

Authorities Budget Office
3/3/2021
Received



CAPITALIZE ALBANY
CORPORATION

February 25, 2021

Via Certified Mail Return Receipt Requested

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Albany, NY 12236

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New York State Assembly
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Albany, NY 12248

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New York State Senate
Legislative Office Building, Room 907
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Office of General Services
Corning Tower
Empire State Plaza
Albany, NY 12242

State of New York
Authorities Budget Office
P.O. Box 2076
Albany, NY 12220-0076

RE: Notice of Disposition of Real Property by Negotiation Pursuant to New York Public Authorities Law §2897(6)(d)

Dear Sir or Madam:

Pursuant to §2987(6)(d) of the New York Public Authorities Law (“PAL”), the following explanatory statement is being provided at least ninety (90) days prior to the disposal of property by negotiation.

Explanatory Statement

As authorized by PAL §2897(6)(c), the Capitalize Albany Corporation (“CAC”) intends to dispose (by leasing) of property (four (4) access/utility easements; such four (4) easements are hereinafter collectively referred to as the “Property”) by negotiation to FC 705 Broadway, LLC / 705 Broadway Hotel, LLC (“705 Broadway”) or Niagara Mohawk Power Corporation (“NMPC”) (as noted below) not less than 90 days from the date of this notice. The proposed disposition is within the purpose, mission or governing statute of CAC and therefore, is exempted from publicly advertising for bids pursuant to PAL §2897(6)(c)(v) and obtaining fair market value pursuant to PAL §2897(7)(ii).



1. Description of the Parties involved in the Property Transaction:

CAC is a not-for-profit corporation (tax exempt IRC §501(c)(3) organization) with offices at 21 Lodge Street, Albany, New York, 12207. CAC's mission is economic development and to facilitate the creation and retention of jobs, businesses and industry within the City of Albany ("City").

705 Broadway is a New York limited liability company which is undertaking a new development that includes a 132 room hotel at 705 Broadway, Albany (the "Project").

NMPC is a New York corporation (D/B/A National Grid) and a New York State regulated utility which provides electricity and natural gas service to businesses and residents.

2. Justification for Disposing of the Property by Negotiation:

CAC's mission is to facilitate economic development in the City. The real property and improvements located at 705 Broadway, Albany (Tax Parcel #76.27-1-18) has existed as an abandoned unusable brick building and a deteriorating semi-paved area for more than a decade. 705 Broadway is undertaking the Project, which includes the construction and operation of an approximately \$30 million hotel development that is expected to yield 125 construction jobs and 25 full-time equivalent jobs in Downtown Albany.

CAC is the fee owner of portions of the formerly public street beds known as Spencer and Montgomery Streets (Tax Parcels #76.08-1-3 & 76.27-1-25.1) which are immediately adjacent to the Project. The Property to be disposed consists of four (4) easements which are required in order for anyone to access, and for necessary utilities to service, the Project. Without such easement rights, the Project is not feasible.

3. Identification of the Property:

The Property to be disposed consists of the following four (4) easements:

1. Approximate 0.11 acre non-exclusive easement to 705 Broadway for access to, construction of, and utilities for the Project;
2. Approximate 0.13 acre non-exclusive easement to 705 Broadway for pedestrian and vehicular access to the Project;
3. Approximate 0.07 acre easement to 705 Broadway (or NMPC) to provide for underground electrical services to the Project; and
4. Approximate 0.01 acre easement to 705 Broadway to provide necessary stormwater utilities.

4. Estimated Fair Market Value of the Property:

Two (2) appraisals have been performed which have estimated the Property's Fair Market Value at: (i) \$140,000 as of February 11, 2020 by Conti Appraisal & Consulting, LLC; and (ii) \$81,440 as of December 3, 2020 by Cushman & Wakefield, Inc.

5. Proposed Sale Price of the Property:

\$110,700 which represents the average of the two (2) appraisal values for the Property. It was noted that the first appraisal date of valuation was prior to the COVID19 pandemic. Additionally, no brokerage services are involved with the Property transfer.

6. Size of the Property:

Approximately 0.31 acre.

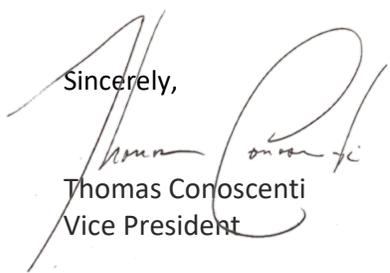
7. Expected Date of the Disposition:

Not sooner than 90 days from the date of this letter.

As described above, publicly advertising for bids and obtaining fair market value is not required because the proposed disposition satisfies the exemptions set forth in PAL §2897(7)(ii) as such disposition is within the mission and purposes of CAC to relieve and reduce unemployment, promote and provide for additional and maximum employment, bettering and maintaining job opportunities, by attracting new businesses and industries to the area, by encouraging the development/retention of businesses and industries in Albany and acting in the public interest.

Thank you. Any questions or comments related to the proposed Disposition may be sent to CAC at the address noted below.

Sincerely,



Thomas Conoscenti
Vice President