

**RESOLUTION AUTHORIZING A THIRD PUBLIC HEARING
FIRST COLUMBIA, L.L.C. ON BEHALF OF ENTITIES TO BE FORMED PROJECT**

A regular meeting of Rensselaer County Industrial Development Agency (the "Agency") was convened in public session in the 3rd Floor Conference Room at the Quackenbush Building located at 333 Broadway in the City of Troy, Rensselaer County, New York on August 10, 2023 at 4:00 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:

Justin Law, Esq.	Chair
Matthew Polsinello	Vice Chair
Cory Jones	Secretary/Treasurer
John H. Clinton, Jr.	Assistant Secretary/Treasurer
Justin Buchanan	Member

ABSENT:

Frank Lewandusky	Member
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AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Robert L. Pasinella, Jr.	Executive Director
Robin LaBrake	Assistant
Peter Kehoe, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel
Nadene E. Zeigler, Esq.	Special Agency Counsel

The following resolution was offered by Justin Buchanan, seconded by Matthew Polsinello, to wit:

Resolution No. 0823-05

**RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OF RENSSELAER
COUNTY INDUSTRIAL DEVELOPMENT AGENCY TO HOLD A THIRD PUBLIC
HEARING WITH RESPECT TO INCREASED COST AND INCREASED BENEFITS
REGARDING THE FIRST COLUMBIA, L.L.C. PROJECT.**

WHEREAS, Rensselaer County 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 128 of the 1974 Laws of New York, as amended, constituting Section 903-d 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, First Columbia, L.L.C., a New York State limited liability company (the “Company”), submitted an application (the “Application”) to the Agency, a copy of which Application is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the “Project”) for the benefit of the Company, said Project consisting of the following components:

I. COMMERCIAL MIXED-USE BUILDING FACILITY (FLANIGAN BUILDING):

(A) (1) The acquisition of an interest in a portion of an approximately 2.20 acre parcel of land located at 547 River Street (tax map no.: 101.22-9-1) in the City of Troy, Rensselaer County, New York (the “Mixed-Use Land”), together with an approximately 103,015 square foot, 5 story building located thereon (the “Mixed-Use Existing Facility”), (2) the renovation and reconstruction of the Mixed-Use Existing Facility and the construction of an approximately 12,174 square foot addition to the Mixed-Use Existing Facility (the “Mixed-Use Addition” and collectively with the Mixed-Use Existing Facility, the “Mixed-Use Facility”) and (3) the acquisition and installation therein and thereon of certain machinery, equipment and other personal property (collectively, the “Mixed-Use Equipment”) (the Mixed-Use Land, the Mixed-Use Facility and the Mixed-Use Equipment being collectively referred to as the “Mixed-Use Project Facility”); all of the foregoing to be owned by the Company and leased or sold to an entity to be formed for use as a commercial mixed-use building to be leased to various commercial and apartment tenants 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 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 Agency.

II. GROCERY STORE FACILITY:

(A) (1) The acquisition of an interest in approximately three (3) parcels of land totaling approximately 0.59 acres located at 558 River Street (tax map no.: 101.22-10-1), 562 River Street (tax map no.: 101.22-6-14) and 546 River Street (tax map no.: 101.22-10-14) in the City of Troy, Rensselaer County, New York (collectively, the “Grocery Land”), together with an approximately 19,889 square foot, 2 story building located thereon (the “Grocery Existing Facility”), (2) the renovation and reconstruction of the Grocery Existing Facility and the construction of an approximately 800 square foot addition to the Grocery Existing Facility (the “Grocery Addition” and collectively with the Grocery Existing Facility, the “Grocery Facility”) and (3) the acquisition and installation therein and thereon of certain machinery, equipment and other personal property (collectively, the “Grocery Equipment”) (the Grocery Land, the Grocery Facility and the Grocery Equipment being collectively referred to as the “Grocery Project Facility”); all of the foregoing to be owned by the Company and leased or sold to an entity to be formed for use as a grocery store 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 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 Agency.

III. PARKING GARAGE FACILITY:

(A) (1) The acquisition of an interest in approximately eight (8) parcels of land totaling approximately 1.58 acres located at 478 River Street (tax map no.: 101.30-12-1), 4-10 Hutton Street (tax map no.: 101.30-12-2), 462 River Street (tax map no.: 101.30-12-10), 474 River Street (tax map no.: 101.30-12-11), 2265 Fifth Ave (tax map no.: 101.38-2-3), 2263 Fifth Ave (tax map no.: 101.38-2-4), 2259 Fifth Ave (tax map no.: 101.38-2-5) and 456 River Street (tax map no.: 101.38-2-28) in the City of Troy, Rensselaer County, New York (collectively, the “Parking Garage Land”), (2) the construction of an approximately 226,800 square foot building thereon (the “Parking Garage Facility”) and (3) the acquisition and installation therein and thereon of certain machinery, equipment and other personal property (collectively, the “Parking Garage Equipment”) (the Parking Garage Land, the Parking Garage Facility and the Parking Garage Equipment being collectively referred to as the “Parking Garage Facility”); all of the foregoing to be owned by the Company and leased or sold to an entity to be formed for use as parking garage 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 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 Agency.

IV. ROCK GYM FACILITY:

(A) (1) The acquisition of an interest in a portion of an approximately 2.20 acre parcel of land located at 547 River Street (tax map no.: 101.22-9-1) in the City of Troy, Rensselaer County, New York (the “Gym Land”), (2) the construction of an approximately 20,842 square foot building thereon (the “Gym Facility”) and (3) the acquisition and installation therein and thereon of certain machinery, equipment and other personal property (collectively, the “Gym Equipment”) (the Gym Land, the Gym Facility and the Gym Equipment being collectively referred to as the “Gym Project Facility”); all of the foregoing to be owned by the Company and leased or sold to an entity to be formed for use as a fitness facility, 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 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 Agency.

V. APARTMENT HOUSING FACILITY:

(A) (1) The acquisition of an interest in approximately three (3) parcels of land totaling approximately 0.83 acres located at 579 River Street (tax map no.: 101.22-9-1), 575 River Street (tax map no.: 101.22-5-8) and a portion of 547 River Street (tax map no.: 101.22-9-1) in the City of Troy, Rensselaer County, New York (collectively, the “Apartment Housing Land”), (2) the construction of an approximately 125,000 square foot building thereon (the “Apartment Housing Facility”) and (3) the acquisition and installation therein and thereon of certain machinery, equipment and other personal property (collectively, the “Apartment Housing Equipment”) (the Apartment Housing Land, the Apartment Housing Facility and the Apartment Housing Equipment being collectively referred to as the “Apartment Housing Project Facility”); all of the foregoing to be owned by the Company and leased or sold to an entity to be formed for use as a senior apartment facility 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 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 Agency; and

WHEREAS, pursuant to the authorization contained in a resolution adopted by the members of the Agency on October 14, 2021 (the “Public Hearing Resolution”), the Executive Director of the Agency (A) caused notice of a public hearing of the Agency (the “Public Hearing”) pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on November 15, 2021 to the chief executive officers of the county and of each city, town, village and school district in which the Project is or is to be located, (B) caused notice of the Public Hearing to be posted on November 15, 2021 on a bulletin board located at the Quackenbush Building located at 333 Broadway in the City of Troy, Rensselaer County, as well as on the Agency’s website, (C) caused notice of the Public Hearing to be published on November 17, 2021 in The Record, a newspaper of general circulation available to the residents of the City of Troy, Rensselaer County, New York, (D) conducted the Public Hearing on December 1, 2021 at 3:45 o’clock p.m., local time at the Agency’s office located in the Quackenbush Building located at 333 Broadway in the City of Troy, Rensselaer County, New York, and (E) prepared a report of the Public Hearing (the “Hearing Report”) fairly summarizing the views presented at such Public Hearing and caused copies of said Hearing Report to be made available to the members of the Agency; 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 (the “Regulations”) adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (collectively with the SEQR Act, “SEQRA”), by resolution adopted by the members of the Agency on October 14, 2021 (the “Preliminary SEQR Resolution”), the Agency (A) determined (1) to obtain an environmental assessment form relating to the Project (an “EAF”) from the Company, to review the EAF with counsel to the Agency, and prepare proceedings to allow the Agency to comply with the requirements of SEQRA that apply to the Project, and (2) to investigate the advisability of undertaking a coordinated review with respect to the Project and (B) authorized the Executive Director of the Agency to contact all other “involved agencies” for the purpose of ascertaining whether such “involved agencies” were interested in undertaking a coordinated review of the Project and, if so, designating a “lead agency” with respect to the Project (as such quoted terms are defined in SEQRA) and to report to the Agency at its next meeting on the status of the foregoing; and

WHEREAS, the Agency’s Uniform Tax Exemption Policy (the “Policy”) provides a standardized method for the determination of payments in lieu of taxes for a facility similar to the Project Facility. In

connection with the Application, the Company made a request to the Agency (the “Pilot Request”) that the Agency deviate from the Policy with respect to Project Facility. Pursuant to the resolution adopted by the members of the Agency on October 14, 2021 (the “Pilot Deviation Notice Resolution”), the members of the Agency authorized the Executive Director of the Agency to send a notice to the chief executive officers of the “Affected Tax Jurisdictions” (as defined in the Act) pursuant to Section 874(4) of the Act, informing said individuals that the Agency had received the Pilot Request and that the members of the Agency would consider said request at a meeting of the members of the Agency. The Executive Director of the Agency caused a letter dated November 9, 2021 (the “Pilot Deviation Notice Letter”) to be mailed to the chief executive officers of the Affected Tax Jurisdictions, informing said individuals that the Agency would, at its meeting on February 10, 2022, consider a proposed deviation from the Policy with respect to the payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility (the “Payment in Lieu of Tax Agreement”) and the reasons for said proposed deviation; and

WHEREAS, further pursuant to SEQRA, by resolution adopted by the Agency on February 10, 2022 (the “Final SEQR Resolution”), the Agency (A) concurred in the determination that (1) the City of Troy Planning Commission (the “Planning Commission”) and (2) the City of Troy Planning Board (the “Planning Board”) are the “lead agencies” with respect to SEQRA and (B) acknowledged receipt of (1) a negative declaration from the Planning Commission dated December 1, 2021 (the “Negative Declaration”) and (2) the Planning Board’s SEQR determination dated April 10, 2008 (the “Planning Board SEQR Determination”), in which the Planning Commission and the Planning Board determined the Project to be a “Type I action” that will not have a “significant environmental impact on the environment” and accordingly, that an environmental impact statement is not required to be prepared with respect to the Project (as such quoted terms are defined in SEQRA; and

WHEREAS, by further resolution adopted by the members of the Agency on February 10, 2022 (the “Commercial/Retail Finding Resolution”), the Agency (A) determined that the Project constituted a “commercial project” within the meaning of the Act, (B) found that although the Project Facility appears to constitute a project where facilities or properties that are primarily used in making the retail sales of goods or services to customers who personally visit such facilities may constitute more than one-third of the costs of the Project, the Agency is authorized to provide financial assistance in respect of the Project pursuant to Section 862(2)(a) of the Act because the Project Facility is located in a highly distressed area, (C) determined, following a review of the Public Hearing Report, that the Project would serve the public purposes of the Act by preserving permanent private sector jobs in the State of New York, and (D) determined that the Agency would proceed with the Project and the granting of the Financial Assistance; provided however, that no financial assistance would be provided to the Project by the Agency unless and until the County Executive of Rensselaer County, as chief executive officer of Rensselaer County, New York, pursuant to Section 862(2)(c) of the Act, confirmed the proposed action of the Agency with respect to the Project; and

WHEREAS, by resolution adopted by the members of the Agency on February 10, 2022 (the “Pilot Deviation Approval Resolution”), the members of the Agency determined to deviate from the Agency’s uniform tax exemption policy with respect to the Project; and

WHEREAS, by further resolution adopted by the members of the Agency on February 10, 2022 (the “Approving Resolution”), the Agency determined to grant the Financial Assistance and to enter into a lease agreement dated as of July 1, 2023 (the “Lease Agreement”) between the Agency and the Company and certain other documents related thereto and to the Project (collectively with the Lease Agreement, the “Basic Documents”). Pursuant to the terms of the Lease Agreement, (A) the Company will agree (1) to cause the Project to be undertaken and completed, and (2) as agent of the Agency, to undertake and complete the Project and (B) the Agency has leased the Project Facility to the Company. The Lease Agreement grants to the Company certain options to acquire the Project Facility from the Agency; and

WHEREAS, pursuant to a further request from the Company to amend the Pilot Request from the Agency's Policy (the "Amended Pilot Request"), the Agency, by resolution adopted by the members of the Agency on June 9, 2022 (the "Resolution Authorizing Amended Pilot Deviation Letter"), authorized the Executive Director of the Agency to send a notice to the Affected Tax Jurisdictions and pursuant to a letter dated August 9, 2022 (the "Amended Pilot Deviation Letter"), the Agency notified the "Affected Tax Jurisdictions" (as defined in the Act) pursuant to Section 874(4) of the Act, informing said individuals that the Agency had received the Amended Pilot Request and that the members of the Agency would consider said request at a meeting of the members of the Agency scheduled to be held on September 8, 2022 to consider a proposed deviation from the Policy with respect to the payment in lieu of tax agreement and the reasons for said proposed deviation (the "Amendment"); and

WHEREAS, pursuant to the Amendment, the Executive Director of the Agency (A) caused notice of a public hearing of the Agency (the "Supplemental Public Hearing") pursuant to Section 859-a of the Act, to hear all persons interested in the Project and the financial assistance being contemplated by the Agency with respect to the Project, to be mailed on July 19, 2022 to the chief executive officers of the county and of each city, town, village and school district in which the Project Facility is to be located, (B) caused notice of the Public Hearing to be posted on July 19, 2022 on a bulletin board located at the Rensselaer County Industrial Development Agency Conference Room located at 333 Broadway, 3rd Floor in the City of Troy, Rensselaer County, as well as on the Agency's website, (C) caused notice of the Supplemental Public Hearing to be published on July 20, 2022 in The Record, a newspaper of general circulation available to the residents of Rensselaer County, New York, (D) conducted the Supplemental Public Hearing on August 4, 2022 at 10:00 o'clock a.m., local time at the Agency's office located in the Quackenbush Building located at 333 Broadway in the City of Troy, Rensselaer County, New York, and (E) prepared a report of the Supplemental Public Hearing (the "Supplemental Hearing Report") fairly summarizing the views presented at such Supplemental Public Hearing and caused copies of said Supplemental Hearing Report to be made available to the members of the Agency; and

WHEREAS, by resolution adopted by the members of the Agency on September 8, 2022 (the "Amended Pilot Deviation Approval Resolution"), the members of the Agency determined to deviate from the Agency's Policy with respect to the Project pursuant to the Amendment; and

WHEREAS, pursuant to the Amendment, by resolution adopted by the members of the Agency on September 8, 2022 (the "Amended Approving Resolution"), the Agency determined to amend the Approving Resolution; and

WHEREAS, by certificate executed by the County Executive on June 30, 2023 (the "Public Approval"), confirmed the proposed action to be taken by the Agency with respect to the Project for the purposes of Section 862(2)(c) of the Act; and

WHEREAS, on August 4, 2023, the Agency received a further amendment to the Application (the "Second Amendment"), which Second Amendment is attached hereto as Exhibit A and requests the Agency to consider increasing the mortgage recording tax exemption for the Commercial Mixed-Use Building Facility (Flanigan Building), Grocery Store Facility and Rock Gym Facility and increase the sales tax exemption on the Commercial Mixed-Use Building Facility (Flanigan Building) and Rock Gym Facility due to the increase in project cost for all three projects; and

WHEREAS, as the Second Amendment increases the amount of Financial Assistance beyond \$100,000, pursuant to Section 859-a of the Act, prior to the Agency providing any "financial assistance" (as defined in the Act) of more than \$100,000 to any project, the Agency, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project; and

WHEREAS, the Agency desires to provide for compliance with the provisions of Section 859-a of the Act with respect to the Project;

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

Section 1. That since the Second Amendment will result in the Agency providing financial assistance exceeding \$100,000, the Agency hereby authorizes the Executive Director of the Agency, after consultation with the members of the Agency and Agency Counsel, (A) to establish the time, date and place for a public hearing of the Agency to hear all persons interested in the Project (the "Public Hearing"); (B) to cause the Public Hearing to be held in a city, town or village where the Project Facility is or is to be located, and to cause notice of such Public Hearing to be given to the public by publishing a notice or notices of such Public Hearing in a newspaper of general circulation available to the residents of the governmental units where the Project Facility is or is to be located, such notice or notices to comply with the requirements of Section 859-a of the Act; (C) to cause notice of the Public Hearing to be given to the chief executive officer of the county and of each city, town, village and school district in which the Project Facility is or is to be located to comply with the requirements of Section 859-a of the Act; (D) to conduct such Public Hearing; (E) to cause a report of the Public Hearing fairly summarizing the views presented at such Public Hearing (the "Report") to be prepared; (F) to cause a copy of the Report to be made available to the members of the Agency; and **(G) to cause this resolution to be sent via certified mail, return receipt requested to the chief executive officer of the County and of each city, town, village and school district in which the Project Facility is to be located to comply with the requirements of Section 859-a of the Act.**

Section 2. The Chair, Vice Chair and/or Executive Director of the Agency is hereby authorized and directed to distribute copies of this Resolution to the Company and to do such further things or perform such acts as may be necessary or convenient to implement the provisions of this Resolution.

Section 3. 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:

Justin Law, Esq.	VOTING	YES
Matthew Polsinello	VOTING	YES
Cory Jones	VOTING	YES
John H. Clinton, Jr.	VOTING	YES
Justin Buchanan	VOTING	YES
Frank Lewandusky	VOTING	ABSENT

The foregoing Resolution was thereupon declared duly adopted.

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

I, the undersigned (~~Assistant~~) Secretary of Rensselaer County 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 August 10, 2023 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.

10th IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this day of August, 2023.



(~~Assistant~~) Secretary

(SEAL)

EXHIBIT A
SECOND AMENDMENT

- SEE ATTACHED -

WHITEMAN
OSTERMAN
& HANNA LLP

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August 4, 2023

VIA EMAIL

Rensselaer County Industrial Development Agency
333 Broadway, Suite 320
Troy, New York 12180
Attn: Robert L. Pasinella, Jr.
Email: rpasinella@rensco.com

**Re: *Amendment to Application – 547 and 558 River Street, Troy, New York
First Columbia, LLC***

Dear Mr. Pasinella:

This law firm represents First Columbia, LLC (the “Applicant”) in connection with the granting of certain financial assistance by the Rensselaer County Industrial Development Agency (the “Agency”) to entities to be formed by the Applicant for the below referenced Projects. Reference is made to those certain resolutions of the Agency, dated February 10, 2022 and amended on September 8, 2022 (the “Approving Resolutions”), pursuant to which the Agency determined to grant financial assistance to the following projects (the “Projects”):

- i. The renovation and reconstruction of the existing facility located at 547 River Street (tax map no.: 101.22-9-1) in the City of Troy, Rensselaer County, New York (the “Office Facility”) into a mixed-use building consisting of 72 apartment units and approximately 20,000 square feet of commercial space (of which 12,174 square feet will be new construction) (the “Office Project”);
- ii. The construction of an approximately 20,842 square foot building adjacent to the 547 River Facility, which will be utilized as a rock gym (the “Gym Project”); and
- iii. The renovation and reconstruction of the existing facility located at 558 River Street (tax map no.: 101.22-10-1), 562 River Street (tax map no.: 101.22-6-14) and 546 River Street (tax map no.: 101.22-10-14) in the City of Troy, Rensselaer County, New York (the “Grocery Store Facility”) into an approximately 19,889 square foot, 2-story commercial building, with an approximately 800 square foot addition, which will be utilized as a grocery store (the “Grocery Project”).

Applicant submits this request to amend the Approving Resolutions to increase the mortgage recording tax exemptions and sales tax exemptions for the Projects for the following reasons:

1. The initial application for the Office Project contemplated renovating and rehabilitating the Office Facility for continued commercial office uses. However, based upon changes in the overall scope of the Projects, the contemplated use of the Office Facility has changed to a mixed-use facility, including the conversion of the majority of the Office Facility into 72-units of apartment housing. Notably, 37-units of the apartment housing will be restricted to housing for persons with incomes at or below 80% of the area median income. The costs to convert the Office Facility from commercial offices to apartment units have substantially increased the overall cost of the Office Project.

2. Due to continued rising costs of construction materials, the overall cost of the Projects has increased substantially. A copy of the most recent construction budget for the Projects is attached hereto as Exhibit A (the "Revised Budget").

3. The Projects will be financed by a number of different sources, including (a) \$14,401,000 in construction to permanent loans from M&T Bank (the "Permanent Loan"), (b) \$5,171,400 in New Market Tax Credit equity (the "NMTC Equity"), (c) \$6,619,378 in Historic Tax Credit equity (the "HTC Equity"), (d) \$5,700,000 in grants from New York State Empire Development (the "ESD Grants"), (e) \$400,000 in grants from the City of Troy (the "Troy Grant"), and (f) \$4,000,000 in loans from New York State Division of Housing and Community Renewal (the "HCR Loan"). Because the HTC Equity, ESD Grants and HCR Loans are not paid into the Projects until construction completion, bridge loans in the aggregate amount of \$16,264,000 are needed during the construction period. Accordingly, the total amount of new credit facilities for the Projects will be \$27,465,000, resulting in \$343,312.50 in mortgage recording tax.

Under the Approving Resolutions, the Agency approved the following amounts for the mortgage recording tax exemption and sales tax exemption:

	Office Project	Gym Project	Grocery Project
Mortgage Recording Tax Exemption	\$94,470	\$25,460	\$23,000
Sales Tax Exemption	\$163,200	\$110,400	\$186,912

Based upon the Revised Budget, Applicant requests that the Agency amend the Approving Resolutions by increasing the amounts of the mortgage recording tax exemption and sales tax exemption for the Projects as follows:

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	Office Project	Gym Project	Grocery Project
Mortgage Recording Tax Exemption	\$207,967.50 <i>Increase in</i> \$113,497.50	\$69,320 <i>Increase in</i> \$43,860	\$66,025 <i>Increase in</i> \$43,025
Sales Tax Exemption	\$549,968 <i>Increase in</i> \$386,768	\$180,800 <i>Increase in</i> \$70,400	\$186,912 <i>No increase</i>

Applicant respectfully requests that the Agency place this proposed amendment to the Approving Resolutions on the next meeting of the Board of Directors of the Agency. Should you wish to discuss this further or require any additional information, please do not hesitate to contact me.

We thank you for your continued attention to this matter.

Very Truly Yours,

/s/ Daniel T. Hubbell

Daniel T. Hubbell

cc: A. Joseph Scott (ascott@hodgsonruss.com)
Nadene Zeigler (nzeigler@hodgsonruss.com)
First Columbia, LLC

Exhibit A

Revised Budget

	547 River Existing	547 River Rock Gym	558 River Grocery	Combined
Real Estate Acquisition	\$ 6,017,000	\$ 400,000	\$ 600,000	\$ 7,017,000
Sitework	20,000	35,700	48,000	103,700
Demolition (interior selective)	709,000	73,000	82,000	864,000
General Conditions & Overhead	2,352,300	725,500	695,000	3,772,800
Core & Shell	3,644,200	804,000	4,313,000	8,761,200
Fit-Up	774,300	1,593,000	1,660,500	3,027,800
Residential Appliances	30,000			30,000
Offsite Improvements	40,000		50,000	90,000
Utilities	125,000		80,000	205,000
Furnishings	32,000		40,000	72,000
Pre-Engineered Buildings		160,000		160,000
Contingency	701,525	1,175	387,000	1,189,500
Architect/Engineer/Environmental/Survey/Permits	660,025	32,875	369,800	1,062,700
IDA Fees	236,250	73,750	74,400	384,400
Marketing & Management	79,500	26,500	67,000	173,000
Development Fee	720,000	240,000	400,000	1,360,000
3rd Party Legal & Accounting Fees	496,200	120,700	143,400	760,300
Grant Commitment Fee	277,500	9,250	20,000	306,750
Financing Fees	231,750	477,250	115,300	824,300
Construction Period Interest	777,500	257,500	100,000	1,135,000
Total Project Budget	\$ 25,305,800	\$ 6,134,000	\$ 7,440,800	\$ 38,880,600
RE Acquisition	\$ 6,017,000	\$ 400,000	\$ 600,000	\$ 7,017,000
Hard Costs	\$ 16,114,875	\$ 4,861,175	\$ 5,543,200	\$ 26,519,250
Soft Costs	\$ 9,190,925	\$ 1,272,825	\$ 1,897,600	\$ 12,361,350
	\$ 25,305,800	\$ 6,134,000	\$ 7,440,800	\$ 38,880,600