

New

Columbia County Industrial Development Agency

4303 Route 9

Hudson, New York 12534

Tel: (518) 828-4718 Fax: (518) 828-0901

Email: partner@ColumbiaEDC.com

APPLICATION

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

TO: Columbia County Industrial Development Agency
4303 Route 9
Hudson, New York 12534

APPLICANT: 41 Cross Street Hospitality LLC

APPLICANT'S ADDRESS: 172 River Street, STE D

CITY: Troy STATE: NY ZIP CODE: 12180

PHONE NO.: 8448849644 FAX NO.: 8448849644 E-MAIL: trossi@redburndev.com

NAME OF PERSON(S) AUTHORIZED TO SPEAK FOR APPLICANT WITH RESPECT TO THIS APPLICATION: Thomas Rossi, John Blackburn

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

NAME OF ATTORNEY: Kristal Heinz

ATTORNEY'S ADDRESS: PO BOX 1331, 4 East Court Street

CITY: Hudson STATE: NY ZIP CODE: 12534

PHONE NO.: 518755 FAX NO.: E-MAIL: kristal@kristalheinz.com

NOTE: PLEASE READ THE INSTRUCTIONS ON PAGE 2 OF THIS APPLICATION BEFORE COMPLETING THIS FORM.

INSTRUCTIONS

1. The Columbia County Industrial Development Agency ("the Agency") will not approve any application unless, in the judgment of the Agency, said application and the summary contains sufficient information upon which to base a decision whether to approve or tentatively approve an action.
2. Fill in all blanks, using "none" or "not applicable" or "N/A" where the question is not appropriate to the project which is the subject of this application (the "Project").
3. If an estimate is given as the answer to a question, put "(est)" after the figure or answer which is estimated.
4. If more space is needed to answer any specific question, attach a separate sheet.
5. When completed, return five (5) copies of this application to the Agency at the address indicated on the first page of this application.
6. The Agency will not give final approval to this application until the Agency receives a completed environmental assessment form concerning the Project which is the subject of this application.
7. Please note that Article 6 of the Public Officers Law declares that all records in the possession of the Agency (with certain limited exceptions) are open to public inspection and copying. If the applicant feels that there are elements of the Project which are in the nature of trade secrets or information, the nature of which is such that if disclosed to the public or otherwise widely disseminated would cause substantial injury to the applicant's competitive position, the applicant may identify such elements in writing and request that such elements be kept confidential in accordance with Article 6 of the Public Officers Law.
8. The applicant will be required to pay to the Agency all actual costs incurred in connection with this application and the Project contemplated herein (to the extent such expenses are not paid out of the proceeds of the Agency's bonds issued to finance the project). The applicant will also be expected to pay all costs incurred by general counsel and bond counsel to the Agency. The costs incurred by the Agency, including the Agency's general counsel and bond counsel, may be considered as a part of the project and included as a part of the resultant bond issue.
9. The Agency has established an application fee of One Thousand Dollars (\$1,000.00) for projects with a cost of up to but not including Five Million Dollars (\$5,000,000.00) and an application fee of Two Thousand Dollars (\$2,000.00) for projects with a cost of Five Million Dollars (\$5,000,000.00) and above to cover the anticipated costs of the Agency in processing this application. A check or money order made payable to the Agency must accompany each application. **THIS APPLICATION WILL NOT BE CONSIDERED COMPLETE BY THE AGENCY UNLESS ACCOMPANIED BY THE APPLICATION FEE.**

FOR AGENCY USE ONLY

1. Project Number	<u>10011701 A</u>
2. Date ^{New} application received by the Agency	<u>6/13</u> , 20 <u>16</u>
3. Date application referred to attorney for review	<u>6/13</u> , 20 <u>16</u>
4. Date copy of application mailed to members ^{New}	<u>6/13</u> , 20 <u>16</u>
5. Date notice of Agency meeting on application posted	<u>6/4</u> , 20 <u>16</u>
6. Date notice of Agency meeting on application mailed	<u>6/3</u> , 20 <u>16</u>
7. Date of Agency meeting on application	<u>6/10</u> , 20 <u>16</u>
8. Date Agency conditionally approved application	<u>6/10</u> , 20 <u>16</u>
9. Date scheduled for public hearing	<u>6/24</u> , 20 <u>16</u>
10. Date Environmental Assessment Form ("EAF") received	<u>6/28</u> , 20 <u>16</u>
11. Date Agency completed environmental review	<u>6/28</u> , 20 <u>16</u>
12. Date of final approval of application	<u>6/28</u> , 20 <u>16</u>

SUMMARY OF PROJECT

Applicant: 41 Cross Street Hospitality LLC

Contact Person: Thomas Rossi

Phone Number: 8448849644

Occupant: 41 Cross Street Hospitality LLC

Project Street Address: 41 Cross Street, Hudson, NY 12534

Approximate Size of Project Site: 40,800 sqft

Description of Project: 55 room limited service boutique hotel -- www.thewickhotel.com

Type of Project: ☐ Manufacturing ☐ Warehouse/Distribution
☒ Commercial ☐ Other – Specify

Employment Impact: Existing Jobs: Full Time: 0 Part-Time: 0

New Jobs Full Time: 8 Part-Time: 3 FTE

Project Cost: \$ 8,438,000

Type of Financing: ☒ Tax-Exempt ☐ Taxable ☐ Straight Lease

Amount of Bonds Requested: \$ _____

Estimated Value of Tax-Exemptions:

N.Y.S. Sales and Compensating Use Tax:	\$	<u>180,000</u>
Mortgage Recording Taxes:	\$	<u>55,000</u>
Real Property Tax Exemptions:	\$	<u>350,000</u>
Other (please specify):	\$	<u> </u>

Provide estimates for the following:

Number of Full Time Employees at the Project Site before IDA Status:	<u>0</u>
Estimate of Jobs to be Created:	<u>12 FTE</u>
Estimate of Jobs to be Retained:	<u>0</u>
Average Estimated Annual Salary of Jobs to be Created:	<u>35,000</u>
Annualized Salary Range of Jobs to be Created:	<u>24,000 to 65,000</u>
Estimated Average Annual Salary of Jobs to be Retained:	<u>0</u>

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

- A. Identity of Company: 41 Cross Street Hospitality, LLC
1. Company Name: 41 Cross Street Hospitality, LLC
 Present Address: 172 River Street, STE D, Troy, NY
 Zip Code: 12180
 Employer's Tax ID No.: 81-0880026
2. If the Company differs from the Applicant, give details of relationship: _____

3. Indicate type of business organization of Company:
 (a) Corporation (If so, incorporated in what country?) LLC USA
 If United States which State? New York
 Date Incorporated? 12/21/2015 Type of Corporation? LLC
 Authorized to do business in New York? Yes X No _____
 (b) Partnership (if so, indicate type) _____
 Number of general partners _____, Number of limited partners _____
 (c) Sole Proprietorship _____
4. Is the Company a subsidiary or direct or indirect affiliate of any other organization(s)? If so, indicate name of related organization(s) and relationship:

Redburn Development Companies subsidiary

B. Management of Company:

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

Name Home Address	Office Held	Other Principal Business
Thomas Rossi 1 Raskin Road Morristown, NJ 07960	Manager	Redburn Development Companies LLC
John Blackburn 101 First Street Watervliet, NY 12189	Manager	Redburn Development Companies, LLC

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

2. Is the Company or management of the Company now a plaintiff or a defendant in any civil or criminal litigation? Yes ____ No X.
3. Has any person listed above ever been convicted of a criminal offense (other than a minor traffic violation)? Yes ____; No X.
4. Has any person listed above or any concern with whom such person has been connected ever been in receivership or been adjudicated a bankrupt? Yes ____; No X. (If yes to any of the foregoing, furnish details in a separate attachment).

C. Principal Owners of Company:

1. Principal owners of Company: Is Company publicly held?
Yes ____; No X.

If yes, list exchanges where stock traded: _____

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

NAME	ADDRESS	PERCENTAGE OF HOLDING
Redburn Development Companies	172 River Street, STE D Troy, NY 12180	95%

- D. Company's Principal Bank(s) of account: Pioneer, First Niagara

II. DATA REGARDING PROPOSED PROJECT

- A. Summary: (Please provide a brief narrative description of the Project.) The Wick Hotel will be a 55 room limited service boutique hotel. We will target an ADR of \$159/nt while still offering upscale accommodations. The hotel will create 12 FTE jobs to start ramping up to 14. We will be looking to hire local and source local whenever possible. The hotel project will be an historic preservation project and utilize the latest in green energy techniques.

- B. Location of Proposed Project:

1. Street Address: 41 Cross Street, Hudson, NY 12534

C. Project Site:

1. Approximate size (in acres or square feet) of Project site: 40,800 sqft
Is a map, survey or sketch of the project site attached? Yes ; No X.
2. Are there existing buildings on project site? Yes X; No .
 - a. If yes, indicate number and approximate size (in square feet) of each existing building: 40,800 sqft building
 - b. Are existing buildings in operation? Yes ; No X.
If yes, describe present use of present buildings:
 - c. Are existing buildings abandoned? Yes ; No X.
About to be abandoned? Yes X; No . If yes, describe:
theater company needs to downsize, has only been using 30% of building
 - d. Attach photograph of present buildings.
3. Utilities serving project site:
Water-Municipal: city of hudson
Other (describe):
Sewer-Municipal: city of hudson
Other (describe)
Electric-Utility:
Other (describe) national grid
Heat-Utility:
Other (describe) national grid
4. Present legal owner of project site:
 - a. If the Company owns project site, indicate date of purchase: ,
Purchase price: \$.
 - b. If Company does not own the Project site, does Company have option signed with owner to purchase the Project site? Yes X; No . If yes, indicate date option signed with owner: july 1, 2015; and the date the option expires: july 1, 2016.
 - c. If the Company does not own the project site, is there a relationship legally or by common control between the Company and the present owners of the project site? Yes ; No . If yes, describe:
5. a. Zoning District in which the project site is located: RSC

 - b. Are there any variances or special permits affecting the site? Yes ; X

No _____. If yes, list below and attach copies of all such variances or special permits:

D. Buildings:

1. Does part of the project consist of a new building or buildings? Yes ____;
No X. If yes, indicate number and size of new buildings: _____

2. Does part of the project consist of additions and/or renovations to the existing buildings? Yes X; No _____. If yes, indicate the buildings to be expanded or renovated, the size of any expansions and the nature of expansion and/or renovation:

Full gut/renovation of the building

3. Describe the principal uses to be made by the Company of the building or buildings to be acquired, constructed or expanded: _____ hotel

E. Description of the Equipment:

1. Does a part of the Project consist of the acquisition or installation of machinery, equipment or other personal property (the "Equipment")? Yes X; No _____. If yes, describe the Equipment: _____ Hotel FF&E

2. With respect to the Equipment to be acquired, will any of the Equipment be Equipment which has previously been used? Yes ____; No X. If yes, please provide detail: _____

3. Describe the principal uses to be made by the Company of the Equipment to be acquired or installed: _____ Hotel

F. Project Use:

1. What are the principal products to be produced at the Project? _____ hotel

2. What are the principal activities to be conducted at the Project? _____ hotel

3. Does the Project include facilities or property that are primarily used in making retail sales of goods or services to customers who personally visit such facilities? Yes ____; No X. If yes, please provide detail: _____
4. If the answer to question 3 is yes, what percentage of the cost of the Project will be expended on such facilities or property primarily used in making retail sales of goods or services to customers who personally visit the Project? _____%
5. If the answer to question 3 is yes, and the answer to question 4 is more than 33.33%, indicate whether any of the following apply to the Project:
- a. Will the Project be operated by a not-for-profit corporation? Yes ____; No _____. If yes, please explain: _____
- b. Is the Project likely to attract a significant number of visitors from outside the economic development region in which the Project will be located? Yes ____; No _____. If yes, please explain: _____
- c. Would the Project occupant, but for the contemplated financial assistance from the Agency, locate the related jobs outside the State of New York? Yes ____; No _____. If yes, please explain: _____
- d. Is the predominant purpose of the Project to make available goods or services which would not, but for the Project, be reasonably accessible to the residents of the city, town or village within which the Project will be located, because of a lack of reasonably accessible retail trade facilities offering such goods or services? Yes ____; No _____. If yes, please provide detail: _____
6. If the answers to any of subdivisions c. through d. of question 5 is yes, will the Project preserve permanent, private sector jobs or increase the overall number of permanent, private sector jobs in the State of New York? Yes ____; No _____. If yes, please explain: _____
- N/A
7. Will the completion of the Project result in the removal of a plant or facility of the Company or another proposed occupant of the Project (a "Project Occupant") from one area of the State of New York to another area of the State of New York? Yes ____; No X. If yes, please explain: _____

8. Will the completion of the Project result in the abandonment of one or more plants or facilities of the Company located in the State of New York? Yes ___; No X . If yes, please provide detail: _____

9. If the answer to either question 7 or question 8 is yes, indicate whether any of the following apply to the Project:
- a. Is the Project reasonably necessary to preserve the competitive position of the Company or such Project Occupant in its industry? Yes ___; No _____. If yes, please provide detail: _____
N/A

- b. Is the Project reasonably necessary to discourage the Company or such Project Occupant from removing such other plant or facility to a location outside the State of New York? Yes ___; No _____. If yes, please provide detail: _____
N/A

10. Will the Project be owned by a not-for-profit corporation? Yes ___; No X . If yes, please provide detail: _____

11. Will the Project be sold or leased to a municipality? Yes ___; No _____. If yes, please provide detail: _____
only for PILOT purposes

G. Other Involved Agencies:

1. Please indicate all other local agencies, boards, authorities, districts, commissions or governing bodies (including any city, county and other political subdivision of the State of New York and all state departments, agencies, boards, public benefit corporations, public authorities or commissions) involved in approving or funding or directly undertaking action with respect to the Project. For example, do you need a municipal building permit to undertake the Project? Do you need a zoning approval to undertake the Project? If so, you would list the appropriate municipal building department or planning or zoning commission which would give said approvals. _____
Full approvals from the city of Hudson

2. Describe the nature of the involvement of the federal, state or local agencies described above: _____

H. Construction Status:

1. Has construction work on this project begun? Yes ____; No X. If yes, please discuss in detail the approximate extent of construction and the extent of completion. Indicate in your answer whether such specific steps have been completed as site clearance and preparation; completion of foundations; installation of footings; etc.:

2. Please indicate amount of funds expended on this project by the Company in the past three (3) years and the purposes of such expenditures:
\$450,000 -- design, approvals, hotel studies

3. Please indicate the date the applicant estimates the Project will be completed:
Spring 2017.

I. Method of Construction After Agency Approval:

1. If the Agency approves the project which is the subject of this application, there are two methods that may be used to construct the project. The applicant can construct the project privately and sell the project to the Agency upon completion. Alternatively, the applicant can request to be appointed as "agent" of the Agency, in which case certain laws applicable to public construction may apply to the project. Does the applicant wish to be designated as "agent" of the Agency for purposes of constructing the project? Yes X; No ____.
2. If the answer to question 1 is yes, does the applicant desire such "agent" status prior to the closing date of the financing? Yes X; No ____.

III. INFORMATION CONCERNING LEASES OR SUBLEASES OF THE PROJECT. (PLEASE COMPLETE THE FOLLOWING SECTION IF THE COMPANY INTENDS TO LEASE OR SUBLEASE ANY PORTION OF THE PROJECT).

- A. Does the Company intend to lease or sublease more than 10% (by area or fair market value) of the Project? Yes ____; No X. If yes, please complete the following for each existing or proposed tenant or subtenant:

1. Sublessee name: _____
Present Address: _____
City: _____ State: _____ Zip: _____
Employer's ID No.: _____
Sublessee is: ____ Corporation: ____ Partnership: ____ Sole Proprietorship
Relationship to Company: _____
Percentage of Project to be leased or subleased: _____
Use of Project intended by Sublessee: _____
Date of lease or sublease to Sublessee: _____

Term of lease or sublease to Sublessee: _____
Will any portion of the space leased by this sublessee be primarily used in making retail sales of goods or services to customers who personally visit the Project? Yes _____; No _____. If yes, please provide on a separate attachment (a) details and (b) the answers to questions II(F)(4) through (6) with respect to such sublessee.

- B. What percentage of the space intended to be leased or subleased is now subject to a binding written lease or sublease? _____

IV. Employment Impact

- A. Indicate the number of people presently employed at the Project site and the **additional** number that will be employed at the Project site at the end of the first and second years after the Project has been completed, using the tables below for (1) employees of the Applicant, (2) independent contractors, and (3) employees of independent contractors. (Do not include construction workers). Also indicate below the number of workers employed at the Project site representing newly created positions as opposed to positions relocated from other project sites of the applicant. Such information regarding relocated positions should also indicate whether such positions are relocated from other project sites financed by obligations previously issued by the Agency.

TYPE OF EMPLOYMENT Employees of Applicant					
	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled	Totals
Present Full Time					0
Present Part Time					0
Present Seasonal					0
First Year Full Time	4	2	1	1	8
First Year Part Time		2	1	1	3 FTE
First Year Seasonal				2	1 FTE
Second Year Full Time	4	2	1	1	8
Second Year Part Time		2	4	2	3 FTE
Second Year Seasonal			2	2	2 FTE

TYPE OF EMPLOYMENT Independent Contractors N/A					
	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled	Totals
Present Full Time					
Present Part Time					
Present Seasonal					
First Year Full Time					
First Year Part Time					
First Year Seasonal					
Second Year Full Time					
Second Year Part Time					
Second Year Seasonal					

TYPE OF EMPLOYMENT Employees of Independent Contractors N/A					
	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled	Totals
Present Full Time					
Present Part Time					
Present Seasonal					

First Year Full Time					
First Year Part Time					
First Year Seasonal					
Second Year Full Time					
Second Year Part Time					
Second Year Seasonal					

- B. Indicate below (1) the estimated salary and fringe benefit averages or ranges and (2) the estimated number of employees residing in the Capital District Economic Development Region for all the jobs at the Project site, both retained and created, listed in the tables described in subsection A above for each of the categories of positions listed in the chart below.

RELATED EMPLOYMENT INFORMATION				
	Professional or Managerial	Skilled	Semi-Skilled	Un-Skilled
Estimated Salary and Fringe Benefit Averages or Ranges	40K to 65K	30k to 40K	24K to 35K	24K to 35K
Estimated Number of Employees Residing in the Capital District Economic Development Region ¹	All	All	All	All

- C. Please describe the projected timeframe for the creation of any new jobs with respect to the undertaking of the Project:

First year jobs should be created in spring of 2017 along with opening ramp will depend on business

¹ The Capital District Economic Development Region consists of the following counties: Albany, Schenectady, Rensselaer, Greene, Columbia, Saratoga, Warren and Washington.

- D. Please prepare a separate attachment describing in detail the types of employment at the Project site. Such attachment should describe the activities or work performed for each type of employment.

V. **Project Cost**

- A. **Anticipated Project Costs.** State the costs reasonably necessary for the acquisition of the Project site, the construction of the proposed buildings and the acquisition and installation of any machinery and equipment necessary or convenient in connection therewith, and including any utilities, access roads or appurtenant facilities, using the following categories:

<u>Description of Cost</u>	<u>Amount</u>
Land	\$ 40,000
Buildings	\$ 875,000
Machinery and equipment costs & FFE	\$ 1,790,000
Utilities, roads and appurtenant costs	\$
Architects and engineering fees	\$ 640,000
Costs of Bond Issue (legal, financial and printing)	\$
Construction loan fees and interest (if applicable)	\$ 443,000
Other (specify)	
Demolition, roofing, asbestos removal	\$ 450,000
Site Work	\$ 250,000
Construction Costs	\$ 3,950,000
TOTAL PROJECT COSTS	\$ 8,438,000

- B. **Anticipated Project Financing Sources.** State the sources reasonably necessary for the financing of the Project site, the construction of the proposed buildings and the acquisition and installation of any machinery and equipment necessary or convenient in connection therewith, and including any utilities, access roads or appurtenant facilities, using the following categories:

WE have a combination of tax credit equity, CFA grant, developer equity and bank financing

<u>Description of Sources</u>	<u>Amount</u>
Private Sector Financing	\$ 5,000,000
Public Sector	
Federal Programs	\$
State Programs	\$ 1,500,000
Local Programs	\$
Applicant Equity	\$ 138,000
Other (specify, e.g., tax credits)	
Historic Tax Credits	\$ 1,800,000
	\$
	\$
TOTAL AMOUNT OF PROJECT FINANCING SOURCES	\$

- C. Have any of the above expenditures already been made by the applicant?
Yes ☒; No _____. If yes, indicate particulars.

Roughly \$450,000 has been spend on design and construction documents
 _____, hotel and marketing studies, historic preservation, and approvals

- D. Amount of loan requested: \$ 5,000,000;

Maturity requested: 25 years.

- E. Has a commitment for financing been received as of this application date, and if so, from whom? We have multiple term sheets

Yes ____; No ☒. Institution Name: _____

Provide name and telephone number of the person we may contact.

Name: _____ Phone: _____

- F. The percentage of Project costs to be financed from public sector sources is estimated to equal the following: 17.7 %

- G. The total amount estimated to be borrowed to finance the Project is equal to the following:
\$ 59.2%

VI. BENEFITS EXPECTED FROM THE AGENCY

A. Financing

1. Is the applicant requesting that the Agency issue bonds to assist in financing the project? Yes ☐; No ☒. If yes, indicate:
Amount of loan requested: _____ Maturity requested (in years): _____
2. Is the interest on such bonds intended to be exempt from federal income taxation? Yes ☐; No ☐.
3. If the answer to question 2 is yes, will any portion of the Project be used for any of the following purposes:
 - a. retail food and beverage services: Yes ☐; No ☐
 - b. automobile sales or service: Yes ☐; No ☐
 - c. recreation or entertainment: Yes ☐; No ☐
 - d. golf course: Yes ☐; No ☐
 - e. country club: Yes ☐; No ☐
 - f. massage parlor: Yes ☐; No ☐
 - g. tennis club: Yes ☐; No ☐
 - h. skating facility: Yes ☐; No ☐
 - j. racquet sports facility (including handball and racquetball court): Yes ☐; No ☐
 - j. hot tub facility: Yes ☐; No ☐
 - k. suntan facility: Yes ☐; No ☐
 - l. racetrack: Yes ☐; No ☐
4. If the answer to any of the above questions contained in question 3 is yes, please furnish details on a separate attachment.

B. Tax Benefits

1. Is the applicant requesting any real property tax exemption in connection with the Project that would not be available to a project that did not involve the Agency? Yes ☒; No ☐. If yes, is the real property tax exemption being sought consistent with the Agency's Uniform Tax Exemption Policy? Yes ☐; No ☒.
2. Is the applicant expecting that the financing of the Project will be secured by one or more mortgages? Yes ☒; No ☐. If yes, what is the approximate amount of financing to be secured by mortgages? \$ 5,000,000.
3. Is the applicant expecting to be appointed agent of the Agency for purposes of avoiding payment of N.Y.S. Sales Tax or Compensating Use Tax? Yes ☒; No ☐. If yes, what is the approximate amount of purchases which the applicant expects to be exempt from the N.Y.S. Sales and Compensating Use Taxes? \$ 180,000.
4. What is the estimated value of each type of tax-exemption being sought in connection with the Project? Please detail the type of tax-exemption and value of the exemption.
 - a. N.Y.S. Sales and Compensating Use Taxes: \$ 180,000

b.	Mortgage Recording Taxes:	\$ 55,000
c.	Real Property Tax Exemptions:	\$ 350,000
d.	Other (please specify):	
	_____	\$ _____
	_____	\$ _____

5. Are any of the tax-exemptions being sought in connection with the Project inconsistent with the Agency's Uniform Tax Exemption Policy? Yes ____; No _____. If yes, please explain.

PILOT schedule dictated by city

C. Project Cost/Benefit Information. Complete the attached Cost/Benefit Analysis so that the Agency can perform a cost/benefit analysis of undertaking the Project. Such information should consist of a list and detailed description of the benefits of the Agency undertaking the Project (e.g., number of jobs created, types of jobs created, economic development in the area, etc.). Such information should also consist of a list and detailed description of the costs of the Agency undertaking the Project (e.g., tax revenues lost, buildings abandoned, etc.).

VI. REPRESENTATIONS BY THE APPLICANT. The applicant understands and agrees with the Agency as follows:

A. Job Listings. In accordance with Section 858-b(2) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, new employment opportunities created as a result of the Project will be listed with the New York State Department of Labor Community Services Division (the "DOC") and with the administrative entity (collectively with the DOC, the "JTPA Entities") of the service delivery area created by the federal job training partnership act (Public Law 97-300) ("JTPA"), as replaced by the Workforce Investment Act of 1998 (Public Law 105-220), in which the Project is located.

B. First Consideration for Employment. In accordance with Section 858-b(2) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, except as otherwise provided by collective bargaining agreements, where practicable, the applicant will first consider persons eligible to participate in JTPA programs who shall be referred by the JTPA Entities for new employment opportunities created as a result of the Project.

C. Annual Sales Tax Filings. In accordance with Section 874(8) of the New York General Municipal Law, the applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the applicant and all consultants or subcontractors retained by the applicant.

D. Annual Employment Reports. The applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the Project site, including (1) the NYS-45 – Quarterly Combined Withholding, Wage Reporting and

Unemployment Insurance Return – for the quarter ending December 31 (the “NYS-45”), and (2) the US Dept. of Labor BLS 3020 Multiple Worksite report if applicable.

E. Uniform Agency Project Agreement. The applicant agrees to enter into a project benefits agreement with the Agency where the applicant agrees that (1) the amount of Financial Assistance to be received shall be contingent upon, and shall bear a direct relationship to the success or lack of success of such project in delivering certain described public benefits (the “Public Benefits”) and (2) the Agency will be entitled to recapture some or all of the Financial Assistance granted to the applicant if the project is unsuccessful in whole or in part in delivering the promised Public Benefits.

F. Representation of Financial Information. Neither this Application nor any other agreement, document, certificate, project financials, or written statement furnished to the Agency or by or on behalf of the applicant in connection with the project contemplated by this Application contains any untrue statement of a material fact or omits to state a material fact necessary in order to make the statements contained herein or therein not misleading. There is no fact within the special knowledge of any of the officers of the applicant which has not been disclosed herein or in writing by them to the Agency and which materially adversely affects or in the future in their opinion may, insofar as they can now reasonably foresee, materially adversely affect the business, properties, assets or condition, financial or otherwise, of the applicant.

G. Agency Financial Assistance Required for Project. The Project would not be undertaken but for the Financial Assistance provided by the Agency or, if the Project could be undertaken without the Financial Assistance provided by the Agency, then the Project should be undertaken by the Agency for the following reasons:

H. Compliance with Article 18-A of the General Municipal Law: The Project, as of the date of this Application, is in substantial compliance with all provisions of article 18-A of the General Municipal including, but not limited to, the provisions of Section 859-a and subdivision one of Section 862; and the provisions of subdivision one of Section 862 of the General Municipal Law will not be violated if Financial Assistance is provided for the Project.

I. Compliance with Federal, State, and Local Laws. The applicant is in substantial compliance with applicable local, state, and federal tax, worker protection, and environmental laws, rules, and regulations.

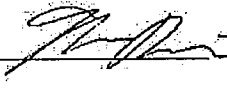
J. False or Misleading Information. The applicant understands that the submission of any knowingly false or knowingly misleading information may lead to the immediate termination of any Financial Assistance and the reimbursement of an amount equal to all or part of any tax exemptions claimed by reason of Agency involvement in the Project.

K. Absence of Conflicts of Interest. The applicant acknowledges that the members, officers and employees of the Agency are listed on the Agency’s website. No member, officer or employee

of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as hereinafter described:

L. Additional Information. Additional information regarding the requirements noted in this Application and other requirements of the Agency are included in the Agency's Policies which can be accessed at http://www.columbiaedc.com/?page_id=10.

I affirm under penalty of perjury that all statements made on this application are true, accurate and complete to the best of my knowledge.

By: Thomas Rossi Applicant 
Title: Manager

**NOTE: APPLICANT MUST ALSO COMPLETE THE APPROPRIATE VERIFICATION
APPEARING ON PAGES 23 THROUGH 26 HEREOF BEFORE A NOTARY PUBLIC AND MUST
SIGN AND ACKNOWLEDGE THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 27**

VERIFICATION

(If Applicant is a Corporation)

STATE OF _____)
) SS.:
COUNTY OF _____)

_____deposes and says that he is the _____ of
(Name of chief executive of applicant) (Title)

_____, the corporation named in the attached application that he has read the
(Company Name)
foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. Deponent further says that the reason this verification is made by the deponent and not by said company is because the said company is a corporation. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as an officer of and from the books and papers of said corporation.

(officer of applicant)

Sworn to before me this
____ day of _____, 20____.

(Notary Public)

VERIFICATION

(If applicant is sole proprietor)

STATE OF _____)
) SS.:
COUNTY OF _____)

_____, deposes and says
(Name of Individual)

that he has read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application.

Sworn to before me this
 ____ day of _____, 20__.

(Notary Public)

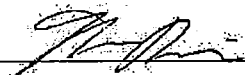
VERIFICATION

(If applicant is a limited liability company)

STATE OF NY)
COUNTY OF Rensselaer) SS.:

Thomas Rossi, deposes and says
(Name of Individual)
that he is one of the members of the firm of 41 Cross Street Hospitality, LLC,
(Limited Liability Company)

the limited liability company named in the attached application; that he has read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as a member of and from the books and papers of said limited liability company.



Sworn to before me this
____ day of _____, 20____.

(Notary Public)

VERIFICATION

(If applicant is a partnership)

STATE OF _____)
) SS.:
COUNTY OF _____)

_____, deposes and says

(Name of Individual)

that he is one of the members of the firm of _____
(Partnership Name)

the partnership named in the attached application; that he has read the foregoing application and knows the contents thereof; and that the same is true and complete and accurate to the best of his knowledge. The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as a member of and from the books and papers of said partnership.

Sworn to before me this
 ____ day of _____, 20__.

(Notary Public)

NOTE: THIS APPLICATION WILL NOT BE ACCEPTED BY THE AGENCY UNLESS THE HOLD HARMLESS AGREEMENT APPEARING ON PAGE 27 IS SIGNED BY THE APPLICANT.

HOLD HARMLESS AGREEMENT

Applicant hereby releases Columbia County Industrial Development Agency and the member, officers, servants, agents and employees thereof (hereinafter collectively referred to as the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (i) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the application or the project described therein or the issuance of bonds requested therein are favorably acted upon by the Agency, (ii) the Agency's financing of the Project described therein; and (iii) any further action taken by the Agency with respect to the Project, including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects the Application, or if the Agency or the Applicant are unable to find buyers willing to purchase the total bond issue requested, then, and in that event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all actual costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

(Applicant)

BY:  _____

Sworn to before me this
____ day of _____, 20__.

(Notary Public)

TO: Project Applicants
 FROM: Columbia County Industrial Development Agency
 RE: Cost/Benefit Analysis

In order for the Columbia County Industrial Development Agency (the "Agency") to prepare a Cost/Benefit Analysis for a proposed project (the "Project"), the Applicant must answer the questions contained in this Project Questionnaire (the "Questionnaire") and complete the attached Schedules. This Questionnaire and the attached Schedule will provide information regarding various aspects of the Project, and the costs and benefits associated therewith.

This Questionnaire must be completed before we can finalize the Cost/Benefit Analysis, please complete this Questionnaire and forward it to us at your earliest convenience.

PROJECT QUESTIONNAIRE

1. Name of Project Beneficiary ("Company"):	41 Cross Street Hospitality, LLC
2. Brief Identification of the Project:	The Wick Hotel
3. Estimated Amount of Project Benefits Sought:	
A. Amount of Bonds Sought:	\$ 0
B. Value of Sales Tax Exemption Sought	\$ \$180,000
C. Value of Real Property Tax Exemption Sought	\$ \$350,000
D. Value of Mortgage Recording Tax Exemption Sought	\$ \$55,000
4. Likelihood of accomplishing the Project in a timely fashion:	95%

PROJECTED PROJECT INVESTMENT

A. Land-Related Costs	
1. Land acquisition	\$ 40,000
2. Site preparation	\$
3. Landscaping	\$ 250,000 for 2 through 5
4. Utilities and infrastructure development	\$
5. Access roads and parking development	\$
6. Other land-related costs (describe)	\$
B. Building-Related Costs	
1. Acquisition of existing structures	\$ 875,000
2. Renovation of existing structures	\$
3. New construction costs	\$
4. Electrical systems	\$
5. Heating, ventilation and air conditioning	\$
6. Plumbing	\$
7. Other building-related costs (describe)	\$ 4,400,000 for 2 through 7

C.	Machinery and Equipment Costs	
1.	Production and process equipment	\$
2.	Packaging equipment	\$
3.	Warehousing equipment	\$
4.	Installation costs for various equipment	\$
5.	Other equipment-related costs (describe)	\$
D.	Furniture and Fixture Costs	
1.	Office furniture	\$
2.	Office equipment	\$
3.	Computers	\$
4.	Other furniture-related costs (describe) FFE	\$ 1,790,000
E.	Working Capital Costs	
1.	Operation costs	\$ 200,000 through LOC
2.	Production costs	\$
3.	Raw materials	\$
4.	Debt service	\$
5.	Relocation costs	\$
6.	Skills training	\$
7.	Other working capital-related costs (describe)	\$
F.	Professional Service Costs	
1.	Architecture and engineering	\$
2.	Accounting/legal	\$
3.	Other service-related costs (describe)	\$ 640,000
G.	Other Costs	
1.	Financing Costs	\$ 443,000
2.		\$
H.	Summary of Expenditures	
1.	Total Land-Related Costs	\$ 290,000
2.	Total Building-Related Costs	\$ 5,275,000
3.	Total Machinery and Equipment Costs	\$
4.	Total Furniture and Fixture Costs	\$ 1,790,000
5.	Total Working Capital Costs	\$ 200,000
6.	Total Professional Service Costs	\$ 640,000
7.	Total Other Costs	\$ 443,000

PROJECTED CONSTRUCTION EMPLOYMENT IMPACT

- I. Please provide estimates of total construction jobs and the total annual wages and benefits of construction jobs at the Project:

Year	Number of Construction Jobs	Total Annual Wages and Benefits	Estimated Additional NYS Income Tax
Current Year	0	\$ 0	\$ 0
Year 1	60	\$ 1,500,000	\$
Year 2		\$	\$
Year 3		\$	\$
Year 4		\$	\$
Year 5		\$	\$

PROJECTED PERMANENT EMPLOYMENT IMPACT

- I. Estimates of the total number of existing permanent jobs to be preserved or retained as a result of the Project are described in the tables in Section IV of the Application. N/A

- II. Estimates of the total new permanent jobs to be created at the Project are described in the tables in Section IV of the Application. 11 FTE to start, hoping to get to 12/13 FTE within a few years

- III. Please provide estimates for the following:

A. Creation of New Job Skills relating to permanent jobs. Please complete Schedule A.

- IV. Provide the projected percentage of employment that would be filled by Columbia County residents:
_____ 90% to 100%

A. Provide a brief description of how the project expects to meet this percentage:

These are local jobs that can be trained through the management team or community college

PROJECTED OPERATING IMPACT

- I. Please provide estimates for the impact of Project operating purchases and sales:

Additional Purchases (1 st year following project completion)	\$ 200,000
Additional Sales Tax Paid on Additional Purchases	\$ 16,000
Estimated Additional Sales (1 st full year following project completion)	\$
Estimated Additional Sales Tax to be collected on additional sales (1 st full year following project completion)	\$

II. Please provide estimates for the impact of Project on existing real property taxes and new payments in lieu of taxes ("Pilot Payments"): Property off tax rolls and would not happen without PILOT

Year	Existing Real Property Taxes (Without IDA involvement)	New Pilot Payments (With IDA)	Total (Difference)
Current Year	0	0	0
Year 1	0	20,000	20,000
Year 2	0	25,000	25,000
Year 3	0	34,375	34,375
Year 4	0	43,750	43,750
Year 5	0	53,125	53,125
Year 6	0	62,500	62,500
Year 7	0	71,875	71,875
Year 8	0	81,250	81,250
Year 9	0	90,625	90,625
Year 10	0	100,000	100,000

III. Please provide a detailed description for the impact of other economic benefits and all anticipated community benefits expected to be produced as a result of the Project (attach additional pages as needed for a complete and detailed response):

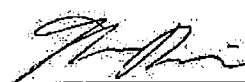
Study attached

CERTIFICATION

I certify that I have prepared the responses provided in this Questionnaire and that, to the best of my knowledge; such responses are true, correct, and complete.

I understand that the foregoing information and attached documentation will be relied upon, and constitute inducement for, the Agency in providing financial assistance to the Project. I certify that I am familiar with the Project and am authorized by the Company to provide the foregoing information, and such information is true and complete to the best of my knowledge. I further agree that I will advise the Agency of any changes in such information, and will answer any further questions regarding the Project prior to the closing.

I affirm under penalty of perjury that all statements made on this application are true, accurate and complete to the best of my knowledge.

Date Signed: June 12 __, 20 <u>16</u> .	Name of Person Completing Project Questionnaire on behalf of the Company. Name: <u>Thomas Rossi</u> Title: <u>Manager</u> Phone Number: <u>518 527 2794</u> Address: <u>172 River Street, STE D, Troy, NY 12180</u> Signature: 
--	--

CREATION OF NEW JOB SKILLS

[illegible]

-33-

March 3, 2016



Hudson Hotel Economic Impacts

Hotels have the potential to have a significant economic impact on municipalities through their unique nature. Other local business see increased revenue by either extending or increasing the amount of time patrons spend in the community. Additionally, hotels offer municipalities significant revenue opportunities through sales and lodging taxes.

Direct Impact

Construction Impacts

Total Capital Expenditures (w/o acquisition)	\$8,315,000
Hard Costs (construction, materials, etc.)	\$6,765,000
Soft Costs (engineering, architecture, fees)	\$1,550,000
Construction Jobs Created	70 FTEs
Estimated Construction Payroll	\$3,000,000

Construction is expected to last 9 months and it estimated 200 different workers will be engaged in building the hotel. We estimate an equivalent of 70 FTEs for the course of the project.

Operating Expenditures and their Economic Impact

The hotel's operations are expected to begin in 2017. Of the expenses below, the hotel anticipates hiring 12 to 14 employees. This model is based on 55 rooms for 365 days a year or 20,075 room nights with a 55% occupancy at an average daily rate of \$149.

<i>Departmental Expenses</i>	
Room Expenses	\$482,000
G&A Expenses	\$157,000
Marketing Expenses	\$70,000
Property & Maintenance	\$101,000
Reserves	\$68,406
Total Local Operating Expenses	\$878,406
Annual Local Jobs (12 to start) Wages	\$405,000

Fiscal Impact (Taxes collected to municipality)

Fiscal impact refers to all taxes collected from the project. These taxes include payroll taxes, sales tax, lodging taxes, and any property taxes. Federal taxes are not listed below.

<u>Description</u>	<u>Total Spent</u>	<u>Taxes Collected</u>
Construction State Taxes	\$3,000,000	\$136,914 one-time
Hotel Wages State Taxes	\$405,000	\$18,483.39 annually



March 3, 2016

Sales Taxes	\$1,645,146	\$131,611 annually
Lodging Tax (potential, assume 3%)	\$1,645,146	\$49,345 annually

Indirect Impact

Indirect impact is the effect the hotel will have on other businesses whether through the addition of new customers or buying of local business goods or services.

There are two ways to calculate this, one is from the ground up with some assumptions and the other is a nationwide hotel industry metric that says for \$1,000 dollars spent on hotel operations, the direct effect is \$1,970 or a 2 to 1 multiplier. From the table below one can see that is a huge impact on the local economy!

<u>Hotel Metric Approach</u>	
Local Operating Expenses	Indirect Economic Effect
\$878,406	\$1,730,459

The ground up approach produces better results!

<u>Ground Up Approach</u>	
Total Booked Rooms Annually (at 55% occupancy)	11,041
Additional Spent locally due to staying (assumption)	\$175
Total Spent	\$1,932,219
Employee Payroll Annually	\$405,000
Amount Employee Spends Locally (10%)	\$40,500
Hotel Purchase of Local Business Goods/Services	\$40,000
Total Indirect Impact	\$2,012,719

Economic Impact Summary

<u>Description</u>	<u>Annually</u>	<u>20 Year Period</u>
Construction Jobs (one-time)	70	70
Construction Wages (one-time)	\$3,000,000	\$3,000,000
Hotel Jobs	12 to 14	14/yr
Hotel Wages	\$405,000	\$8,100,000
State Taxes Collected	\$18,483.39	\$369,667.80
Sales Tax Collected	\$131,611	\$2,632,220
Potential Lodging Tax (3% assumed)	\$49,345	\$986,900
Indirect Impact on Local Businesses	\$2,012,719	\$40,254,380

