



March 9, 2018

via Email

City of Albany Planning & Development
200 Henry Johnson Blvd
First Floor, Suite #3
Albany, NY 12210

Attn: Chris Spencer, Commissioner

**Re: 224 South Pearl Street
Area Variance Application**

Dear Mr. Spencer:

On behalf of Pinnacle Business Ventures, we are providing additional information related to the application. Information included herein is intended to address comments made by City staff at February 21, 2018 meeting.

1. Public Support

Enclosed is a letter from Honorable Samuel Fien, County Legislature for the 6th Legislative District supporting the applicants request to place the gas islands in the front yard. Further, enclosed is a petition from December 2017 signed by almost 100 residents from the City of Albany that indicates that installing fuel pumps in the front yard would "Not Be Out of Character with the Neighborhood". (Section 365-5(21) (C)(1) A.1).

2. Project Costs

Enclosed is an updated breakdown identifying construction costs associated with maintaining the existing building in its current location, which would place the gas islands in the front yard versus constructing a new building, which would place the gas islands to the rear of the property. The investment in new construction would place the project at an operating deficit of more than \$100,000 after 5 years of operation. The financial breakdown demonstrates construction of a new building is not a feasible option for the project. (Section 365-5(21)(C)(1)A.2).

3. Applicant's Ownership of Property

Pinnacle Business Ventures took ownership of the property in November 2016, approximately 8 months prior to the adoption of Rezone Albany in June 2017. The applicant took ownership of the property at the time the City's zoning allowed the gas islands in the front yard. This supports the applicant's position that the requested variance is not a self-created hardship (Section 365-5(21)(C)(1)A.5).

Most the signatories are residents of the South End including Trinity Place, South Pearl Street, Green Street, Madison Ave, Second Ave, Grand Street, Morton Ave., South Ferry Street and other nearby streets, which are all located within several hundred feet of the project.



BOHLERTM
ENGINEERING

17 Computer Drive West
Albany, NY 12205
PHONE 518.438.9900
FAX 518.438.0900

Please review the enclosed information. We request to be placed on the next available Zoning Board of Appeals agenda to discuss the project further.

If you have any questions or require any additional information, please contact this office at (518) 438-9900 or at steven.wilson@bohlereng.com.

Sincerely,

BOHLER ENGINEERING MA, LLC

Steven R. Wilson

Cost Break Down			
Item	Renovation	Renew/Replace	New Construction
	2,200 SF Structure	2,200 SF Structure	2,200 SF Structure
Structure Cost	\$200,800	\$396,531	\$573,600
Pump Installation	\$389,842	\$389,842	\$389,842
Pedestrian / Landscaping Infrastructure	\$25,000	\$25,000	\$25,000
Demolition	\$0	\$0	\$50,000
Additional Land Required	0	0	0
Cost	\$0	0	\$0
Design Fees	\$13,250	\$13,250	\$21,500
Estimated Time for Construction	1 Month	1 Month	3 Months
Contingencies			
Deli Case / Hood / Meet Slicer / Sandwich Prep Table / Deli Counter / Microwave etc.	\$50,000	\$50,000	\$50,000
New Utility Connections	\$0	\$0	\$15,000
Hazardous Materials Removals, Testing or Abatement Delays caused by hazardous material removal			\$10,000
Phasing of project to keep the store and gas open during construction / Loss of Business	\$0	\$0	\$10,000
Fire protection sprinklers, Fire alarm monitoring & Lottery terminal connection	\$0	\$0	\$10,000
Unsuitable soil replacement	\$0	\$0	\$5,000
Subtotal	\$50,000	\$50,000	\$100,000
Allowances	\$64,700	\$64,700	\$64,700
Estimated Cost	\$743,592	\$939,323	\$1,224,642
Total Cost Variation		\$195,731	\$481,050
Down Payment for Redevelopment (20%)	\$148,718	\$187,865	\$244,928
Down Payment Cost Variation		\$39,146	\$96,210
Loan Remaining	\$594,874	\$751,458	\$979,714
Monthly Mortgage Payments			
Existing Property Mortgage (240K @ 15yrs)	\$2,025	\$2,025	\$2,025
Redevelopment @ 6.0% 15 yrs (\$594,874, \$751,458 vs. \$979,714)	\$5,020	\$6,341	\$8,267
Tax Estimate (Structure + Pumps)	\$676,642	\$872,373	\$963,442
County Tax @ 3.723941	\$210	\$271	\$304
City Tax @ 14.058500	\$793	\$1,022	\$1,148
School Tax @ 21.958341	\$1,238	\$1,596	\$1,795
Lib tax @ 1.628544	\$92	\$118	\$133
Estimate =	\$9,378	\$11,373	\$13,672
Monthly Cost Variation =		\$1,996	\$4,294

Cost Break Down			
Item	Renovation	Renew/Replace	New Construction
	2,200 SF Structure	2,200 SF Structure	2,200 SF Structure
Gas Commission @.05 / 85K Gallons per Month	\$4,250	\$4,250	\$4,250
Inside Sales @ .20 / \$54K per month (\$1,800 Daily)	\$10,800	\$10,800	\$10,800
Deli Sales @ .50 / \$15K (\$500 Daily)	\$7,500	\$7,500	\$7,500
Rental Units (\$2,000 + \$1,500)	\$0	\$0	\$0
Gross Profit	\$22,550	\$22,550	\$22,550
Monthly Expenses	\$9,378	\$11,373	\$13,672
Monthly c-store employee salary	\$6,156	\$6,156	\$8,892
Electricity	\$1,652	\$1,652	\$1,652
Telephone/Internet	\$199	\$199	\$199
Mantainance / Misc. Fees (Landscaping, Garbage Disposal, etc.)	\$1,300	\$465	\$465
Flood Insurance	\$750	\$500	\$600
Pollution Legal Liability Insurance (\$10,000)	\$833	\$833	\$833
Property Insurance	\$333	\$250	\$292
Credit Card Transaction Fees	\$1,250	\$1,250	\$1,250
Bookeeping/Taxes/Payroll Accountant Fees	\$250	\$250	\$250
Year 1 Monthly Profit	\$449	(\$379)	(\$5,555)
Year 2 Monthly Profit	\$2,704	\$1,876	(\$3,300)
Year 3 Monthly Profit	\$3,944	\$3,116	(\$2,060)
Year 4 Monthly Profit	\$5,246	\$4,419	(\$757)
Year 5 Monthly Profit	\$6,614	\$5,786	\$610
Year 1 =	\$5,384	(\$4,545)	(\$66,657)
Year 2 =	\$32,444	\$22,515	(\$39,597)
Year 3 =	\$47,327	\$37,398	(\$24,714)
Year 4 =	\$62,954	\$53,025	(\$9,087)
Year 5 =	\$79,362	\$69,433	\$7,322
Net:	\$227,471	\$177,824	(\$132,733)



ALBANY COUNTY – STATE OF NEW YORK
 BRUCE A. HIDLEY COUNTY CLERK
 16 EAGLE STREET, ALBANY, NEW YORK 12207

COUNTY CLERK'S RECORDING PAGE
 THIS PAGE IS PART OF THE DOCUMENT – DO NOT DETACH



INSTRUMENT #: R2016-27462

Receipt#: 20160098586
 Clerk: DK
 Rec Date: 11/21/2016 11:34:04 AM
 Doc Grp: D
 Descrip: DEED
 Num Pgs: 4
 Rec'd Frm: PINNACLE BUSINESS VENTURES LLC

Party1: MET AND JOHN LLC
 Party2: PINNACLE BUSINESS VENTURES LLC
 Muni: ALBANY CITY

Recording:	
Cover Page	5.00
Recording Fee	35.00
Cultural Ed	14.25
Records Management - Coun	1.00
Records Management - Stat	4.75
TP584	5.00
RP5217 - County	9.00
RP5217 All others - State	241.00
Sub Total:	<u>315.00</u>
Transfer Tax	
Transfer Tax - State	1200.00
Sub Total:	<u>1200.00</u>

Total: 1515.00
 **** NOTICE: THIS IS NOT A BILL ****

***** Transfer Tax *****
 Transfer Tax #: 2637
 Transfer Tax
 consideration: 300000.00

Transfer Tax - State	1200.00
Total:	<u>1200.00</u>

Record and Return To:

BOX 8

THIS PAGE CONSTITUTES THE CLERK'S
 ENDORSEMENT, REQUIRED BY SECTION 316-a (5)
 & 319 OF THE REAL PROPERTY LAW OF THE
 STATE OF NEW YORK.

Bruce A. Hidley
 Albany County Clerk

1003A

WARRANTY DEED

THIS INDENTURE

Made the 14th day of October, 2016

BETWEEN

MET AND JOHN LLC,
having an address at 175-18 147th Avenue, Jamaica, NY 11434,

parties of the first part, and

PINNACLE BUSINESS VENTURES LLC,
having an address at 1 Peachtree Lane, Albany, NY 12205,

parties of the second part,

WITNESSETH that the parties of the first part, in consideration of One Dollar and 00/100 (\$1.00) lawful money of the United States, and other good and valuable consideration paid by the parties of the second part, do hereby grant and release unto the parties of the second part, their heirs and assigns forever,

ALL THAT TRACT, PIECE OR PARCEL OF LAND, situate in the City and County of Albany, State of New York, more particularly bounded and described on **SCHEDULE A DESCRIPTION** attached hereto and made a part hereof.

BEING the same premises conveyed to the parties of the first part by deed dated May 16, 2012 and filed in the office of the Albany County Clerk on May 17, 2012 in Book 3034 of Deeds at page 60.

TOGETHER with the appurtenances and all the estate and rights of the parties of the first part in and to said premises.

TO HAVE AND TO HOLD the premises herein granted unto the parties of the second part, their heirs and assigns forever.

AND said parties of the first part covenant as follows:

FIRST, that the parties of the second part shall quietly enjoy the said premises;

SECOND, that said parties of the first part will forever **WARRANT** the title to said premises.

R+R: David H. Spitzer, Esq. Box 8
237 South Pearl St.
Albany, NY 12202

A129761

THIRD, that, in compliance with Sec. 13 of the Lien Law, the grantors will receive the consideration for this conveyance and will hold the right to receive such consideration as a trust fund to be applied first for the purpose of paying the cost of the improvement and will apply the same first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose.

IN WITNESS WHEREOF, the parties of the first part have hereunto set their hands and seals the day and year first above written.

IN PRESENCE OF

MET AND JON LLC

By: 
Name: Metin Nerkis
Title: Member

STATE OF NEW YORK)
)ss.:
COUNTY OF ALBANY)

On the 14 day of October, 2016, before me, the undersigned, personally appeared **Metin Nerkis**, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, that by his signature on the instrument, the individual or the person upon behalf of which the individual acted, executed the instrument, and that such individual made such appearance before the undersigned.

ROBERT A. PANASCI
Notary Public, State of New York
Qualified in Albany County
No. 02PA0071041
Commission Expires March 11, 2016


Notary Public

Fidelity National Title Insurance Company

Issued by

SNEERINGER MONAHAN PROVOST REDGRAVE

TITLE AGENCY, INC.

SCHEDULE A DESCRIPTION

All that tract, piece or parcel of land, situate lying and being in the City and County of Albany, State of New York, more particularly bounded and described as follows:

BEGINNING at the point of intersection of the revised easterly line of South Pearl Street with the southerly line of South Ferry Street, said point being located 517.59 feet, more or less distant, measured in a westerly direction along said southerly line of South Ferry Street from its intersection with the westerly line of Green Street; thence in a southerly direction along the revised easterly line of South Pearl Street, making an interior angle of 88° 33' 08" with said southerly line of South Ferry Street, a distance of 100.0 feet, more or less, to a point; thence, in an easterly direction, along a line parallel with the southerly line of South Ferry Street, making an interior angle of 91° 26' 52" with the last described course, a distance of 100.0 feet, more or less, to a point; thence in a northerly direction along a line parallel with the revised easterly line of South Pearl Street, making an interior angle of 88° 33' 08" with the last described course, a distance of 100.0 feet, more or less, to a point on the southerly line of South Ferry Street; thence in a westerly direction, along said southerly street line, making an interior angle of 91° 26' 52" with the last described course, a distance of 100.0 feet, more or less, to a point being the point and place of beginning.

Schedule A – Legal Description – Page 1 of 1

SMPR Order No.: A-0129701

Fidelity National Title Insurance Company – Sneeringer Monahan Provost Redgrave Title Agency, Inc.

Date: September 30, 2016

LEGAL
DESCRIPTION