



Project Summary

Project: Hudson #13022301 **Location:** City of Beacon

Type of Business: Housing – Affordable income-restricted

Agency Request

Sales Tax Mortgage Tax Exemption Tax-exempt bond

Company Description:

Related Affordable is a subsidiary of Related Companies. Related Affordable's primary focus is on preserving America's affordable housing stock by acquiring and/or redeveloping affordable assets which are often financially distressed or at risk of losing their affordability.

Project Description:

Tompkins Terrace is a 193-unit rental-subsidized garden style housing development in Beacon. The property was originally built in 1973 and has been owned and operated by Related Management Company since 2018. Related Affordable hopes to redevelop the property through the use of tax-exempt IDA bonds, sales tax exemptions, mortgage tax exemptions and Low-Income Tax Housing Tax Credits in order to ensure the continuation of a low to moderate income housing development for residents of Dutchess County.

The Development is 50 years old and has only undergone a minor renovation in 2008 under the previous owner. Related Affordable plans to modernize and upgrade all the units without displacing any of the residents.

The proposed project will entail the repairs to the building exteriors including new roofing, siding, gutters, windows and doors and improved lighting with a particular focus on the livability and quality of life for the residents. All units will be upgraded with modern appliances, new HVAC system, new kitchens and baths. Shared spaces will include landscaping repairs and improvements, a new playground and new security cameras as needed.

In addition, Related Affordable will make investments to provide free in-unit Wi-Fi throughout the property available to all residents and guests of Tompkins Terrace.

Project Timeline:

Proposed date for commencement of acquisition or construction: Summer 2023

The actual or expected dates of:

Construction completion: Q1 2025

Occupancy: Current

Total Cost of Project:

Amount Private Investment

Total Project Cost \$ _45,270,313___ Private Investment: \$ _45,270,313

Amount of other public financial assistance, grants and source \$ _0_

Construction Costs: \$ _14,642,259___ Equipment: \$included in construction costs

Company Incentives:

Amount of Sales tax benefits:	\$471,671
Amount of Mortgage Recording Tax:	\$187,500
Estimated real property tax exemption with PILOT	\$0
Estimated NYS tax saving on tax-exempt bond	\$2,205,000

Estimated amount of benefit to State & Region*:

Anticipated Property Tax revenue:	\$N/A
Anticipated Sales Tax revenue	\$127,227
Benefit to Cost Ratio	8:1

figures based on MRB algorithms*Estimated Property Value Increase**

Current Assessed Value	Current Property Tax (2022)	Estimated New Assessed Value ¹	Net Increase	Est. Year 1 PILOT Payment
\$9,700,000	\$283,619	unknown	unknown	\$310,000

1. Once fully constructed

Employment Impact**Committed total FTE jobs:** ___5___

Number of existing FTE jobs to be retained ___5___

Total Number of new FTE Jobs to be created ___0_ over ___2_ years.

Annualized Average Salary Range of FTE jobs \$ _54,000

Estimated Hourly Wage Average: \$29/hr

Total Number of Construction Jobs to be created ___35___

Jobs created in the Hospitality Industry is estimated to have the following spillover impact.

Impact Type	Temporary (Construction) Employment	Permanent (Operations) Impact
Initial	40	5
Direct	5	2
Indirect	2	1
Induced	9	1
Total Effect	56	9

Lightcast Impact Scenario Report 5/11/2023

Community Benefits:

- *Revitalization:* The development is 50 years old and has only undergone minor renovations in 2008. The project will ensure the development remains an affordable housing development with modern and current safety features for at least another 40 years.
- *Investment:* The project has an estimated project cost of approximately \$44 million.
- *Community Commitment:* The project is committing to retaining the low to moderate income restricted housing development without the displacement of current residents.
- Use of Local Contractor(s) and Labor: Yes ___X___ No _____

Project is consistent with Agency’s Mission: Yes, the project will promote economic development resulting in construction jobs and permanent employment.

The Project has municipal support:

Municipal Support ___X___ PILOT ___N/A___

CEO Comments of Importance

The project would preserve a critical housing asset for Dutchess County, especially in the City of Beacon where affordability is outpacing the rest of Dutchess County.

The Applicant has stated that without the IDA’s assistance the project will not be able to move forward.

Related Affordable has negotiated a 40-year extension of the PILOT currently on the property originally established under the Mitchel Lama program. Therefore, an IDA PILOT is not part of this request.

Mission Statement:

The Dutchess County Industrial Development Agency [DCIDA] was created to further economic development in Dutchess County by providing financial assistance to private entities through tax incentives including the issuance of bonds to facilitate the building of capital projects with the resultant construction jobs and permanent follow on employment.