CAPITALIZE ALBANY CORPORATION

INCENTIVE INVENTORY REPORT

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Capitalize Albany Corporation has a dedicated team of experienced professionals – whether you're an inspired entrepreneur, an established small business owner, looking to distinguish yourself or your company in the corporate world, or driven to make a lasting impact in a local community – we are ready to work with you and showcase Albany's dynamic and supportive environment. Whether you need assistance finding an available space, help with permitting and approvals, information regarding grants and other resources or have any other questions or concerns related to your project, business start-up or expansion. As part of the business development services offered in the City, our staff also partners with a number of organizations and various lending programs.
Please contact our team if you have any questions: development@capitalizealbany.com

STATE RESOURCES

Historic Tax Credits Owners of income-producing properties that have been approved to receive the 20% federal rehabilitation tax credit can additionally claim a state tax credit if the property is located in a qualifying census tract. Owners can receive an additional state credit of 20% or 30% of the qualified rehabilitation expenditure (QRE) up to $5,000,000. In order to qualify for the 20% credit, the placed-in-service date must be after January 1, 2010. For the 30% credit, the placed-in-service date must be after January 1, 2022, and the total QREs cannot exceed $2.5 million. There is no application form for the state credit; applicants just need to comply with the agency media agreement and submit the applicable review fees (refer to Fee Schedule and Media Agreements). After Part 3 of the federal application is approved by the National Park Service, and the state fees are paid, the New York State Office of Parks, Recreation and Historic Preservation (OPRHP) will issue a certification allowing owners to claim the state credit.

Homes & Community Renewal Main Street Funding New York Main Street provides financial resources and technical assistance to communities to strengthen the economic vitality of the State's traditional Main Streets and neighborhoods. The New York Main Street grant program provides funds to units of local government, and not-for-profit organizations that are committed to revitalizing historic downtowns, mixed-use neighborhood commercial districts, and village centers. Main Street grants are revitalizing New York State's downtowns through targeted commercial/residential improvements such as façade renovations, interior commercial and residential building upgrades, and streetscape enhancements. NYMS funds are not available for building demolition or new construction. These resources are available in several categories: Downtown Anchor Projects; Target Area Building Renovations; Streetscape Enhancement; Administrative Funds and Stabilization.

Homes & Community Renewal Community Investment Fund CIF supports the creation, preservation, and improvement of affordable housing and the commercial, retail, and community facilities that serve the needs of affordable housing residents. Priority is given to projects in accordance with the information set forth herein. Actual award amounts will be based on the demonstrated need for such funding by HCR underwriting standards and must be recommended by HCR staff and approved by the HFA or HTFC Board, as applicable. Applicants are strongly encouraged to apply for only the funding necessary for the financial feasibility of the project and to leverage funding from non-HCR sources.

NYSERDA New Construction Programs and Resources While work is underway to retrofit and decarbonize New York's existing building stock, electrifying during construction has been shown to be the most cost-effective way to achieve fossil fuel-free buildings. Designing buildings to be efficient and all-electric from the start can cut construction costs and provide long-term savings from reduced energy consumption. Starting in 2026, the installation of fossil fuel equipment is prohibited in new buildings up to seven stories before applying to all new construction in 2029 (barring exceptions for certain commercial and emergency uses).

From emission-free heat pumps to passive building design and heat recovery systems, the technology and industry know-how are ready for all-electric new construction. Market demand for going all-electric is also growing across building types, as building decarbonization stands to future-proof against imminent energy upgrades, attract high-quality tenants and buyers, and create healthier living and working environments.

The shift to all-electric buildings will also slash greenhouse gas emissions, improve energy resilience, and add thousands of local clean energy and energy efficiency jobs across New York State. Support and resources from New York State, plus Inflation Reduction Act (IRA) tax credits, are available to help developers advance building efficiency and decarbonization in residential and commercial new construction.

Empire State Development Capital Grant Capital grant funding from the Regional Council Capital Fund is available through the State's Regional Economic Development Council Initiative, which helps drive regional and local economic development across New York State in cooperation with 10 Regional Economic Development Councils ("Regional Councils"). Capital grant funding is available for capital-based economic development projects intended to create or retain jobs; prevent, reduce or eliminate unemployment and underemployment; and/or increase business or economic activity in a community or Region. Eligible applicants include for-profit businesses; not-for-profit corporations; business improvement districts; local development corporations; public benefit corporations (including industrial development agencies); economic development organizations; research and academic institutions; incubators; technology parks; municipalities; counties; regional planning councils; tourist attractions; and community facilities.

Funds may be used for: Acquisition or leasing of land, buildings, machinery and/or equipment; Demolition and environmental remediation; New construction, renovation or leasehold improvements; Acquisition of furniture and fixtures; Soft costs up to twenty-five (25%) of total project costs; Planning and feasibility studies related to a capital project.

Empire State Development Restore NY Grant (via City of Albany) The Restore New York Communities Initiative ("Restore NY") provides municipalities with financial assistance for the revitalization of commercial and residential properties. The program encourages community development and neighborhood growth through the elimination and redevelopment of blighted structures. This periodically recurring grant source is accessed through partnership with a municipality. Restore New York funding is available for projects involving the demolition, deconstruction, rehabilitation and/or reconstruction of vacant, abandoned, condemned and surplus properties. Applications are initially evaluated at the regional level. Applications are scored against specific guidelines and how strongly they meet the goals of the program, which are to: Induce commercial investment; Improve the local housing stock. Priority is given to projects in Empire Zones and Brownfield Opportunity Areas, as well as to projects that leverage other state or federal redevelopment, remediation, or planning programs. There is also a strong emphasis placed on projects from economically distressed communities.

Restore NY was not included in the FY2026 State budget; however, it is a well-regarded funding source and is anticipated to return in future years.

Environmental Protection Fund Grants Program for Parks, Preservation and Heritage The EPF is a matching grant program for the acquisition, planning, development, and improvement of parks, historic properties, and heritage areas located within the physical boundaries of the State of New York. Funds may be awarded to municipalities or not-for-profits with an ownership interest. All applicants must use the online

Consolidated Funding Application to apply. The Environmental Protection Fund is a matching grant program to improve, protect, preserve, rehabilitate, restore or acquire properties listed on the State or National Registers of Historic Places and for structural assessments and/or planning for such projects.

Low Income Housing Tax Credits Signed into law in 2000, the NYS Low Income Housing Tax Credit Program (SLIHC) is modeled after the federal LIHC program and administered pursuant to the Internal Revenue Code and DHCR's Qualified Allocation Plan with the following exceptions: SLIHC assisted units must serve households whose incomes are at or below 90 percent of the area median income (vs. the 60 percent standard of the federal program); SLIHC provides a dollar-for-dollar reduction in state taxes to investors in qualified low-income housing which meet the requirements of Article 2-A of the Public Housing Law. The SLIHC Credit allocation is not calendar year-specific. The SLIHC program has selection criteria which are set forth in the SLIHC regulations.

Consolidated Funding Application As part of New York's efforts to improve the business climate and expand economic growth, the NYS Consolidated Funding Application (CFA) was created to support the Regional Economic Development Council (REDC) Initiative. The CFA has streamlined and expedited the grant application process marking a fundamental shift in the way state resources are allocated, ensuring less bureaucracy and greater efficiency to fulfill local needs. The CFA allows applicants to access multiple state funding sources through one application, making the process quicker, easier, and more productive. Additional information on the REDC Programs can be found by going to the Regional Economic Development Councils' website and selecting REDC Available CFA Resources.

FEDERAL RESOURCES

Historic Tax Credits The Federal Historic Preservation Tax Incentives program encourages private sector investment in the rehabilitation and re-use of historic buildings. It creates jobs and is one of the nation's most successful and cost-effective community revitalization programs. It has leveraged $127.12 billion in private investment to preserve more than 50,000 historic properties since 1976. The National Park Service, through its Technical Preservation Services division, and the Internal Revenue Service administer the program in partnership with State Historic Preservation Offices. The amount of credit available under this program equals 20% of the qualified expenses of your rehabilitation. The tax credit is only available to properties that will be used for a business or other income-producing purpose, and a "substantial" amount must be spent rehabilitating the historic building. Your building needs to be certified as a historic structure by the National Park Service. Rehabilitation work has to meet the Secretary of the Interior's Standards for Rehabilitation, as determined by the National Park Service.

Opportunity Zone Designation Opportunity Zones are an economic development tool that allows people to invest in distressed areas in the United States. Their purpose is to spur economic growth and job creation in low-income communities while providing tax benefits to investors. Opportunity Zones were created under the Tax Cuts and Jobs Act of 2017 (Public Law No. 115-97). Thousands of low-income communities in all 50 states, the District of Columbia and five U.S. territories are designated as Qualified Opportunity Zones.

OTHER RESOURCES

National Grid Main Street Commercial District Revitalization Grant National Grid's upstate NY service territory includes a substantial number of small to medium sized urban centers and main street corridors that possess unrealized potential and are located where there is often excess utility infrastructure and capacity. As a result of public/private partnerships and planning initiatives, communities are prioritizing and implementing unique projects that impact their competitive viability, attract investment and capitalize on their distinct development potential. This program is designed to assist communities in realizing their goals and promote "smart growth" investment in central business districts and commercial corridors. This program provides funding based on the amount of capital investment and can achieve a maximum award of $500,000. Program Description for Main Street/Commercial District Revitalization | Online Program Application

Historic Albany Foundation Technical Assistance HAF's technical staff can help guide historic property owners in what to do to maintain, restore, and rehabilitate their building. This includes identifying period appropriate colors, answering questions about materials; guidance in navigating the Certificate of Appropriateness process; assistance with projects that need to be reviewed by the Historic Resources Commission; advice on 'best practices' for historic buildings; help identifying potential funding resources, determining eligibility, and applying for NY State Tax credits.

Capitalize Albany Corporation Real Estate Loan The Real Estate Loan Program provides financing to qualifying real estate development projects to support the revitalization of property and the retention and creation of jobs for City residents. Preferred projects include strategic properties that currently are vacant or underutilized and, with rehabilitation or construction, could have a positive revitalizing effect on the community. Loans may be used with other private and public funds. Capitalize Albany Corporation will take a subordinated collateral position to a private lender, provided there is adequate collateral. The program offers long term, fixed rate gap financing at below market interest rates. Loans may not exceed 40% of total project cost up to $500,000. Proceeds may be used for construction, fixed asset financing as well rehab costs related to tenant fit ups for new business locations or residential conversion costs for rehab projects. This includes acquisition of buildings, rehab costs, furniture, fixture and equipment, construction, expansion or conversion of facilities. Borrowers are expected to provide a minimum of 10% owner equity contribution. To apply for these loan programs contact us or fill out a pre application and submit it to the Capitalize Albany Corporation at 21 Lodge Street, Albany, NY 12207.

Capitalize Albany Corporation Façade Grant The Façade Program is a matching grant program designed to assist small businesses throughout the City of Albany, providing business owners the opportunity to reinvest in their properties. The program can provide matching grants up to $10,000 to small businesses for exterior renovations.

FOR QUESTIONS

Capitalize Albany Corporation A catalyst for economic growth, Capitalize Albany Corporation facilitates transformational development projects, serving as the City of Albany's economic development organization. A registered 501(c) (3) nonprofit organization implementing programs and resources to create, retain, and attract business in the City of Albany.

The talented and experienced team at Capitalize Albany can assist in identifying and securing resources that may fit your proposed project. Contact them at:

Capitalize Albany Corporation
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