

KLDC

KINGSTON LOCAL DEVELOPMENT CORPORATION

Hon. Steven T. Noble, President

Amanda L. Bruck, Executive Director

Pursuant to and in accordance with Sections 2897(7)(b) and (c) of the Public Authorities Law (“PAL”), the Kingston Local Development Corporation (the “KLDC”) has prepared the following information for the KLDC board and the public:

TRANSACTION & PURPOSE

The City of Kingston (the “City”) is the fee owner of a 1.4 acre parcel of real property located at 21 North Front Street in the City of Kingston (the “Property”). The City in 2016 issued a request for qualifications (“RFQ”) in an effort to attract private development and increase the availability of public parking. The RFQ focused on the Property, which had previously been the site of a 317-car parking structure until it was demolished in 2008 due to structural problems. The City envisioned that the site could be redeveloped with a new parking structure and high-quality urban-scale mixed-use development, which in addition to providing much-needed parking would also generate additional public benefits by creating jobs and facilitating the ongoing revitalization of the City's Historic Uptown Stockade District. The Kingstonian project was selected out of two responses to the RFQ to be the preferred development for the site. The project will encompass several adjacent parcels as well as the City-owned property at 21 North Front Street, and will consist of:

- a parking garage with approximately 420 spaces, including at least 200 spaces devoted to public use;
- a public access pedestrian plaza;
- approximately 143 new residential units, including at least 14 affordable housing units;
- approximately 9,000 square feet of commercial space; and
- a boutique hotel with approximately 32-rooms.

Pursuant to NYS Not-for-Profit Corporation Law (“N-PCL”) Sections 1411(d)(1) and (2), the City after a duly held public hearing thereon held on February 25, 2021, adopted Resolution 43 of 2021 dated March 3, 2021 by a vote of 8-1 of the Common Council (the “City Resolution”), authorizing the transfer of the Property to the KLDC to be developed in accordance with the goals of the City, to wit, public parking with mixed-use. The Corporation and the Developer propose to enter into a Land Development Agreement (“LDA”), with the acknowledgement and consent of the City, to effectuate the disposition and redevelopment of the Property. Pursuant to and in accordance with the proposed terms and conditions of the LDA, the Property is to be transferred from the City to the Corporation and then from the Corporation to the Developer. In accordance with the City Resolution and the LDA, the proposed deed will contain a reverter to the City in the event the Property is not developed and used for, at least in part, public parking.

(1) Description of Asset:

The Property is located at 21 North Front Street in the City of Kingston, County of Ulster, New York, being tax parcel SBL #48.80-1-26 and consists of approximately 1.4 acres and is currently being used for surface public parking.

KLDC

KINGSTON LOCAL DEVELOPMENT CORPORATION

Hon. Steven T. Noble, President

Amanda L. Bruck, Executive Director

(2) Appraisal of the FMV:

The Property is valued at \$850,000.00 based upon an independent appraisal report dated July 13, 2021.

(3) Kind and Amount of Benefit to the Public:

The consideration being received for the Property consists of the following:

- (i) \$50,000.00 refundable deposit
- (ii) A minimum of \$4,000,000.00 in expenditures attributed to the construction of the public parking spaces
- (iii) The operation and maintenance of public parking for a minimum of 200 parking spaces.
- (iv) The resultant direct and indirect economic benefits of the Property being redeveloped.

(4) Value Received Compared to FMV:

Monetary value received by KLDC: \$50,000.00

Appraised FMV: \$850,000.00

As more particularly described herein, the KLDC and the City will receive value from the transfer that is not reflected in the monetary exchange of funds. The redevelopment of the Property clearly furthers KLDC's mission and statutory purposes while advancing the City's vision.

(5) Names of Private Parties to the Transaction and Value Received:

Private Party: Kingstonian Development LLC

Value Received: Parcel of land appraised at \$850,000.00 with obligation to construction, operate and maintain public parking.

(6) Names of Private Parties that have made an Offer, the Value of the Offer, and Purpose which the asset would have been used:

One other proposal was submitted in response to the RFQ by Hudson Valley Kingston Development LLC.