Brian Carroll agreed and wanted to note that lack of payment trickles down to the school districts. The board agreed. Mr. Miller explained that if he pays by the deadline then all goes back to the way it was, if he pays on June 2nd then the project is back on the tax rolls and there would be a different set up steps that they would follow.

Upcoming grant application – Mr. Strichman noted that an application will be going into the state for a grant that will include the Taylor Apartments.

V. Financials

Mr. Lozano went over the balance sheet and advised there are a couple significant changes. He advised that cash went down about \$500,000 as a result of the purchase of the Mlock parcel. He advised that the details regarding the agreement will show next month. The chairman noted that this amount will balance out over time as money comes in regarding the project on that site. Mr. Lozano advised that not much has changed with the liabilities for the month. He advised about \$1,000 listed for income and about a \$16,000 deficit year to date.

He advised that most of the charges were for professional services and fees related to the Mlock site

Brian Carroll made a motion to accept the financials as presented.

Tina Urzan seconded the motion, motion carried.

VI. Adjourn the IDA portion

The chairman noted that we have a CRC agenda to discuss.

Brian Carroll made a motion to adjourn the IDA portion of the meeting and convened the CRC.

Tina Urzan seconded the motion, motion carried.

The IDA was adjourned at 10:46 a.m.

The IDA was reconvened at 10:57 a.m.

VII. Adjournment

With no other items to discuss, the IDA portion of the meeting was adjourned at 10:57 a.m. The next meeting will be June 16th.

Tina Urzan made a motion to adjourn the IDA meeting.

Hon. Bob Doherty seconded the motion, motion carried.

INITIAL PROJECT RESOLUTION
(10 River Street LLC Project)

A regular meeting of the Troy Industrial Development Authority (the “Authority”) was convened on May 19, 2017 at 10:00 a.m., local time, at 433 River Street, 5th Floor, Troy, New York 12180.

The meeting was called to order by the Vice Chairman and, upon roll being called, the following members of the Authority were:

<u>MEMBER</u>	<u>PRESENT</u>	<u>ABSENT</u>
Kevin O’Bryan	X	
Hon. Dean Bodnar	X	
Hon. Robert Doherty		X
Brian Carroll	X	
Louis Anthony	X	
Paul Carroll	X	
Adam Hotaling		X
Susan Farrell		X
Tina Urzan	X	

The following persons were ALSO PRESENT: Justin Miller, David Sarraf, Sharon Martin, Deanna DalPos, Jim Lozano and Denee Zeigler.

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to a proposed project for the benefit of 10 River Street LLC.

On motion duly made by Paul Carroll and seconded by Lou Anthony, the following resolution was placed before the members of the Troy Industrial Development Authority:

Member	Aye	Nay	Abstain	Absent
Kevin O’Bryan	X			
Hon. Dean Bodnar	X			
Hon. Robert Doherty				X
Brian Carroll	X			
Louis Anthony	X			
Paul Carroll	X			
Adam Hotaling				X
Susan Farrell				X
Tina Urzan	X			

Resolution No. 05/17 #1

RESOLUTION OF THE TROY INDUSTRIAL DEVELOPMENT AUTHORITY (THE "AUTHORITY") (i) ACCEPTING THE APPLICATION OF 10 RIVER STREET LLC (THE "COMPANY") IN CONNECTION WITH A CERTAIN PROJECT (AS MORE FULLY DEFINED BELOW); (ii) AUTHORIZING THE SCHEDULING, NOTICE AND CONDUCT OF A PUBLIC HEARING WITH RESPECT TO THE PROJECT; AND (iii) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AUTHORITY WITH RESPECT TO THE PROJECT

WHEREAS, by 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 (hereinafter collectively called the "Act"), the **TROY INDUSTRIAL DEVELOPMENT AUTHORITY** (hereinafter called the "Authority") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, **10 RIVER STREET LLC**, for itself and/or on behalf of an entity to be formed (collectively, the "Company"), has requested the Authority's assistance with a certain project (the "Project") consisting of (i) the acquisition by the Authority of a leasehold interest in approximately 1.16 acre parcel of real property located at 2 River Street, Troy, New York 12180 along with portions of a parcel of real property located at 245 First Street, Troy, New York 12180 (collectively, the "Land", being more particularly identified as TMID No. 100.76-9-24 and a portion of TMID No. 100.84-2-2) and the existing 4.5-story building located at 2 River Street, along with related parking, site and infrastructure improvements located thereon (the "Existing Improvements"), (ii) the planning, design, engineering, construction, reconstruction, rehabilitation and improvement of the Land and Existing Improvements into a residential apartment facility containing up to 80 apartment units to be leased by the Company to residential tenants, including improvements to and replacements of roofs, interior and exterior utilities, elevator, building systems, windows, exterior access and egress improvements, curbage, parking, landscaping and related exterior improvements (collectively, the "Improvements"), (iii) the acquisition and installation by the Company in and around the Land, 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, Existing Improvements and Improvements (the "Equipment", and collectively with the Land, the Existing Improvements and the Improvements, the "Facility"); and (iv) the lease of the Facility to the Company; and

WHEREAS, pursuant to the Act, the Authority desires to adopt a resolution describing the Project and the Financial Assistance (as hereinafter defined) that the Authority is contemplating with respect to the Project; and

WHEREAS, it is contemplated that the Authority will (i) accept the Application submitted by the Company; (ii) approve the scheduling, notice and conduct of a Public Hearing with respect to the Project; and (iii) approve the negotiation, but not the execution or delivery, of certain documents in furtherance of the Project, as more fully described below.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE TROY INDUSTRIAL DEVELOPMENT AUTHORITY AS FOLLOWS:

Section 1. The Company has presented an application in a form acceptable to the Authority. Based upon the representations made by the Company to the Authority in the Company's application and in related correspondence, the Authority hereby finds and determines that:

(A) By virtue of the Act, the Authority has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(B) The Authority has the authority to take the actions contemplated herein under the Act; and

(C) The action to be taken by the Authority will induce the Company to develop the Project, and otherwise furthering the purposes of the Authority as set forth in the Act; and

(D) The Project will not result in the removal of a commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the "State") to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Authority hereby finds that, based on the Company's application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries; and

Section 2. The proposed Financial Assistance being contemplated by the Authority includes (i) a sales and use tax exemption for materials, supplies and rentals acquired or procured in furtherance of the Project by the Company as agent of the Authority; (ii) mortgage recording tax exemption(s) in connection with secured financings undertaken by the Company in furtherance of the Project; and (iii) an abatement or exemption from real property taxes levied against the Land and Facility pursuant to a PILOT Agreement to be negotiated.

Section 3. The Chairman, Vice Chairman, and/or Executive Director/Chief Executive Officer of the Authority are hereby authorized, on behalf of the Authority, to schedule, notice and conduct a public hearing in compliance with the Act and negotiate (but not execute or deliver) the terms of (A) an Agent and Financial Assistance and Project Agreement (the "Agent Agreement"), (B) a Lease Agreement, pursuant to which the Company leases the Project to the Authority (or, a Deed of conveyance to the Authority whereby the Authority will acquire fee title

to the Land and Project), (C) a related Leaseback Agreement, pursuant to which the Authority leases its interest in the Project back to the Company, (D) a PILOT Agreement, pursuant to which the Company agrees to make certain payments in-lieu-of real property taxes, and (E) related documents thereto; *provided* (i) the rental payments under the Leaseback Agreement include payments of all costs incurred by the Authority arising out of or related to the Project and indemnification of the Authority by the Company for actions taken by the Company and/or claims arising out of or related to the Project and (ii) the terms of the PILOT Agreement are consistent with the Authority's Uniform Tax Exemption Policy or the procedures for deviation have been complied with.

Section 4. The officers, employees and agents of the Authority are hereby authorized and directed for and in the name and on behalf of the Authority to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Authority with all of the terms, covenants and provisions of the documents executed for and on behalf of the Authority.

Section 5. These Resolutions shall take effect immediately.

SECRETARY'S CERTIFICATION

STATE OF NEW YORK)
COUNTY OF RENSSELAER)

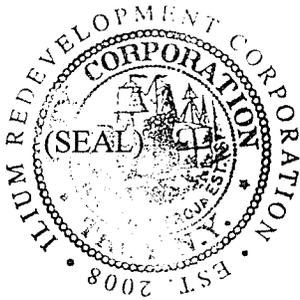
I, Denee Zeigler, the undersigned, Acting Secretary of the Troy Industrial Development Authority (the "Authority"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Authority, including the Resolution contained therein, held on May 19, 2017, 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 set forth 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 Authority 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 Authority 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 Authority this 19th day of May, 2017.

Denee Zeigler



PROJECT AUTHORIZING RESOLUTION
(10 River Street LLC Project)

A regular meeting of the Troy Industrial Development Authority (the “Authority”) was convened on June 16, 2017 at 10:00 a.m., local time, at 433 River Street, Troy, New York 12180.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Authority were:

<u>MEMBER</u>	<u>PRESENT</u>	<u>ABSENT</u>
Kevin O’Bryan		
Hon. Dean Bodnar		
Hon. Robert Doherty		
Steve Bouchey		
Louis Anthony		
Paul Carroll		
Adam Hotaling		
Susan Farrell		
Tina Urzan		

The following persons were ALSO PRESENT:

After the meeting had been duly called to order, the Chairman announced that among the purposes of the meeting was to consider and take action on certain matters pertaining to a proposed project for the benefit of 10 River Street LLC, for itself or an entity to be formed.

On motion duly made by _____ and seconded by _____, the following resolution was placed before the members of the Troy Industrial Development Authority:

Member	Aye	Nay	Abstain	Absent
Kevin O’Bryan				
Hon. Dean Bodnar				
Hon. Robert Doherty				
Steve Bouchey				
Louis Anthony				
Paul Carroll				
Adam Hotaling				
Susan Farrell				
Tina Urzan				

Resolution No. _____

RESOLUTION OF THE TROY INDUSTRIAL DEVELOPMENT AUTHORITY (THE "AUTHORITY") (i) AUTHORIZING THE UNDERTAKING OF A CERTAIN PROJECT (AS FURTHER DEFINED HEREIN) FOR THE BENEFIT OF 10 RIVER STREET LLC (THE "COMPANY"); (ii) ADOPTING FINDINGS PURSUANT TO THE STATE ENVIRONMENTAL QUALITY REVIEW ACT ("SEQRA") WITH RESPECT TO THE PROJECT; AND (iv) AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS AND AGREEMENTS RELATING TO THE PROJECT

WHEREAS, by 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 (hereinafter collectively called the "Act"), the **TROY INDUSTRIAL DEVELOPMENT AUTHORITY** (hereinafter called the "Authority") was created with the authority and power to own, lease and sell property for the purpose of, among other things, acquiring, constructing and equipping industrial, manufacturing and commercial facilities as authorized by the Act; and

WHEREAS, **10 RIVER STREET LLC**, for itself and/or on behalf of an entity to be formed (collectively, the "Company"), has requested the Authority's assistance with a certain project (the "Project") consisting of (i) the acquisition by the Authority of a leasehold interest in approximately 1.16 acre parcel of real property located at 2 River Street, Troy, New York 12180 along with portions of a parcel of real property located at 245 First Street, Troy, New York 12180 (collectively, the "Land", being more particularly identified as TMID No. 100.76-9-24 and a portion of TMID No. 100.84-2-2) and the existing 4.5-story building located at 2 River Street, along with related parking, site and infrastructure improvements located thereon (the "Existing Improvements"), (ii) the planning, design, engineering, construction, reconstruction, rehabilitation and improvement of the Land and Existing Improvements into a residential apartment facility containing up to 80 apartment units to be leased by the Company to residential tenants, including improvements to and replacements of roofs, interior and exterior utilities, elevator, building systems, windows, exterior access and egress improvements, curbage, parking, landscaping and related exterior improvements (collectively, the "Improvements"), (iii) the acquisition and installation by the Company in and around the Land, 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, Existing Improvements and Improvements (the "Equipment", and collectively with the Land, the Existing Improvements and the Improvements, the "Facility"); and (iv) the lease of the Facility to the Company; and

WHEREAS, by resolution adopted May 19, 2017 (the "Initial Project Resolution"), the Authority (i) accepted the Application submitted by the Company, (ii) authorized the scheduling, notice and conduct of a public hearing with respect to the Project (the "Public Hearing"), and (iii) described the forms of financial assistance being contemplated by the Authority with respect to the Project (the "Financial Assistance", as more fully described herein); and

WHEREAS, pursuant to the Initial Project Resolution, the Authority duly scheduled, noticed and conducted the Public Hearing at 10:00 a.m. on June 16, 2017 whereat all interested persons were afforded a reasonable opportunity to present their views, either orally or in writing on the location and nature of the Facility and the proposed Financial Assistance to be afforded the Company in connection with the Project (a copy of the Minutes of the Public Hearing, proof of publication and delivery of Notice of Public Hearing being attached hereto as **Exhibit A**); and

WHEREAS, pursuant to application by the Company, the Planning Commission of the City of Troy (the "Planning Commission"), as lead agency pursuant to the State Environmental Quality Review Act and regulations adopted pursuant thereto (collectively, "SEQRA"), previously reviewed the Project and adopted a negative declaration (the "Negative Declaration") with respect to the Project, a copy of which is attached hereto as **Exhibit B**; and

WHEREAS, the Authority and Company have negotiated the terms of an Agent and Financial Assistance and Project Agreement (the "Agent Agreement"), a Lease Agreement (the "Lease Agreement"), related Leaseback Agreement (the "Leaseback Agreement") and related Payment-in-lieu-of-Tax Agreement (the "PILOT Agreement"), and, subject to the conditions set forth within this resolution, it is contemplated that the Authority will (i) acquire a leasehold interest in the Land and Existing Improvements pursuant to the Lease Agreement, (ii) appoint the Company agent of the Authority to undertake the Project and lease the Land, Existing Improvements, Improvements and Equipment constituting the Facility to the Company for the term of the Leaseback Agreement and PILOT Agreement, and (ii) provide certain forms of Financial Assistance to the Company, including (a) mortgage recording tax exemption(s) 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 construction and equipping of the Project; and (c) a partial real property tax abatement structured through the PILOT Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE TROY INDUSTRIAL DEVELOPMENT AUTHORITY AS FOLLOWS:

Section 1. The Company has presented an application in a form acceptable to the Authority. Based upon the representations made by the Company to the Authority in the Company's application and in related correspondence, the Authority hereby finds and determines that:

(A) By virtue of the Act, the Authority has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(B) The Authority has the authority to take the actions contemplated herein under the Act; and

(C) The action to be taken by the Authority will induce the Company to develop the Project, thereby increasing employment opportunities in the City of Troy, New York, and otherwise furthering the purposes of the Authority as set forth in the Act; and

(D) The Project will not result in the removal of a civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the "State") to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Authority hereby finds that, based on the Company's application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries; and

(E) The Authority has reviewed the Negative Declaration adopted by the Planning Commission and determined the Project involves an "Unlisted Action" as said term is defined under SEQRA. The review is uncoordinated. Based upon the review by the Authority of the Negative Declaration, related Environmental Assessment Form (the "EAF") and related documents delivered by the Company to the Authority and other representations made by the Company to the Authority in connection with the Project, the Authority hereby ratifies the SEQRA determination made by the Planning Commission and the Authority further finds that (i) the Project will result in no major impacts and, therefore, is one which may not cause significant damage to the environment; (ii) the Project will not have a "significant effect on the environment" as such quoted terms are defined in SEQRA; and (iii) no "environmental impact statement" as such quoted term is defined in SEQRA, need be prepared for this action. This determination constitutes a negative declaration in connection with the Authority's sponsorship and involvement with the Project for purposes of SEQRA.

Section 2. The Authority hereby accepts the Minutes of the Public Hearing and approves the provision of the proposed Financial Assistance to the Company, including (i) a sales and use tax exemption for materials, supplies and rentals acquired or procured in furtherance of the Project by the Company as agent of the Authority; (ii) mortgage recording tax exemption(s) in connection with secured financings undertaken by the Company in furtherance of the Project; and (iii) an abatement or exemption from real property taxes levied against the Land and Facility pursuant to a PILOT Agreement.

Section 3. Subject to the Company executing the Leaseback Agreement and/or a related Agent Agreement, along with the delivery to the Authority of a binder, certificate or other evidence of liability insurance policy for the Project satisfactory to the Authority, the Authority hereby authorizes the undertaking of the Project, including the acquisition of a leasehold interest in the Land and Existing Improvements pursuant to the Lease Agreement and related recording documents, the form and substance of which shall be approved as to form and content by counsel to the Authority. Subject to the within conditions, the Authority further authorizes the execution and delivery of the Leaseback Agreement, wherein the Company is authorized to undertake the construction and equipping of the Improvements and hereby appoints the Company as the true and lawful agent of the Authority: (i) to acquire, construct and equip the Improvements and acquire and install the Equipment; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Authority with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors

of such agents and subagents and to such other parties as the Company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Authority could do if acting in its own behalf. The foregoing authorization and appointment by the Authority of the Company as agent to undertake the Project shall expire on June 30, 2018, unless extended by the Executive Director of the Authority upon written application by the Company.

Based upon the representation and warranties made by the Company the Application, the Authority hereby authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an amount up to **\$5,375,000.00**, which result in New York State and local sales and use tax exemption benefits (“sales and use tax exemption benefits”) not to exceed **\$430,000.00**. The Authority agrees to consider any requests by the Company for increase to the amount of sales and use tax exemption benefits authorized by the Authority upon being provided with appropriate documentation detailing the additional purchases of property or services, and, to the extent required, the Authority authorizes and conducts any supplemental public hearing(s).

Pursuant to Section 1963-b of the Act, the Authority may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any sales and use tax exemption benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the sales and use tax exemption benefits; (ii) the sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the sales and use tax exemption benefits are for property or services not authorized by the Authority as part of the Project; (iv) the Company has made a material false statement on its application for financial assistance; (v) the sales and use tax exemption benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project fails to comply with a material term or condition to use property or services in the manner approved by the Authority in connection with the Project; and/or (vi) the Company obtains mortgage recording tax benefits and/or real property tax abatements and fails to comply with a material term or condition to use property or services in the manner approved by the Authority in connection with the Project (collectively, items (i) through (vi) hereby defined as a “Recapture Event”).

As a condition precedent of receiving sales and use tax exemption benefits, mortgage recording tax exemption benefits, and real property tax abatement benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must (i) if a Recapture Event determination is made by the Authority, cooperate with the Authority in its efforts to recover or recapture any sales and use tax exemption benefits, mortgage recording tax benefits and/or real property tax abatements abatement benefits, and (ii) promptly pay over any such amounts to the Authority that the Authority demands, if and as so required to be paid over as determined by the Authority.

Section 4. The Chairman, Vice Chairman, and/or Executive Director/Chief Executive Officer of the Authority are hereby authorized, on behalf of the Authority, to execute, deliver (A) the Agent Agreement, wherein the Authority will appoint the Company as agent to undertake the Project, (B) the Lease Agreement, pursuant to which the Company will lease its interest in the Land, Existing Improvements, Improvements and Equipment constituting the Facility to the Authority, (C) the Leaseback Agreement, pursuant to which the Authority will lease its interest in the Land, Existing Improvements, Improvements and Equipment constituting the Facility back to the Company, (D) the PILOT Agreement pursuant to which the Company shall be required to make certain PILOT Payments to the Authority for the benefit of the Affected Taxing Jurisdictions (along with a related PILOT Mortgage Agreement, or in the discretion of the Executive Director, a sufficient guaranty of performance under the Leaseback Agreement and PILOT Agreement), and (E) related documents, including, but not limited to, Sales Tax Exemption Letter(s), Bills(s) of Sale and related instruments; provided the rental payments under the Leaseback Agreement include payments of all costs incurred by the Authority arising out of or related to the Project and indemnification of the Authority by the Company for actions taken by the Company and/or claims arising out of or related to the Project.

Section 5. The Chairman, Vice Chairman and/or the Executive Director/Chief Executive Officer of the Authority are hereby further authorized, on behalf of the Authority, and to the extent necessary, to execute and deliver any mortgage, assignment of leases and rents, security agreement, UCC-1 Financing Statements and all documents reasonably contemplated by these resolutions or required by any lender identified by the Company (the "Lender") up to a maximum principal amount necessary to undertake the Project and/or finance/refinance acquisition and Project costs, equipment and other personal property and related transactional costs, and, where appropriate, the Secretary or Assistant Secretary of the Authority is hereby authorized to affix the seal of the Authority to the Authority Documents and to attest the same, all with such changes, variations, omissions and insertions as the Chairman, Vice Chairman and/or the Executive Director/Chief Executive Officer of the Authority shall approve, the execution thereof by the Chairman, Vice Chairman or the Executive Director/Chief Executive Officer of the Authority to constitute conclusive evidence of such approval; provided, in all events, recourse against the Authority is limited to the Authority's interest in the Project.

Section 6. The officers, employees and agents of the Authority are hereby authorized and directed for and in the name and on behalf of the Authority to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Authority with all of the terms, covenants and provisions of the documents executed for and on behalf of the Authority.

Section 7. These Resolutions shall take effect immediately.

SECRETARY'S CERTIFICATION

STATE OF NEW YORK)
COUNTY OF RENSSELAER)

I, _____, the undersigned, _____ of the Troy Industrial Development Authority (the "Authority"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Authority, including the Resolution contained therein, held on June 16, 2017, 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 set forth 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 Authority 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 Authority 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 Authority this ____ day of _____, 2017.

(SEAL)

EXHIBIT A
PUBLIC HEARING MATERIALS

EXHIBIT B
SEQRA MATERIALS