

CITY OF COHOES INDUSTRIAL DEVELOPMENT AGENCY
RESOLUTION TO AMEND THE BYLAWS

A regular meeting of City of Cohoes Industrial Development Agency (the "Agency") was convened in public session at the office of the Agency located at 97 Mohawk Street, Cohoes, New York on December 18, 2018 at 8:15 a.m., local time.

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

PRESENT:

Rod Dion	Chair
William Keeler	Vice Chair
Theresa M. Thibodeau	Treasurer
Stanley Szozda	Secretary
Manny Santos	Member
Cliff Bird	Member
Horace (Bud) Hallock, Jr.	Member

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Deborah Jacques	Executive Assistant, Office of Economic Development
Catherine M. Hedgeman, Esq.	Agency Counsel
A. Joseph Scott, III, Esq.	Special Agency Counsel

The following resolution was offered by William Keeler, seconded by Theresa Thibodeau, to wit:

RESOLUTION AMENDING THE BYLAWS.

WHEREAS, City of Cohoes Industrial Development Agency (the "Agency") is authorized and empowered by the provisions of Chapter 1030 of 1969 Laws of New York, constituting Title 1 of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended (the "Enabling Act") and Chapter 325 of the 1974 Laws of New York, as amended, constituting Section 903-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation 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, under Section 858 of the Act, the Agency has the obligation and power to adopt policies to govern the agency;

WHEREAS, as provided in the Agency's by-laws and the Governance Committee Charter, the members of the Governance Committee have reviewed and made certain recommendations for amendments to the Agency by-laws

WHEREAS, the members of the Agency desire to approve certain amendments to the Agency's Policy for Public Access to Records;

WHEREAS, the Board has received the proposed Policy Public Access to Records, has had the opportunity to review it, and said Policy Public Access to Records is attached to this Resolution as Appendix "A".

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

Section 1. The Agency hereby takes the following actions:

(A) Approves the amendments to the Agency Policy for Public Access to Records as indicated on the attached Schedule A.

Section 3. This Resolution shall take effect immediately.

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

Rod Dion	VOTING	<u>Yes</u>
William Keeler	VOTING	<u>Yes</u>
Theresa M. Thibodeau	VOTING	<u>Yes</u>
Stanley Szozda	VOTING	<u>Yes</u>
Manny Santos	VOTING	<u>Yes</u>
Cliff Bird	VOTING	<u>Yes</u>
Horace (Bud) Hallock, Jr.	VOTING	<u>Yes</u>

The resolution was thereupon declared duly adopted.

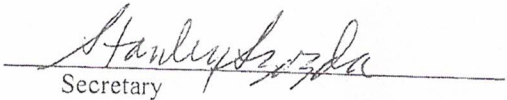
STATE OF NEW YORK)
) SS.:
COUNTY OF ALBANY)

I, the undersigned Secretary of City of Cohoes Industrial Development Agency (the "Agency"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency held on January 18, 2018 with the original thereof on file in my office, and that the same is a true and correct copy of said original 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 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.

18th IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this day of January, 2018.


Secretary

(SEAL.)

SCHEDULE A

PILOT DEVIATION APPROVAL RESOLUTION
COHOES II LIMITED PARTNERSHIP PROJECT

A regular meeting of City of Cohoes Industrial Development Agency (the "Agency") was convened in public session in the City Hall of Cohoes in the second floor Common Council Chambers located at 97 Mohawk Street in the City of Cohoes, Albany County, New York on December 18, 2018 at 8:15 o'clock a.m., local time.

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

PRESENT:

Rod Dion	Chairman
William T. Keeler	Vice Chairman
Stanley Szozda	Secretary
Theresa M. Thibodeau	Treasurer
Cliff Bird	Member
Horace Hallock, Jr.	Member
Manny Santos	Member

ABSENT:

None

AGENCY STAFF PRESENT INCLUDED THE FOLLOWING:

Michael Jacobson	Commissioner of Economic Development
Michael Durocher	CFO
Debbie Jacques	Executive Assistant
A. Joseph Scott, III	Agency Special Counsel

The following resolution was offered by Stanley Szozda, seconded by Cliff Bird, to wit:

Resolution No. 1218-

RESOLUTION AUTHORIZING A DEVIATION FROM THE AGENCY'S UNIFORM TAX EXEMPTION POLICY IN CONNECTION WITH THE PROPOSED PAYMENT IN LIEU OF TAX AGREEMENT TO BE ENTERED INTO BY THE AGENCY IN CONNECTION WITH THE PROPOSED PROJECT FOR COHOES II LIMITED PARTNERSHIP (THE "COMPANY").

WHEREAS, City of Cohoes 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 313 of the 1972 Laws of New York, as amended, constituting Section 896-a of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of commercial, manufacturing 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 and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, Cohoes II Limited Partnership, a New York limited partnership (the "Applicant"), has submitted an application (the "Application") to the Agency, a copy of which Application is on file at the office of the Agency, which Application requested that the Agency consider undertaking a project (the "Project") for the benefit of Cohoes II Limited Partnership (the "Company"), said Project consisting of the following: (A) (1) the acquisition of an interest or interests in various parcels of real estate in the downtown area of the City of Cohoes, New York, including, but not limited to the following: (a) an approximately 3,750 square foot parcel of land currently with an address of 10-12 Van Vechten Street (f/k/a tax map nos. 10.59-1-2 and 10.59-1-1) in the City of Cohoes, Albany County, New York (the "Van Vechten Land"), (b) an approximately 5,625 square foot parcel of land currently with an address of 12-16 Sargent Street (f/k/a tax map nos. 10.59-1-4, 10.59-1-5, and 10.59-1-6) in the City of Cohoes, Albany County, New York (the "Sargent Land"), (c) an approximately 3,897 square foot parcel of land currently with an address of 9-10 Schuyler Street (f/k/a tax map nos. 10.75-2-26 and 10.75-3-53) in the City of Cohoes, Albany County, New York (the "Schuyler Land"), (d) an approximately 12,790 square foot parcel of land currently with addresses of 1 Willow Street and 13 Willow Street (collectively, "Willow Street") (tax map nos. 10.50-2-5 and 10.50-2-7) in the City of Cohoes, Albany County, New York (the "Willow Land"), (e) an approximately 1,459 square foot parcel of land currently with an address of 10 Vliet Street (tax map no. 10.50-3-1) in the City of Cohoes, Albany County, New York (the "Vliet Land"), (f) an approximately 9,700 square foot parcel of land currently with an address of 171-175 Main Street (f/k/a tax map nos. 10.83-1-39, 10.83-1-38, and 10.83-1-37) in the City of Cohoes, Albany County, New York (the "171-175 Main Land"), (g) an approximately 14,550 square foot parcel of land currently with addresses of 107 Main Street and 113 Main Street (collectively, "107/113 Main Street") (f/k/a tax map nos. 10.75-2-17 and 10.75-2-16) in the City of Cohoes, Albany County, New York (the "107/113 Main Land"), (h) an approximately 4,850 square foot parcel of land currently with an address of 145-147 Main Street (f/k/a tax map nos. 10.75-3-17 and 10.75-3-18) in the City of Cohoes, Albany County, New York (the "145-147 Main Land"), (i) an approximately 3,000 square foot parcel of land currently with an address of 122 Main Street (f/k/a tax map no. 10.75-2-25) in the City of Cohoes, Albany County, New York (the "122 Main Land"), (j) an approximately 6,845 square foot parcel of land currently with an address of 124-130 Main Street (f/k/a tax map nos. 10.75-3-29, 10.75-3-30, 10.75-3-31 and 10.75-3-32) in the City of Cohoes, Albany County, New York (the "124-130 Main Land"), (k) an approximately 4,850 square foot parcel of land currently with an address of 185 Main Street (tax map no. 10.83-1-34) in the City of Cohoes, Albany County, New York (the "185 Main Land"), and (l) an approximately 75,607 square foot parcel of land currently with an address of 385 Saratoga Street (f/k/a tax map no. 10.20-4-13) in the City of Cohoes, Albany County, New York (the "Saratoga Land" and collectively with the Van Vechten Land, Sargent Land, Schuyler Land, Willow Land, Vliet Land, 171-175 Main Land, 107/113 Main Land, 145-147 Main Land, 122 Main Land, 124-130 Main Land, 185 Main Land, and the Saratoga Land, the "Land"), together with the existing improvements located thereon (collectively, the "Existing Facility"), (2) the demolition of the Existing Facility, (3) the construction on the Land of a new facility or facilities to provide for approximately 80 studio, 1, 2 and 3 bedroom apartment units (collectively, the "Facility") and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvement and finish (collectively, the "Equipment") (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the "Project Facility"), all of the foregoing to constitute a residential facility containing approximately 80 residential apartments and incidental and related commercial retail space, to be

owned and operated by the Company and leased by the Company to various commercial and residential tenants, and 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, by resolution adopted by the members of the Agency on December 19, 2017 (the "Public Hearing Resolution"), the Agency authorized a public hearing to be held pursuant to Section 859-a of the Act with respect to the Project; and

WHEREAS, pursuant to the authorization contained in the Public Hearing Resolution, the Chairman of the Agency (A) caused notice of a public hearing of the Agency pursuant to Section 859-a of the Act (the "Public Hearing") 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 December 4, 2018 to the chief executive officers of the county and of each city, town, village and school district in which the Project is to be located, (B) caused notice of the Public Hearing to be posted on December 5, 2018 on a bulletin board located in the lobby of Cohoes City Hall located at 97 Mohawk Street in the City of Cohoes, Albany County, New York, as well as on the Agency's website, (C) caused notice of the Public Hearing to be published on December 5, 2018 in the Record, a newspaper of general circulation available to the residents of the City of Cohoes, Albany County, New York, (D) caused notice of the Public Hearing to be published on December 7, 2018 in the Daily Gazette, a newspaper of general circulation available to the residents of the City of Cohoes, Albany County, New York, (E) conducted the Public Hearing on December 17, 2018, at 12:00 p.m., local time in the Common Council Chambers of Cohoes City Hall located at 97 Mohawk Street in the City of Cohoes, Albany County, New York, and (F) prepared a report of the Public Hearing (the "Report") which fairly summarized the views presented at said public hearing and distributed same to the members of the Agency; and

WHEREAS, in connection with the Project, the Company has requested that the Agency deviate from its uniform tax exemption policy with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility, which proposed deviation is outlined in the letter dated December 7, 2018 (the "Pilot Deviation Letter"), a copy of which Pilot Deviation Letter is attached hereto as Exhibit A; and

WHEREAS, pursuant to Section 874(4) of the Act, prior to taking final action on such request for a deviation from the Agency's uniform tax exemption policy, the Agency must give the chief executive officers of the City and each city, town, village and school district in which the Project Facility is located (collectively, the "Affected Tax Jurisdictions") written notice of the proposed deviation from the Agency's uniform tax exemption policy and the reasons therefor prior to the meeting of the Agency at which the members of the Agency shall consider whether to approve such proposed deviation; and

WHEREAS, on December 7, 2018, the Chief Executive Officer of the Agency sent a copy of the Pilot Deviation Letter to the Affected Tax Jurisdictions to notify the Affected Tax Jurisdictions of the proposed deviation from the Agency's uniform tax exemption policy in connection with the Project; and

WHEREAS, through the Pilot Deviation Letter, the Chief Executive Officer of the Agency notified the chief executive officers of the Affected Tax Jurisdictions of the proposed deviation from the Agency's uniform tax exemption policy and further notified said chief executive officers that the members of the Agency would consider whether to approve such proposed deviation at this meeting;

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

Section 1. The Agency hereby finds and determines as follows:

(A) The Agency has considered any and all responses from the Affected Tax Jurisdictions to the Pilot Deviation Letter.

(B) The Agency has reviewed and responded to all written comments received from any Affected Tax Jurisdiction with respect to the proposed deviation.

(C) The Agency has given all representatives from an Affected Tax Jurisdictions in attendance at this meeting the opportunity to address the members of the Agency regarding the proposed deviation.

Section 2. Based upon (A) the findings and determinations in Section 1 above, (B) any comments received at the Public Hearing, (C) input received at this meeting from the Affected Tax Jurisdictions with respect to the proposed deviation, (D) the Agency's knowledge of the Project, (E) the recommendations of Agency staff, and (F) such further investigation of the Project and the effect of the proposed deviation as the Agency has deemed appropriate, the Agency hereby determines to deviate from the Agency's uniform tax exemption policy with respect to the terms of the proposed payment in lieu of tax agreement to be entered into by the Agency with respect to the Project Facility for the reasons set forth in the Pilot Deviation Letter. Based upon the aforementioned, the Agency hereby approves a deviation from the Agency's uniform tax exemption policy, the terms of the approved deviation to be as described as follows:

Term	30 years, plus a 2.5 years construction period
Payment	6% of EGI (income)
Escalator	3%/ year beginning in Year 15
Second look based on the IDA operating procedure	Yes
Claw backs	Yes, per IDA operating procedure

Section 3. Upon preparation by special counsel to the Agency of a payment in lieu of tax agreement with respect to the Project Facility reflecting the terms of this resolution (the "Payment in Lieu of Tax Agreement") and approval of same by the Chairman (or Vice Chairman) of the Agency, the Chairman (or Vice Chairman) of the Agency is hereby authorized, on behalf of the Agency, to execute and deliver the Payment in Lieu of Tax Agreement, and, where appropriate, the Secretary (or Assistant Secretary) of the Agency is hereby authorized to affix the seal of the Agency thereto and to attest the same, all in such form as is approved by the Chairman (or Vice Chairman), the execution thereof by the Chairman (or Vice Chairman) to constitute conclusive evidence of such approval.

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required or provided for by the provisions of the Payment in Lieu of Tax Agreement, and to execute and deliver all such additional 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 resolution and to cause compliance by the Agency with all of the terms, covenants and provisions of the Payment in Lieu of Tax Agreement binding upon the Agency.

Section 5. This Resolution shall take effect immediately.

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

Rod Dion	VOTING	<u>YES</u>
William T. Keeler	VOTING	<u>NO</u>
Stanley Szozda	VOTING	<u>YES</u>
Theresa M. Thibodeau	VOTING	<u>NO</u>
Cliff Bird	VOTING	<u>YES</u>
Horace Hallock, Jr.	VOTING	<u>NO</u>
Manny Santos	VOTING	<u>YES</u>

The foregoing Resolution was thereupon declared duly adopted.

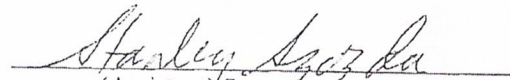
STATE OF NEW YORK)
) SS.:
COUNTY OF ALBANY)

I, the undersigned (~~Assistant~~) Secretary of City of Cohoes 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 December 18, 2018 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution contained therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 18th day of December, 2018.



(Assistant) Secretary

(SEAL)

EXHIBIT A
PILOT DEVIATION LETTER

- SEE ATTACHED -

CITY OF COHOES INDUSTRIAL DEVELOPMENT AGENCY
97 Mohawk Street
Cohoes, New York 12047

December 7, 2018

Hon. Daniel P. McCoy, County Executive
112 State Street
Room 200
Albany New York 12207

Jennifer Spring, Ed.D., Superintendent of Schools
Cohoes City School District
7 Bevan Street
Cohoes, New York 12047

Hon. Shawn M. Morse, Mayor
City of Cohoes
97 Mohawk Street
Cohoes, New York 12047

Matthew Nolin, Board President
Cohoes City School District
7 Bevan Street
Cohoes, New York 12047

RE: Proposed Deviation from Uniform Tax Exemption Policy by
City of Cohoes Industrial Development Agency
Cohoes II Limited Partnership Project

Dear Ladies and Gentlemen:

This letter is delivered to you pursuant to Section 874(4)(c) of the General Municipal Law.

The City of Cohoes Industrial Development Agency (the "Agency") has received an application (the "Application") from Cohoes II Limited Partnership, a New York limited partnership (the "Company"), for financial assistance in connection with a project (the "Project") proposed to be undertaken by the Agency for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest or interests in various parcels of real estate in the downtown area of the City of Cohoes, New York, including, but not limited to the following: (a) an approximately 3,750 square foot parcel of land currently with an address of 10-12 Van Vechten Street (tax map nos. 10.59-1-2 and 10.59-1-1) in the City of Cohoes, Albany County, New York (the "Van Vechten Land"), (b) an approximately 5,625 square foot parcel of land currently with and address of 12-16 Sargent Street (tax map nos. 10.59-1-4, 10.59-1-5, and 10.59-1-6) in the City of Cohoes, Albany County, New York (the "Sargent Land"), (c) an approximately 3,897 square foot parcel of land currently with an address of 9-10 Schuyler Street (tax map nos. 10.75-2-26 and 10.75-3-53) in the City of Cohoes, Albany County, New York (the "Schuyler Land"), (d) an approximately 12,790 square foot parcel of land currently with addresses of 1 Willow Street and 13 Willow Street (collectively, "Willow Street") (tax map nos. 10.50-2-5 and 10.50-2-7) in the City of Cohoes, Albany County, New York (the "Willow Land"), (e) an approximately 1,459 square foot parcel of land currently with an address of 10 Vliet Street (tax map no. 10.50-3-1) in the City of Cohoes, Albany County, New York (the "Vliet Land"), (f) an approximately 9,700 square foot parcel of land currently with an address of 171-175 Main Street (tax map nos. 10.83-1-39, 10.83-1-38, and 10.83-1-37) in the City of Cohoes, Albany County, New York (the "171-175 Main Land"), (g) an approximately 14,550 square foot parcel of land currently with addresses of 107 Main Street and 113 Main Street (collectively, "107/113 Main Street") (tax map nos. 10.75-2-17 and 10.75-2-16) in the City of Cohoes, Albany County, New York (the "107/113 Main Land"), (h) an approximately 4,850 square foot parcel of land currently with an address of 145-147 Main Street (tax map nos. 10.75-3-17 and 10.75-3-18) in the City of Cohoes, Albany County, New York (the "145-147 Main Land"), (i) an approximately 3,000 square foot parcel of land currently with an address of 122 Main Street (tax map no. 10.75-2-25) in the City of Cohoes, Albany

County, New York (the "122 Main Land"), (j) an approximately 6,845 square foot parcel of land currently with an address of 124-130 Main Street (tax map nos. 10.75-3-29, 10.75-3-30, 10.75-3-31 and 10.75-3-32) in the City of Cohoes, Albany County, New York (the "124-130 Main Land"), (k) an approximately 4,850 square foot parcel of land currently with an address of 185 Main Street (tax map no. 10.83-1-34) in the City of Cohoes, Albany County, New York (the "185 Main Land"), and (l) an approximately 75,607 square foot parcel of land currently with an address of 385 Saratoga Street (tax map no. 10.20-4-13) in the City of Cohoes, Albany County, New York (the "Saratoga Land" and collectively with the Van Vechten Land, Sargent Land, Schuyler Land, Willow Land, Vliet Land, 171-175 Main Land, 107/113 Main Land, 145-147 Main Land, 122 Main Land, 124-130 Main Land, 185 Main Land, and the Saratoga Land, the "Land"), together with the existing improvements located thereon (collectively, the "Existing Facility"), (2) the demolition of the Existing Facility, (3) the construction on the Land of a new facility or facilities to provide for approximately 80 studio, 1, 2 and 3 bedroom apartment units (collectively, the "Facility") and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property, including without limitation, tenant improvement and finish (collectively, the "Equipment") (the Land, the Existing Facility, the Facility, and the Equipment being collectively referred to as the "Project Facility"), all of the foregoing to constitute a residential facility containing approximately 80 residential apartments and incidental and related commercial retail space, to be owned and operated by the Company and leased by the Company to various commercial and residential tenants, and 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.

In connection with the Application, the Company has made a request to the Agency (the "Pilot Request") to enter into a payment in lieu of tax agreement (the "Proposed Pilot Agreement") which terms would deviate from the Agency's Uniform Tax Exemption Policy (the "Policy"). Capitalized terms not otherwise defined herein are defined in the Policy.

The Proposed Pilot Agreement would not provide any abatements for any special assessments levied on the Project Facility.

The Proposed Pilot Agreement would be for a term not to exceed 35 years, with the Company obligated to make payments as follows: for a period ending on the earlier to occur of (a) December 31, 2054 (or 35 years following date of the closing of the Agency transaction (the "Closing Date")), or (b) the date on which the City of Cohoes (the "City") shall determine that the Project Facility no longer is being used as a housing facility for persons of low income, the Company will pay to the Comptroller of the City, for distribution among the Cohoes City School District, the County of Albany and the City, annual payments in lieu of taxes in an amount equal to five percent (5.0%) of the aggregate collected annual tenant paid rents generated by the Project Facility, which shall include rent supplements and subsidies received from the federal government, the State, or a municipality on behalf of such tenants, less the aggregate annual owner paid utilities, such payments to be payable on February 1 of each year (or such other annual date), in an amount calculated pursuant to the previous sentence for the prior calendar year, commencing on the first February 1, following the Closing Date.

The amount of payments of lieu of taxes will be allocated among the County, the City and the School District pro rata based on their respective tax rates.

Note that the Agency is in discussions with the Company regarding the actual percentage of tenant rent to be paid under the Proposed Pilot Agreement. However, in no event will the percentage be lower than five

percent (5%).

No later than Year 35, the Proposed Pilot Agreement will terminate and the Company will be obligated to pay all real property taxes without any abatement.

Notwithstanding the foregoing, the Proposed Pilot Agreement will provide that the abatement schedule will be modified upon the occurrence of the following:

(A) At the end of Years 7 and 15, the Company will be obligated to deliver to the Agency financial statements (the "Financial Statements") relating to the operations of the Project.

(B) If the Financial Statements show that the "cash flow" relating to the operations of the Project are 30% greater than the estimated cash flows provided to the Agency at the time of the filing of the Application, the abatement schedule for the balance of the term of the Proposed Pilot Agreement will be modified to provide for either (1) increased payments in lieu of taxes, or (2) a reduced term of the Proposed Pilot Agreement.

The Agency's Policy generally provides that, for a facility similar to the Project Facility, payments in lieu of taxes will normally be determined as follows: the Company would have the benefit of a 50% abatement in real property taxes on the Facility and any portion of the Equipment assessable as real property pursuant to the New York Real Property Tax Law (collectively with the Facility, the "Improvements") in year one of the payment in lieu of tax agreement with a five percent per year increase over the term of the ten year payment in lieu of tax agreement.

The purpose of this letter is to inform you of such Pilot Request and that the Agency is considering whether to grant the Pilot Request and to approve a Proposed Pilot Agreement conforming to the terms of the Pilot Request. The Agency expects to consider whether to approve the terms of the Proposed Pilot Agreement at its meeting scheduled for December 18, 2018 at 8:15 a.m., local time at the offices of the Agency located at 97 Mohawk Street in the City of Cohoes, Albany County, New York (the "Meeting"). During the meeting on December 18, 2018, the Agency will review the terms of the Pilot Request and, based on the discussions during such meeting the terms of the Pilot Request may be modified.

This letter is forwarded to you for purposes of complying with Section 874 of the General Municipal Law of the State of New York, which requires written notice prior to the Agency taking final action with respect to the Proposed Pilot Agreement (if said Proposed Pilot Agreement may deviate from the provisions of the Agency's Uniform Tax Exemption Policy).

The Agency considered the following factors in considering the proposed deviation:

1. **The nature of the Project:** The Project will provide below market rate rental housing for residential users and market rate first floor retail space for commercial users.
2. **The present use of the property:** vacant buildings and vacant lots.
3. **The economic condition of the area at the time of the request of the Company and the economic multiplying effect that the Project will have on the area:** The economic condition of the Project site is below average to low, and the effect that the Project will have on the area is significant, and it is consistent with the economic development efforts of the City and the Agency.

4. **The extent to which the Project will create or retain permanent, private sector jobs and the number of jobs to be created or retained:** The Company expects to create two full time equivalent employees and two part-time employee by year 2020.
5. **The estimated value of new tax exemptions to be provided:** Sales Tax Exemption: \$846,560. Mortgage Recording Tax Exemption: \$36,898. Real Property Tax Exemption: as outlined in the Application.
6. **The economic impact of the Project on affected tax jurisdictions:** Very positive as the amount of payments in lieu of taxes will increase over the amount of real property taxes currently being collected at the site.
7. **The impact of the Project on existing and proposed businesses and economic development projects in the vicinity:** Very positive as the Project will significantly improve the existing buildings and vacant lots, and the building locations are prominent in the City's downtown.
8. **The amount of private sector investment generated or likely to be generated by the Project:** over \$31,000,000.
9. **The effect of the Project on the environment:** None.
10. **Project Timing:** It is anticipated that this Project will be completed in a timely manner.
11. **The extent to which the Project will require the provision of additional services including, but not limited to, additional educational, transportation, police, emergency medical or fire services:** Depending on the number of families to be located in the Project Facility, there may some impact on the School District, otherwise there is not expected to be any significant impacts.
12. **Anticipated Tax Revenues:** As noted above, the amount of payments in lieu of taxes will increase in connection with the undertaking of the Project.
13. **The extent to which the Project will provide a benefit (economic or otherwise) not otherwise available within the municipality in which the Project Facility is located:** The Project is consistent with the City's overall downtown development efforts.

The Agency will consider the Proposed Pilot Agreement (and the proposed deviation from the Agency's Uniform Tax Exemption Policy) at the Meeting. The Agency would welcome any written comments that you might have on this proposed deviation from the Agency's Uniform Tax Exemption Policy. In accordance with Section 74(4)(c) of the General Municipal Law, prior to taking final action at the Meeting, the Agency will review and respond to any written comments received from any affected tax jurisdiction with respect to the proposed deviation. The Agency will also allow any representative of any affected tax jurisdiction present at the Meeting to address the Agency regarding the proposed deviation.

If you have any questions or comments regarding the foregoing, please do not hesitate to contact me at the above telephone number.

Sincerely yours,

CITY OF COHOES INDUSTRIAL
DEVELOPMENT AGENCY

By: s/Rod Dion
Chairman