

**TOWN OF GUILDERLAND INDUSTRIAL DEVELOPMENT AGENCY
LEASE/LEASEBACK TRANSACTION
MILL HOLLOW TWO LLC PROJECT**

I. PROJECT IDENTIFICATION:

1. Project Applicant: Mill Hollow Two LLC, a New York limited liability company (the “Company”).
2. The Project:
 - (A) Project Site: the acquisition of an interest in a parcel of land containing approximately 12.99 acres and located at 5060 Western Turnpike in the Town of Guilderland, Albany County, New York (the “Land”) together with the existing building containing approximately 14,000 square feet of space located on the Land (the “Existing Facility”) and formerly known as the Bavarian Chalet Building.
 - (B) Construction: the renovation of the Existing Facility and the construction on the Land of approximately eighteen (18) new buildings to contain approximately 185,000 square feet of space (collectively, the “New Facility,” and together with the Existing Facility, hereinafter collectively referred to as the “Facility”).
 - (C) Acquisition of Equipment: the acquisition and installation therein and thereon of certain machinery and equipment (the “Equipment”) (the Land, the Facility and the Equipment hereinafter collectively referred to as the “Project Facility”).
 - (D) Lease: The Project Facility will be leased by the Agency to the Company pursuant to a lease agreement (the “Lease Agreement”) by and between the Agency and the Company, which Project Facility will be owned and operated by the Company as a market rate residential rental facility, together with a senior community center and clubhouse, and other directly and indirectly related activities.

II. PRIOR ACTION ON PROJECT:

3. Preliminary Proceedings:
 - (A) Public Hearing Resolution: adopted on July 18, 2016.
 - (B) Public Hearing:
 - (1) Mailed to Affected Taxing Jurisdictions: July 21, 2016.
 - (2) Date Posted: July 19, 2016 (on Town Bulletin Board and Agency website)..
 - (3) Published in The Altamont Enterprise on July 21, 2016 and the Time Union on July 22, 2016.
 - (4) Date of Public Hearing: August 2, 2016.
 - (5) Location of Public Hearing: the Town Board Room at the Guilderland Town Hall located at 5209 Western Turnpike in the Town of Guilderland, Albany County, New York.

III. PROPOSED AGENCY ACTION ON JULY 16, 2012:

4. SEQR Resolution: Negative Declaration (confirmed Town Board determination).
5. Commercial Findings Resolution: determining that the Project is a commercial project.
6. Approving Resolution: Approving the Project and the proposed financial assistance.

IV. DETAILS OF PROPOSED STRAIGHT LEASE TRANSACTION:

7. Relationship of Agency to Company: The Agency will acquire, construct, reconstruct and install the Project Facility and lease the Project Facility to the Company pursuant to the Lease Agreement. Note that for purposes of the Project, the term “Company” will mean Mill Hollow Two LLC.
8. Business Terms:
 - (A) Agency fee equal to $\frac{3}{4}$ of 1% of the Project Cost.
 - (B) The Agency will grant to the Company exemptions from mortgage recording tax and sales and use tax. The Agency will not grant any real property tax exemptions relating to the Project.
 - (C) The Agency will enter into a Uniform Agency Project Agreement with the Company regarding employment levels and completion of the Project. The Project Benefit Agreement will provide the following: (a) the Company must complete the Project and maintain certain employment levels, (b) the term of the agreement will be approximately 5 years, and (c) the failure to comply with the terms of the agreement during the 5 year period will result in a “claw-back” of the assistance relating to the Project.
 - (D) In connection with the Project, the Company is providing to the Town a Community Center for use by senior citizens residing in the Town.
9. Basic Documents:
 - (A) Underlying Lease from the Company to the Agency.
 - (B) License Agreement from the Company to the Agency.
 - (C) Bill of Sale to Agency.
 - (D) Lease Agreement by and between the Company and the Agency.
 - (E) Uniform Agency Project Agreement by and between the Company and the Agency.
10. Proposed Closing Date: August, 2016.
11. Special Agency Counsel: Hodgson Russ LLP, Albany, New York.