

We Care About The Square



November 16, 2015

Troy City Council Members
433 River Street.
Troy, NY 12180

RE: 1 Monument Square Redevelopment

Council Members:

We Care About The Square is a collection of residents and business owners who are interested in the development of One Monument Square. Our mission is to provide transparency and information relating to the most important development in Troy's recent history.

What is the 1 Monument Square Project Costing the City of Troy?

We Care About The Square has been criticized that their opposition to the current development plan endangers the projected \$585,000.00 income to the City for the sale of the former City Hall site.

Please consider that the City is giving the developer \$3,688,631.00 of Grant monies. Of this amount, \$1,471,757.00 is matching funds from the City (taxpayer).

Therefore, the City must spend about \$1,500,000.00 of taxpayer money to get this \$585,000.00.

All of this taxpayer and grant money will be used to fund to a largely private project that contains almost none of the public component required by the underlying Grants.

Could this \$1,500,000.00 be put to better use considering the City's current financial situation?

The detail below comes from the Land Development Agreement between the City of Troy and the developer, Monument Square, LLC and the underlying Grants used to help fund the redevelopment of the site.

The Land Development Agreement executed between the City of Troy and Monument Square, LLC states that in exchange for the exclusive development rights, Option and title to the Land, as contemplated herein, the Company shall pay to the City the sum of \$650,000.00, (the "Purchase Price") as follows:

- (a) \$65,000.00 upon execution of this Agreement, such payment to be nonrefundable (other than as set forth within Section 6.4, hereof) deposit (the "Deposit") tendered by Company to City in exchange for the Development Rights and Option granted herein; and
- (b) \$585,000.00 to be paid on the Closing Date.

The City shall use commercially reasonable efforts to make the following grant funding sources (collectively, the "City Grant Funding") available for reimbursement of qualifying Project Expenditures to the Project:

- (1) Restore New York monies. These funds, estimated at [\$159,419.00] may be used for site preparation and for infrastructure.

This grant requires that the City of Troy provide at least 10% match of the Grant amount to the project. Therefore \$15,942.00 of the amount being offered to the developer is City taxpayer funds.

- (2) 2011 Local Waterfront Revitalization Program (LWRP) monies, estimated at [\$472,000.00]. These funds may be used for park improvements and associated amenities at One Monument Square that will be retained by the City. These funds require a 50% match, which will be satisfied by the Company through the construction of public access through the One Monument Square site to the waterfront.

This \$472,000.00 remaining of the State grant must be matched by the City or the Developer and must be for park improvements or associated amenities that will be retained by the City. This means City property.

- (3) Environmental Protection Fund monies, estimated at [\$3,057,212.00]. Per the contract with the New York State Department of State and the City these funds may be used for "design and construction of a new public park and underground parking facility.

These monies are remaining from the Troy City Hall Grant, originally \$4,200,000.00 (\$2,200,000.00 State [52.38%] and \$2,000,000.00 matching funds from the City [47.62%])

Therefore if \$3,057,212.00 is remaining of this Grant then \$1,602,397.00 is State and \$1,455,815.00 is City.

If any of you would like more information about any of the issues presented here or would like to discuss any aspect of the project please feel free to contact us at info@wecareaboutthesquare.com

Sincerely,

We Care About The Square

www.wecareaboutthesquare.com