

JANUARY 21, 2022

AMP Solar Development, Inc.,
Truax Project
Town of Amsterdam, NY

USE VARIANCE ANALYSIS

 Storrs
ASSOCIATES

EXECUTIVE SUMMARY

PURPOSE OF THIS ANALYSIS

AMP Solar Development Inc. (AMP) is seeking approval from the Town of Amsterdam, NY Zoning Board of Appeals (ZBA) to construct commercial solar energy projects on two parcels for which such projects are not currently a permitted use.

Storrs Associates, LLC has been engaged to conduct an objective, third-party Use Variance Analysis to assist the ZBA with its evaluation, specifically the "dollars and cents" test of whether a currently permitted use would generate a reasonable rate of return to the property-owners.

AMP proposes to install solar arrays on two parcels, each with a different owner. Both are zoned R-1 Residence. Property owners would enter into a ground lease with AMP for 20 years and receive lease payments according to the lease terms. **This report analyzes the parcel at Truax Road.**

TAX MAP ID AND ACREAGE	PROPERTY CLASS	ADDRESS	PROPERTY REFERRED TO
272089 56.4-2-6 96 Acres	1 Family Residence	Knickerbocker Heights	Knickerbocker Parcel
272809 56.4-2-4.1 58.4 Acres	Rural Vacant	Truax Road	Truax Parcel

CONCLUSIONS

This analysis concludes that the solar lease proposed by AMP is currently the most feasible investment the property owner can make that will deliver a reasonable rate of return.

Each permitted use or special permit use was found to be either financially marginal, such as pet kennels, or economically unfeasible, such as a single-family home or a Senior Housing facility. The latter two uses are more likely to be economically feasible only if the current parcel owner sells the property to a professional developer or operator. This analysis is limited to evaluating outcomes where the parcel owner retains the land.

It is important that the ZBA learn not just that permitted uses are deemed unfeasible, but also why; the key factors that prevent a reasonable rate of return on investment. Therefore, as this analysis was conducted, financial scenarios were subjected to two tests. First, did the base assumptions enable a reasonable rate of return? If not, what drove the outcome, and could an assumption be changed to make the project more feasible?

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SUMMARY OF RESULTS

Affected Parcel and Permitted Use	Feasibility Assessment	Rate of Return	Initial Investment	Net Cashflow over Ten Years, Discounted
Current Use - Vacant	Current Use	-75%	\$4,333	-\$30,964
SOLAR PROJECT	High	393%	\$4,333	\$132,423
1 or More New Single-Family Homes for Rent, Per-Unit Results	Return not Reasonable	-7%	\$34,190	-\$19,480
Non-Profit and Public uses: House of Worship, Community Park or Playground, Public Building or Library	Not Feasible	None		
Existing Farm, Nursery, or Truck Garden, with or without Accessory Mobile Home	None Existing, Therefore not Permitted			
Customary Home Occupation and Accessory Use or Building	Return not Reasonable			
Family and Group Family Day Care as an Accessory Use	Return not Reasonable			

Affected Parcel and Special Permit Use	Feasibility Assessment	Rate of Return	Initial Investment	Net Cashflow over Ten Years, Discounted
75-Unit Age Restricted Senior Housing, No Healthcare or Personal Services	Return not Reasonable	-12.01%	\$4,333	-\$9,112
Bed and Breakfast	Not Feasible			
Establishment				
Public or Private School or College	Not Feasible			
Golf Course or Country Club	Not Permitted: Insufficient Acreage			
Public Utility Station	No Return for this Use			
Small Wind Energy Facility	No Return for this Use			
Please Horse	No Return for this Use			
Kennels	Not Feasible			

METHODOLOGY

The starting point for this analysis is to consider how a parcel could be developed to allow the current owner to retain the property, but receive a reasonable rate of return. It assumes that the owner has or will make an informed choice among hypothetical competing offers, except where the specific use is highly specialized, for example a college or park, and unlikely to be offered as a project.

BASIC METHOD OF ANALYSIS

The basic analytical methodology is to create a series of development scenarios for the parcel, and measure the potential rate of return to the owners. Some uses, such as an Accessory Dwelling, do not generate revenue and are discussed but not analyzed. This methodology is applied to both parcels.

- I. A Base Case continues the current use as undeveloped land.
- II. Solar investment under the requested use variance is the first development scenario.
- III. Development scenarios are created for each Permitted Use and Special Permit Use for the R-1 Residence Zoning District, where the nature of the use generates revenue.
- IV. The Base Case and each development scenario assume an initial investment by the current property owner, in order to measure a return on investment. Initial investments are determined by the use type. Project revenues, from ground lease payments or operating income, net of project costs such as increased real property tax payments,

constitute the return on investment. Returns are calculated as the discounted present value of those net revenues. This measure is compared to current market expectations for similar investments where possible, using benchmarks published by national data provider RealtyRates.com.

SCENARIO SELECTION AND CREATION

The Truax parcel is zoned R-1 Residence. The Town of Amsterdam's Zoning Law 1 of 2009 lists the Permitted Uses and the Special Permit Uses, and provides definitions of key terms, such as the definition of a farm operation or senior housing. R-1 Residence allows the following uses:

PERMITTED USES

- One family dwelling, except mobile home
- Church, parish house, convent
- Community park or playground
- Public building, library
- Existing farm, nursery, or truck garden
- Customary home occupation
- Family & Group Family Day Care as an accessory use
- Mobile home as accessory use to farm operation

SPECIAL PERMIT USES

- Nursing home, hospital, Assisted Living Facility, Senior Housing
- Bed & Breakfast
- Accessory dwelling unit
- Public, private school, college
- Golf course/ country club
- Public utility station or structure
- Small Wind Energy Facility
- Pleasure Horse
- Kennels

Each of these uses is the subject of an analysis or discussion designed to satisfy Article XII, Section 49.4 "Use Variances" requirement A, where the applicant must demonstrate that "For each and every permitted use under the zoning regulations for the particular district where the property is located the applicant cannot realize a reasonable return, provided that lack of return is substantial as demonstrated by competent financial evidence;" Further criteria B, C, and D from that same section require that the alleged hardship is unique and does not apply to a substantial portion of the district or neighborhood; that the requested use variance, if granted, will not alter the essential character of the neighborhood; and that the alleged hardship has not been self-created.

The focus of this report is requirement A (financial return), but the analysis also finds that criteria D, no self-created hardship, is satisfied. An example would be an owner's attempt to recoup a loss from having paid an above-market price for the parcel, and therefore demanding compensating cashflow as a threshold. Both parcel owners have held the land since at least 2000. There is no prior use of the parcel that renders it unfit for permitted uses, for example soil contamination requiring extensive remediation.

INVESTMENT AND RETURN CALCULATIONS

Parameters were established for the creation of the development scenarios and measurement of investment returns for both the Permitted Uses and the Special Permit Uses. These include:

- The owner wishes to realize a measurable return on investment on the parcels, and selling to another user in order to earn a return is not under consideration.

- The current owner will either develop and manage the use, or will enter into a ground lease with a developer/manager who will operate the project. This will depend on the nature of the use. For example, a bed and breakfast may be feasible for an owner that is not a hospital/professional, but a senior living facility requires construction management and professional operator(s) and would be unfeasible for the property owners to run.
- A baseline "investment" for each scenario, including current use and the solar projects, is established in order to calculate a return. Therefore a hypothetical mortgage payment based on a purchase of the parcel at current fair market value is assumed to be both an investment and an ongoing cost of ownership.
- The current owner will always make a monetary investment, in order to calculate a return on that investment. For all scenarios, that investment will include continued payment of real property taxes on the current use of the land. The assessed value of any additional investment will be determined by the type of use.
- Some uses are expected to increase the assessed value and therefore the real property taxes. Depending on the type of use, these taxes are shown as operating costs to a facility manager, or taxes paid by the parcel owner who is also the operator. Income tax is estimated only for the owner-operated pet kennel but would likely be owed, at the owner's personal tax rate, on a ground lease.
- Real property assessed values for the land itself do not change over the investment horizon except where a facility increases the assessed value, but tax rates increase within the New York State revenue cap at 1.5% annually.

- The investment horizon is 10 years, even though the proposed ground leases from Amp Solar, Inc. are 20 years. This is intended to maintain a reasonable timeframe in which to realize a return, and to avoid the compounding of assumptions, and therefore the reduction of the value of an estimate, that necessarily occurs when making predictions over a longer time period.
- The rate of return is calculated as an Equity Dividend Rate, which is annual cashflow divided by the value of the initial equity investment. It is expressed as a percentage for comparison, and an average is calculated over ten years. Net income is also calculated.

This measure is preferred to an Internal Rate of Return (IRR) or Modified Internal Rate of Return (MIRR) because both IRR and MIRR assume that income is reinvested, which may not occur, and neither tool can correctly calculate a return when all cashflows are negative, meaning the project produces steady annual losses.

The Equity Dividend Rate will correctly calculate the annual gain or loss. It is a common measure used to calculate a return on other investments, such as the purchase of shares of common stock, and enables comparison of the returns on different asset types.

- Cash flows for both revenues and costs will be discounted to present value using a rate of 3%. This is in anticipation that the inflation rates recorded at the end of 2021 stabilize and then return to a more typical pattern over the 10-year investment horizon.

Valuing a New York Solar Lease for Tax Purposes

AMP, not the parcel owner, will pay the local real property taxes on the project. The rate of return analysis therefore does not include these taxes as a cost. Because the project will generate measurable new tax revenue in the community, the revenue is calculated and included in this report, as supplemental information to the use variance analyses.

The state's 2021-2022 Enacted State Budget established a process for the Department of Taxation and Finance to develop a standard appraisal methodology for solar and wind energy systems with a capacity of at least one megawatt. Local assessors are required to use the model beginning with 2022 assessment rolls. The full methodology is available at:

www.tax.ny.gov/research/property/renewable-appraisal.htm

A discounted cash flow approach is used, an approach that is commonly used for investments where the value is derived from a future income stream. Payments are discounted to account for the passage of time (present value) and the state establishes the discount rate each year.

The state publishes a valuation workbook in Microsoft XL. The user enters information about the size and type of the project, local electric utility, and local tax rates, and the model estimates and discounts future cashflows over a period of 20 years. The sum of these cashflows is to be used by assessors to establish a fair market value of the project, and therefore an assessed value upon which municipal and school district real property taxes are calculated. This study uses output from the model and estimates taxes based on current mil rates, with the same escalation factors used for estimating taxes for the permitted uses.

BASE CASE & SOLAR LEASE

BASE CASE, TRUAX PARCEL

The parcel located on Truax Road (no number) is currently vacant. The parcel includes 58.4 acres, was last sold in 2000, and has a fair market value of \$43,333, and an assessed value of \$3,900. 2021 \$2,021, totaled \$374.53 for town and county and \$365.20 for the Greater Amsterdam School District.¹ Tax rates are estimated to escalate by 1.5% each year. The Agricultural District Exclusion is scheduled to expire in 2024, and a resulting increase in taxes is shown beginning in 2025.

To calculate a return on investment, this analysis assumes that the owner recently purchased the parcel at the full market value, with a mortgage equal to 90% of the purchase price and a 10% downpayment of \$4,333. This hypothetical downpayment is considered an equity investment solely for the purposes of measuring a return over time, expressed as an annual and average

Equity Dividend Rate. Mortgage payments are fixed and real property taxes increase 1.5% each year. Maintenance and repair costs are not included.

As shown in the table "Return on Investment," the Truax Parcel incurs basic costs for the hypothetical mortgage and ongoing real property taxes, without generating income. Annual Equity Dividend Rates are negative, as is the average.

Return on Investment	
Hypothetical Purchase Price	\$43,333
Initial Investment	\$4,333
Net Cashflow, Nominal	-\$36,911
Net Cashflow, Discounted at 3%	-\$30,964
Average Equity Dividend Rate	-75%

Base Case: Truax Parcel Estimated Property Revenue, Expenses, and Net Income	
Revenue	\$0
Mortgage, 30 Years at 2.87%	-\$1,940
Real Property Taxes	-\$751
Net Income or Loss	-\$2,691
Annual Equity Dividend Rates	-62%
2022	2023
2023	2024
2024	2025
2025	2026
2026	2027
2027	2028
2028	2029
2029	2030
2030	2031
Initial Investment	\$4,333
Revenue	\$0
Mortgage, 30 Years at 2.87%	-\$1,940
Real Property Taxes	-\$751
Net Income or Loss	-\$2,691
Annual Equity Dividend Rates	-62%
2022	2023
2023	2024
2024	2025
2025	2026
2026	2027
2027	2028
2028	2029
2029	2030
2030	2031
Initial Investment	\$4,333

¹ Source: Montgomery County:

https://www.comontgomery.ny.us/web/sites/departments/realprperty/rolls_tax.asp

SOLAR LEASE, TRUAX PARCEL

AMP proposes to install solar collection panels and related equipment on 20 acres, with no other changes in use. Lease terms are shown in the table below.

Lease Terms, Truax Parcel

Construction Period

Years	2
Annual Payment	\$3,500

Full Lease

Years	20
Usable Acres	20
Annual Per Acre Payment*	\$1,250
Annual Lease Payment	\$25,000
Annual Payment Increase	None

*Per "Disturbed Parcel Area Acreage"

PARCEL OWNER RESULTS

The calculation for a return on investment with the solar lease payments is the same as that of the Base Case, with the lease payments added as revenue. The solar project does not increase

Return on Investment

Hypothetical Purchase Price	\$43,333
Initial Investment	\$4,333
Net Cashflow, Nominal	\$166,089
Net Cashflow, Discounted at 3%	\$132,423
Average Equity Dividend Rate	393%
Market Return for Land Lease	8.06%
Market Return from RealtyRates Investor Survey Q3 2021	

real property taxes owed by the parcel owner. The initial investment remains the same mortgage downpayment as in the Base Case.

Compared with the Base Case, the same initial investment to own the land returns net cashflow of \$132,423 over ten years after paying the costs of the hypothetical mortgage, and the taxes on the undeveloped land.

The Equity Dividend Rates average 393% over ten years. Compared with a current expected market return for a general land lease of 8.06%, the solar lease delivers a very high return on investment. The dollar value of the net income is also very high for a passive investment.

A cashflow analysis follow on the next page.

ESTIMATED NEW REAL PROPERTY TAXES PAID BY AMP

The New York State Department of Taxation and Finance discounted cashflow valuation tool, described above in the Methodology section, is used here. The project on the Truax Parcel is estimated to have a fair market value of more than \$1.4 million, with taxes on that value estimated at \$47,475 if current rates are applied.

Value of Truax Solar Project after Completion, NYS Method

Fair Market Value (Sum of NPV cashflows)	\$1,470,334
Assessed Value (9% Equalization Rate)	\$132,330
Estimated Town and County Taxes, 2021 Rates of 165.24	\$21,867
Estimated School Taxes, 2021/22 Rates of 193.52 (1)	<u>\$25,608</u>
Combined taxes at 2021/22 rates	\$47,475

(1) Rate not published, estimated from 2020/2021 tax bills

TRUAX PARCEL, ANNUAL CASH FLOW WITH SOLAR LEASE

Solar Lease: Truax Parcel Estimated Property Revenue, Expenses, and Net Income										
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Revenue	\$1,500	\$1,500	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Mortgage, 30 Years at 2.87%	-\$1,940	-\$1,940	-\$1,940	-\$1,940	-\$1,940	-\$1,940	-\$1,940	-\$1,940	-\$1,940	-\$1,940
Real Property Taxes	-\$751	-\$762	-\$774	-\$1,487	-\$1,509	-\$1,532	-\$1,555	-\$1,578	-\$1,602	-\$1,626
Net Income or Loss	-\$1,191	-\$1,202	\$22,286	\$21,573	\$21,551	\$21,528	\$21,505	\$21,482	\$21,458	\$21,434
Annual Equity Dividend Rates	-27%	-28%	514%	498%	497%	496%	496%	495%	495%	495%
New Real Property Taxes Calculated on Truax Solar Project using NYS Method										
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Town and County	\$0	\$0	\$22,866	\$23,209	\$23,557	\$23,910	\$24,269	\$24,633	\$25,002	\$25,377
Greater Amsterdam SD	\$0	\$0	\$26,382	\$26,778	\$27,179	\$27,587	\$28,001	\$28,421	\$28,847	\$29,280
Total	\$0	\$0	\$49,248	\$49,986	\$50,736	\$51,497	\$52,270	\$53,054	\$53,850	\$54,657

Initial Investment \$4,333

PERMITTED USE SCENARIOS

PERMITTED USES	REVENUE POTENTIAL
One family dwelling, except mobile home	If offered for rent
Church, parish house, convent	Nonprofit, very limited
Community park or playground	Public use, very limited
Public building, library	Public use, very limited
Existing farm, nursery, or truck garden	None existing
Customary home occupation	Contingent on skills of homeowner/resident
Family & Group Family Day Care as an accessory use	Modest
Mobile home as accessory use to farm operation	No existing farm

The table above lists the uses currently permitted, along with the potential for revenue to be generated by each use. Several are for a nonprofit or public use, and while each will be discussed for feasibility, it is not expected that there is sufficient community demand for the Truax Parcel to be proposed for development as a house of worship, playground, or library.

The lack of an existing farm on the parcel eliminates both farming and an accessory mobile home from permitted uses. In theory each could appeal to a future farmer but the industry presents unique challenges and no proposals have been received. The

Agricultural District tax reductions expire in 2024, eliminating an incentive to development as a farm.

Customary home occupation covers an in-home business which, like day care, is an accessory use that could deliver revenue.

The most likely development scenario currently permitted is for one or more single-family housing units. This is analyzed first.

SINGLE FAMILY HOME REQUIREMENTS

The Town of Amsterdam’s Zoning Law sets forth requirements and limitations for the building of single-family homes in the R-1 zoning district:

- Minimum lot size of 1.5 acres for a home without public water and sewer (likely); 0.5 acres for a home with public water and sewer (unlikely);
- Maximum 20% coverage of lot;
- Minimum 850 square feet of living area; and
- Lot coverage, yard size, and living area minimums.

The single-family home scenario assumes that the parcel owner retains the land and owns but leases the home. The investment goal is net income that will cover the costs of construction and taxes for the new home, plus the existing costs of the entire parcel (hypothetical mortgage and taxes). This provides a comparison to the Base Case, where the existing costs of owning the land are not offset by any revenue.

The Truax Parcel has enough acreage to create lots for multiple homes. For this report, the outcome of the construction and lease of one home is studied to determine whether such a project is financially feasible. Since the analysis shows it is not, a multi-home development is not analyzed.

SINGLE FAMILY HOME FOR LEASE

INTRODUCTION

The construction and renting of a single-family home in the current market is not economically feasible and would not deliver a positive rate of return.

The rate of return to the parcel owner depends on the likelihood that a home can be leased at a cost that allows a market-rate monthly rent to cover the home's construction, financing, and tax costs. The economic feasibility takes into account both these costs and the local income demographic and housing market conditions, especially single-family home values and monthly rents in Montgomery County and the Town of Amsterdam.

Single-family homes for sale may be more feasible, but sale of the land in order to achieve a return is not under consideration.

The development scenario uses cost information from the National Association of Home Builders (NAHB), which collects and reports national data. There is not similarly robust information at the state level. NAHB's estimate for site work to prepare the lot is assumed, for the purpose of this analysis, to cover the cost of public utility hookups and the installation of a well and septic system.

The scenario uses mortgage financing terms from RealtyRates.com, and demographic and housing information from the US Census American Community Survey to estimate the outcome, for the parcel owner, of investing in and leasing a single-family home in the current market. The scenario results are presented first, followed by tables supporting the conclusion.

RESULTS

Construction costs make the building and leasing of a single-family home in the Montgomery County rental market economically unfeasible, because the rent payment needed to achieve even a breakeven on the investment is well above the market.

The table below summarizes the investment outcome. Repaying a mortgage covering the costs of construction would require \$13,370 annually in principal and interest. An assessment based on comparable home values is estimated to result in \$9,640 in annual taxes. The parcel owner would need to receive \$24,000 in annual rent payments, or \$2,000 per month, to maintain the property. The parcel owner invests \$29,857 in the mortgage downpayment but receives only \$990 per year in net income, or 3%. It would take 30 years for the annual income to repay the original investment.

It is unlikely a tenant would pay \$2,000 per month or more, when the median rent is \$626 in the county and \$702 in the town. No rental units are offered at \$2,000 or above in the current market. It is likely that the unit would be vacant and generate no income.

Single Family Home for Rent	
Annual Mortgage Payments, No PMI	\$13,370
Annual Taxes	\$9,640
Annual Costs of Home	\$23,010

Annual Rent Needed to Achieve a Return	\$24,000
Annual Net Income to Parcel Owner	\$990
Parcel Owner Equity Investment in Home	\$29,857
Equity Dividend Rate (Annual Income/Equity)	3%
Monthly Rent	\$2,000
Current Units Renting at or Above \$2,000/mo	None

DEMOGRAPHIC AND HOUSING PROFILE

The economic feasibility of the single-family home rental scenario depends on demand for such housing in the region, which for this analysis is defined as Montgomery County. Households make decisions based on their incomes, and on the type and cost of housing available. They also pay attention to whether they are paying substantially more for housing than others in the community. To do so is a deliberate choice. How well a prospective single-family home rental unit fits within the existing housing cost structure is therefore an important factor in whether it would, if built, be occupied and generate revenue.

As shown in the table below, the Median Household Income (MHI) for the county is \$50,789 and for the town, \$61,940. Using a common rule of thumb, housing is affordable if no more than 30% of income is spent, so annual housing costs should be approximately \$15,237 in the county and \$18,582 in the town.

By definition, 50% of all households have income that exceed MHI, and the table also shows the number, and percent, that earn at least \$100,000 or \$150,000.

<u>Demographic Information</u>	<u>Montgomery County</u>	<u>Town of Amsterdam</u>
Population	49,557	5,387
Households	20,056	2,247
Average Household Size	2.43	2.27
Median Household Income	\$50,789	\$61,940
Households Earning > \$100,000/Yr	4,254, 8%	737, 1%
Households Earning > \$150,000/Yr	1,473, 3%	329, 1%

Source: American Community Survey 2015-2019

The majority of households own their own home, 67% in the county and a higher 83% in the Town of Amsterdam, but this leaves a sizeable number of regional households choosing to rent.

A greater constraint on building a new home for rent is that the median home value is \$105,400 in the county and \$153,200 in the town. The costs of new housing are substantially higher, as shown below. Furthermore, monthly rents average \$626 in the county and \$702 in the town, with few renting for more than \$1,000 and none at or above \$2,000. This can establish a cap on rents tolerated in the market. This is discussed below in the analysis of why this analysis finds a single-family rental home economically unfeasible for the Truax Parcel.

<u>Housing Profile</u>	<u>Montgomery County</u>	<u>Town of Amsterdam</u>
<u>Housing Units</u>	20,056	2,247
Owner-Occupied	13,385, 67%	1875, 83%
Renter-Occupied	6,671, 33%	372, 17%
Median Home Value	\$105,400	\$153,200
Median Rent per Month	\$626	\$702
Units Renting for \$1,000 or More	278, 4%	49, 13%
Units Renting for \$2,000 or More	None	None
<u>Distribution of Housing Types</u>		
Single-Family Homes (Rent or Own)	59%	78%
2 Units Buildings	21%	4%
Buildings with 3 or More Units	13%	13%
Mobile Homes	7%	5%

Source: American Community Survey 2015-2019

CONSTRUCTION COSTS

The table below presents the 2019 national cost data from NAHB, during 2020 and 2021. NAHB data is for a 2,594 square-foot (SF) home, and costs per SF are calculated on that footprint.

2021 Estimates Based on NAHB and \$30,000 Increase

Finished Lot	\$89,540	17.4%
Total Construction	\$326,652	63.4%
Financing	\$8,160	1.6%
Overhead and General Expenses	\$23,683	4.6%
Marketing	\$4,895	1.0%
Sales Commission	\$18,105	3.5%
Profit	\$44,092	8.6%
Sales Price	\$515,127	100.0%
Average		% of Price

For the scenario, overhead was reduced and marketing and sales costs eliminated, resulting in a lower cost per SF.

Adjusted for Single Amsterdam Home	Average	
Finished Lot	\$89,540	
Total Construction	\$326,652	
Financing	\$8,160	
Overhead and General Expenses	\$23,683	
Marketing and Sales Commission	\$0	
Less: Overhead savings of 75%	-\$17,762.25	
Profit	\$0.00	
Cost to Build	\$430,273	
Average Square Feet per Home	2,594	
Construction per SF	\$126	
All Costs per SF	\$199	

\$430,273 in construction costs makes a new single-family home among the top 2.8% for price in Montgomery County, where only 390 of 13,455 homes are valued above \$400,000. A smaller home of 1,800 SF, with a cost of \$298,570 is therefore studied. A 30-year mortgage at 2.87%, with a 10% downpayment, is assumed.

Costs for a More Affordable Home

Size of Home in Square Feet	1,800
Costs per Square Foot	\$166
Costs to Build Home	\$298,570
Less: Conventional Mortgage	-\$268,713
Owner Equity to Obtain Mortgage	\$29,857

VALUATION AND TAXES

A home of this size is estimated to be assessed at construction cost. There are 108 homes in the Town of Amsterdam in this price range for comparison. Taxes are calculated at current rates as used in the Base Cases. The results table is shown again here.

Valuation and Tax Estimates

FMV	\$298,570
AV at 9%	\$26,871
2021 County and Town	\$4,440.34
2021 School, no Star	\$5,200.05
Total at 2020/21 Tax Rates	\$9,640.39
Single Family Home for Rent	
Annual Mortgage Payments, No PMI	\$13,370
Annual Taxes	\$9,640
Annual Costs of Home	\$23,010
Annual Rent Needed to Achieve a Return	\$24,000
Annual Net Income to Parcel Owner	\$990
Annual Owner Equity Investment in Home	\$29,857
Equity Dividend Rate (Annual Income/Equity)	3%
Monthly Rent	\$2,000
Current Units Renting at or Above \$2,000/mo	None

CASHFLOWS AND RETURNS FOR THE TRUAX PARCEL

Return on Investment, Truax Parcel

Hypothetical Cost, Current Use and New Home	\$341,903
Initial Investment, Current Use and New Home	\$34,190
Net Cashflow, Nominal	-\$34,191
Net Cashflow, Discounted at 3%	-\$19,480
Average Equity Dividend Rate	-7%
Market Return on Single Family Home Construction	8.60%
Market Return from National Association of Home Builders	

<u>Single Family Home for Rent, Truax Parcel</u>	<u>Equity Invested for Original and New Mortgages</u> <u>\$34,190</u>									
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Lease Revenue	\$0	\$990	\$1,010	\$1,030	\$1,051	\$1,072	\$1,093	\$1,115	\$1,137	\$1,160
Current Mortgage, 30 Years at 2.87%	-\$1,940	-\$1,940	-\$1,940	-\$1,940	-\$1,940	-\$1,940	-\$1,940	-\$1,940	-\$1,940	-\$1,940
Current Real Property Taxes	-\$751	-\$762	-\$774	-\$1,487	-\$1,509	-\$1,532	-\$1,555	-\$1,578	-\$1,602	-\$1,626
Net Income or Loss	-\$2,691	-\$1,712	-\$1,704	-\$2,397	-\$2,399	-\$2,400	-\$2,402	-\$2,403	-\$2,405	-\$2,406
Annual Equity Dividend Rates	-8%	-5%	-5%	-7%	-7%	-7%	-7%	-7%	-7%	-7%

EXISTING FARM, NURSERY, OR TRUCK GARDEN, WITH OR WITHOUT ACCESSORY MOBILE HOME

The Truax Parcel is not currently farmed or grazed, nor has a nursery. These uses are permitted only if existing. The agricultural tax abatement expires in 2024. Leasing the land for agricultural use would require a zoning change or use variance and is not under consideration.

Another permitted use, a mobile home as an accessory to farm operation, is also not an available choice for generating a return on investment, as there is no existing farm.

CUSTOMARY HOME OCCUPATION AND ACCESSORY USE OR BUILDING

The town's Zoning Law defines Home Occupation on page 6 as "...carried on by a member of the family residing in the dwelling unit; and is clearly incidental and secondary to the use of the dwelling unit for residential purposes..."

An example may be the creation of an office for a home-based business. The ability to derive revenue requires that the current resident have the skills, time, and economic prospects for such a business. The Truax Parcel has no dwelling or residents, raising the bar higher for this activating this permitted use. A home-based business is not found to be an alternative investment to developing other portions of the land.

Adding an accessory building for this purpose, which is permitted, would add to the investment cost of such a business. Other permitted accessory buildings, such as a shed, would not generate revenue and do not deliver a return on investment.

NON-PROFIT USES

Three permitted uses are non-profit uses: house of worship or housing for religious leaders or orders, a community park or playground, or a public building or library. Each of these by nature does not have the generation of income as a goal, and revenues are intended for the provision of services that are provided at no required direct cost to the users.

From an investment perspective, a parcel owner could receive revenue if the parcel were leased by a municipality or organization, with regular payments made to the landowner. This is an uncommon arrangement and not necessarily desirable for a non-profit, as it may complicate the tax-exempt benefits for the facility. For comparison purposes, the Base Case calculates the annual carrying cost of the property. To reach a breakeven point, where the parcel owner's costs are covered by a ground lease, a facility on the Truax Parcel would need to pay \$2,691. Any lease amounts above this would generate net income and a positive return.

Leasing a portion of a parcel for a community or non-profit use may deliver a modest return. A greater challenge is whether there is demand for a new church, park, or public building in the Town of Amsterdam, situated outside of the town's center and in a rural area. It is unlikely that the parcel would be found suitable. If suitable for a park, there would be a further hurdle from the more common practice of public parks' being publicly owned, which would require sale of the property. These uses are therefore found to be unfeasible.

FAMILY AND GROUP FAMILY DAY CARE AS AN ACCESSORY USE

The Zoning Law defines Family Day Care Home as "A NYS Registered program operated in a family home in which child day care is provided on a regular basis to three to six children for more than three hours per day per child, for compensation or otherwise, as regulated by New York Social Services Law."

As a permitted use, Family Day Care has the potential to generate revenue but would require the construction of a single family home, a major capital investment. Other requirements on the resident/parcel owner are significant and may not be met by a new resident at all. These would likely include:

- A resident who does not have other employment and is able and willing to provide childcare;
- NYS certification of provider as well as facility; and
- Maintenance of residence to state specifications (for example water supply), and regular inspections.

To estimate the potential revenue should the above requirements be met, the average employee salary for childcare in Montgomery County is used as a comparison. The average worker earns \$26,833 per year before income tax.²

Providing in-home childcare is not comparable to developing other portions of the land, and should not be considered an alternative path to obtaining a return on investment on the parcel.

² Source: IMPLAN Economic Impact Software Platform. IMPLAN obtains data from multiple sources including the US Census.

SPECIAL PERMIT USES

SPECIAL PERMIT USES REVENUE POTENTIAL

Use	Revenue Potential
Nursing Home, Hospital, Assisted Living, Senior Housing	Very limited
Bed and Breakfast	Very limited
Accessory dwelling unit	None
Public or private school or college	Not feasible
Golf course/ country club	Not feasible
Public utility station	None
Pleasure horse	None
Small wind energy facility	None
Kennels	Sensitive to occupancy

The table above lists the uses enabled by a special permit, with an assessment of the revenue potential. The potential is constrained by the uses themselves. For example, while there is demand for nursing care and assisted living to serve an aging demographic, direct care facilities are heavily regulated and require a professional operator. Others do not by nature generate revenue, such as keeping a horse for pleasure, or creating an accessory dwelling for a family member.

SENIOR HOUSING

INTRODUCTION

A nursing home or hospital requires both interest from an experienced operator and a substantial permitting process through the New York State Department of Health. It is not a use anticipated to be undertaken by an ordinary landowner and is therefore not analyzed as a viable investment for the Truax Parcel. An ordinary landowner who wishes to host an Assisted Living facility faces similar obstacles. Each of these uses is also unlikely to prefer a ground lease to an outright purchase of the property.

Senior Housing is defined by the Zoning Law as age-restricted apartments where one of the primary occupants is at least 55 years old. The facility is not required to offer personal care, meals, housekeeping, or supervision of residents. The minimum lot size is 5 acres, which can be accommodated by either parcel.

Because Senior Housing does not require medical expertise on the part of the operator, and is not subject to the same degree of state approval, it is similar to multifamily housing. However, it is nevertheless not the type of facility that a landowner could likely initiate, build, and operate unless the owner has experience with similar projects. It is possible that a private operator could choose to build a facility on one of the parcels, and this is the basis of the development scenario. It is important to note that no operator has approached the owner with a proposal.

RESULTS

A Senior Housing facility will not provide an acceptable rate of return to the private operator needed to build and operate it. The required rate of return for senior housing nationally is 6.71%³, but a facility in the town is projected to deliver an average equity dividend rate to the operator of less than 3%, below what would induce an operator to make the investment. If the facility also

<u>Year 1 Operating Results</u>	<u>Truax</u>
Rental Income at 95% Occupancy	\$1,254,000
<u>Less: Operating Expenses, 48%</u>	<u>-\$600,880</u>
Net Operating Income	\$653,120
Less: Real Property Taxes	-\$173,517
Less: Mortgage Payments	-\$416,804
<u>Less: Ground Lease</u>	<u>-\$5,215</u>
Net Income	\$57,584
Operator Equity Investment	\$3,995,667
Operator Equity Dividend Rate this Year	1.4%
Operator Average Equity Dividend Rate	2.3%
Parcel Owner Average Equity Dividend Rate	-12.0%

makes ground lease payments to the parcel owners that are enough to compensate for tax and hypothetical mortgage costs, the operator's return is further reduced, as shown below.

The result is that the operator does not generate enough revenue to make ground lease payments that will provide a positive return to the parcel owners.

SCENARIO ASSUMPTIONS

Senior Housing (or Independent Living) rents, financing, and tax obligations are highly specific to the community and target market for the facility. The ability of seniors to pay for services is a major factor in facility viability. Nationally, the monthly rent for Independent Living with housekeeping, laundry, meals, and socialization averages \$3,239 per month, well above the cost of regular rental housing in Montgomery County. This further underscores the importance of an experienced project developer who can market the facility.

The most feasible scenario is a facility offering only apartments, because that reaches a greater portion of the county's and the town's seniors. Assumptions for this analysis are derived, and homogenized, from an analysis of an apartment-only facility that Storrs Associates performed in 2020 in another region of the state with similar demographics. Operating costs as a percentage of revenue, and overall rate of return, are benchmarked by RealtyRates.com, and used in this analysis.

- 75 units.
- Monthly Rent: \$1,100 for studio, \$1,600 for one bedroom.
- \$12.5 million construction cost, \$4 million operator equity
- Parcel owner equity in project is the value of the initial investment from the Base Case, for the purposes of calculating a return.
- \$8.5 million commercial mortgage, 30 years at 4.00%
- Facility pays full taxes, no PILOT or exemption.
- Parcel owner receives income from a ground lease.

³ RealtyRates Investor Survey, Q3 2021

CASHFLOW PROJECTIONS

Project cashflows are analyzed first from the perspective of a potential private operator, to show the estimated return on investment and evaluate the feasibility that it would be built. The second perspective is that of each parcel owner, measuring the income and return from a ground lease.

As discussed above, the facility does not deliver returns to the private operator that meet current market requirements for such a facility to be built. According to RealtyRates.com, the minimum return would be 6.7%.

From the point of view of the parcel owner, there is no net income. The net cashflow is negative because the facility is anticipated to be completed and occupied in 2023, leaving 2022 with no project revenue.

Senior Housing, Truax Parcel, Estimated Property Revenue, Expenses, and Net Income

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Project Operator Results										
Pre-Tax Operating Income	\$0	\$653,120	\$666,444	\$680,010	\$693,823	\$707,886	\$722,201	\$736,773	\$751,605	\$766,700
Real Property Taxes	\$0	-\$173,517	-\$176,119	-\$178,761	-\$181,443	-\$184,164	-\$186,927	-\$189,731	-\$192,577	-\$195,465
Ground Lease to Property Owner	\$0	-\$5,215	-\$5,227	-\$5,940	-\$5,962	-\$5,985	-\$6,008	-\$6,031	-\$6,055	-\$6,079
Mortgage, 30 Years at 4%	\$0	-\$416,804	-\$416,804	-\$416,804	-\$416,804	-\$416,804	-\$416,804	-\$416,804	-\$416,804	-\$416,804
Net Income from Project to Operator	\$0	\$57,584	\$68,294	\$78,505	\$89,614	\$100,933	\$112,463	\$124,208	\$136,170	\$148,352
Annual Equity Dividend Rates on Operations	0%	1%	2%	2%	2%	3%	3%	3%	3%	4%
Truax Parcel Owner Results										
Revenue from Ground Lease	\$0	\$5,215	\$5,227	\$5,940	\$5,962	\$5,985	\$6,008	\$6,031	\$6,055	\$6,079
Mortgage, 30 Years at 2.87%	-\$4,453	-\$4,453	-\$4,453	-\$4,453	-\$4,453	-\$4,453	-\$4,453	-\$4,453	-\$4,453	-\$4,453
Real Property Taxes, No Project	-\$751	-\$762	-\$774	-\$1,487	-\$1,509	-\$1,532	-\$1,555	-\$1,578	-\$1,602	-\$1,626
Property Owner Net Income or Loss	-\$5,204	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Annual Equity Dividend Rates	-120%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Return on Investment, Truax Parcel

Investment \$3,995,667
 Net Cashflow, Nominal \$916,123
 Net Cashflow, Discounted at 3% -\$3,150,759
 Average Equity Dividend Rate 2.29%
 Market Return for Senior Housing (1) 6.71%
 (1) RealtyRates Investor Survey Q3 2021

Return on Investment, Parcel Owner

Investment \$4,333
 Net Cashflow, Nominal -\$9,537
 Net Cashflow, Discounted at 3% -\$9,112
 Average Equity Dividend Rate -12.01%

BED AND BREAKFAST ESTABLISHMENT

The Town of Amsterdam's Zoning Law permits a Bed and Breakfast (B&B) with the same lot size, living area, and other requirements as a single-family home. This use may deliver a breakeven or marginal rate income, but not a reasonable return on investment.

To be obtain a special use permit, the owner must occupy the dwelling, and guest rooms are limited to not more than four. Sharing a home is a lifestyle choice, not just a business decision.

There is no residence on the Truax Parcel, and opening a (B&B) would require the parcel owner to build and relocate to a new home that is designed to accommodate guests. The owner would need the skills to market and operate a hospitality facility, including cooking at least breakfast.

A hospitality business is also highly dependent on location, such as proximity to a natural attraction such as a falls, hiking trails, an institution such as a college, or walking distance to downtown amenities. None of these are present for the Truax Parcel, further diminishing the opportunity for success.

This is not considered feasible for the Truax parcel because of the personal and professional changes required of the property owner, the location, and the costs of construction which, as seen in the analysis of single-family homes, are very high.

ACCESSORY DWELLING UNIT

An accessory, or second, dwelling unit is permitted when occupied by a senior citizen family member, and should not be considered a source of revenue or return on investment. There is no existing building on the Truax Parcel.

PUBLIC OR PRIVATE SCHOOL OR COLLEGE

This type of use does not represent an income opportunity. Educational institutions are most often non-profit and own their land. They also require professional operators, must identify and fill unmet demand for services, and are subject to accreditation and regulation. New York State generally lost 1.9 million residents in the 2020 Census count, and the central and upstate regions have declining populations of school-aged children up to and including college-aged students. There is little to no current demand for additional institutions.

For-profit technical schools may be more willing to enter into a ground lease, providing the parcel owner with revenue, but face the same market challenges as the other institutions and remain unfeasible.

GOLF COURSE OR COUNTRY CLUB

The Truax Parcel does not have the 75 acres necessary for this use.

PUBLIC UTILITY STATION

This is not found to be a business enterprise that can be undertaken by a landowner. Siting and permitting are most likely to be handled by the utility directly and the utility may prefer to, or be required to, own, rather than lease, the land.

SMALL WIND ENERGY FACILITY

Zoning Law authorizes special permit use only for "A Wind Energy Facility that is primarily intended to reduce consumption of utility power on the site." Such a facility could be sited as an accessory to reduce the cost of another viable use, but would not itself generate a return for the parcel owner.

PLEASURE HORSE

According to the Zoning Law, a pleasure horse is not for compensation. Keeping one or more horses therefore produces no revenue for the parcel owner.

KENNELS

The construction and operation of a kennel does not predictably deliver a reasonable return to the parcel owner.

The feasibility of a boarding kennel is dependent on the occupancy rate. Like a hotel, the business must pay fixed costs such as the financing costs for the building, taxes, salary (or foregone salary from owner's prior employment), and operating expenses such as insurance, heat and maintenance regardless of whether any pets are staying at the facility. The higher the occupancy rate, the more likely the boarding revenue will cover fixed and variable costs.

Pet owners prefer that the kennel operator live on-site. The Truax Parcel is vacant, and a single-family home would need to be constructed, as well as a kennel-specific investment in an addition or a barn. Unlike a bed and breakfast, a kennel is less dependent on proximity to attractions and amenities, so this scenario is studied for the parcel.

With the assumptions in this scenario, which estimate a facility with a 60% occupancy annually, building and operating a modest kennel serving up to 8 animals at a time cannot earn negative net income and rate of return. The costs of providing on-site management, and the costs to construct a new single-family home, are too high.

As an example of the facility's sensitivity to demand by pet owners, at 50% capacity, the project's performance is even weaker.

A kennel on the Truax Parcel is therefore not economically feasible.

Both occupancy scenarios are shown on the next page.

Return on Investment, Truax Kennel, 60% Occupancy

Hypothetical Cost, New Home and Kennel	\$463,514
Initial Investment, Current Use and Renovation	\$48,581
Net Cashflow, Nominal	-\$90,910
Net Cashflow, Discounted at 3%	-\$78,029
Average Equity Dividend Rate	-19%

Return on Investment, Truax Kennel, 50% Occupancy

Hypothetical Cost, New Home and Kennel	\$463,514
Initial Investment, Current Use and Renovation	\$48,581
Net Cashflow, Nominal	-\$161,051
Net Cashflow, Discounted at 3%	-\$137,573
Average Equity Dividend Rate	-33%

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Gross Income from Boarding	\$54,750	\$55,845	\$56,962	\$58,101	\$59,263	\$60,448	\$61,657	\$62,891	\$64,148	\$65,431
Salary	-\$31,716	-\$32,350	-\$32,997	-\$33,657	-\$34,330	-\$35,017	-\$35,717	-\$36,432	-\$37,160	-\$37,904
Expenses, 25% of Income	-\$13,688	-\$13,961	-\$14,240	-\$14,525	-\$14,816	-\$15,112	-\$15,414	-\$15,723	-\$16,037	-\$16,358
Net Income or Loss	\$9,347	\$9,533	\$9,724	\$9,919	\$10,117	\$10,319	\$10,526	\$10,736	\$10,951	\$11,170
Net Income after 20% Income Tax	\$7,290	\$7,436	\$7,585	\$7,736	\$7,891	\$8,049	\$8,210	\$8,374	\$8,542	\$8,713
New Mortgage	-\$15,251	-\$15,251	-\$15,251	-\$15,251	-\$15,251	-\$15,251	-\$15,251	-\$15,251	-\$15,251	-\$15,251
New Real Property Taxes	-\$1,356	-\$1,376	-\$1,397	-\$1,418	-\$1,439	-\$1,461	-\$1,483	-\$1,505	-\$1,528	-\$1,551
Current Mortgage, 30 Years at 2.87%	-\$4,453	-\$4,453	-\$4,453	-\$4,453	-\$4,453	-\$4,453	-\$4,453	-\$4,453	-\$4,453	-\$4,453
Current Real Property Taxes	-\$2,740	-\$2,781	-\$2,823	-\$2,865	-\$2,908	-\$2,952	-\$2,996	-\$3,041	-\$3,087	-\$3,133
Net Income or Loss	-\$16,510	-\$16,425	-\$16,339	-\$16,251	-\$16,160	-\$16,067	-\$15,973	-\$15,876	-\$15,776	-\$15,675
Annual Equity Dividend Rates	-34%	-34%	-34%	-34%	-33%	-33%	-33%	-33%	-32%	-32%

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Gross Income from Boarding	\$65,700	\$67,014	\$68,354	\$69,721	\$71,116	\$72,538	\$73,989	\$75,469	\$76,978	\$78,518
Salary	-\$31,716	-\$32,350	-\$32,997	-\$33,657	-\$34,330	-\$35,017	-\$35,717	-\$36,432	-\$37,160	-\$37,904
Expenses, 25% of Income	-\$16,425	-\$16,754	-\$17,089	-\$17,430	-\$17,779	-\$18,135	-\$18,497	-\$18,867	-\$19,245	-\$19,629
Net Income or Loss	\$17,559	\$17,910	\$18,268	\$18,634	\$19,006	\$19,387	\$19,774	\$20,170	\$20,573	\$20,985
Net Income after 20% Income Tax	\$13,696	\$13,970	\$14,249	\$14,534	\$14,825	\$15,122	\$15,424	\$15,732	\$16,047	\$16,368
New Mortgage	-\$15,251	-\$15,251	-\$15,251	-\$15,251	-\$15,251	-\$15,251	-\$15,251	-\$15,251	-\$15,251	-\$15,251
New Real Property Taxes	-\$1,356	-\$1,376	-\$1,397	-\$1,418	-\$1,439	-\$1,461	-\$1,483	-\$1,505	-\$1,528	-\$1,551
Current Mortgage, 30 Years at 2.87%	-\$4,453	-\$4,453	-\$4,453	-\$4,453	-\$4,453	-\$4,453	-\$4,453	-\$4,453	-\$4,453	-\$4,453
Current Real Property Taxes	-\$2,740	-\$2,781	-\$2,823	-\$2,865	-\$2,908	-\$2,952	-\$2,996	-\$3,041	-\$3,087	-\$3,133
Net Income or Loss	-\$10,104	-\$9,891	-\$9,674	-\$9,453	-\$9,226	-\$8,995	-\$8,759	-\$8,517	-\$8,271	-\$8,019
Annual Equity Dividend Rates	-21%	-20%	-20%	-19%	-19%	-19%	-18%	-18%	-17%	-17%

Kennel Addition, Truax Parcel, 60% Occupancy
Equity Invested for Original and New Mortgages and \$5,000 Fixture Costs

Kennel Addition, Truax Parcel, 50% Occupancy
Equity Invested for Original and New Mortgages and \$5,000 Fixture Costs

PROPERTY DESCRIPTION

12/23/2020

Printer Friendly Report - Image/Male Online



Property Description Report For: Truax Rd, Municipality of Amsterdam

No Photo Available

<p>Land Assessment: 2020 - \$3,900 Total Acreage/Size: 58.40 Full Market Value: 2020 - \$43,333 Deed Book: 673 Grid East: 587040</p>	<p>Status: Active Roll Section: Taxable Swis: 272089 Tax Map ID #: 56.4-2-4.1 Property Class: 322 - Rural vac>10 Site: RES 1 In Ag. District: Yes Site Property Class: 322 - Rural vac>10 Zoning Code: R2 Neighborhood Code: 10201 Total Assessment: 2020 - \$3,900 School District: Amsterdam Legal Property Desc: Deed Pages: 256 Grid North: 1490901</p>
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Area

Living Area: 0 sq. ft.	First Story Area: 0 sq. ft.
Second Story Area: 0 sq. ft.	Half Story Area: 0 sq. ft.
Additional Story Area: 0 sq. ft.	3/4 Story Area: 0 sq. ft.
Finished Basement: 0 sq. ft.	Number of Stories: 0

Structure

Building Style: 0	Bathrooms (Full - Half): 0 - 0
Bedrooms: 0	Kitchens: 0
Fireplaces: 0	Basement Type: 0
Porch Type: 0	Porch Area: 0.00
Basement Garage Cap: 0	Attached Garage Cap: 0.00 sq. ft.
Overall Condition: 0	Overall Grade:
Year Built:	

Owners

Arthur J Banewicz 260 Truax Rd Amsterdam NY 12010	Alyce J Banewicz 260 Truax Rd Amsterdam NY 12010
---	--

Sales

No Sales Information Available

Utilities

Sewer Type: None	Water Supply: None
Utilities: Electric	Heat Type: 0

<https://penger.co.monroemontgomery.ny.us/MO/report.aspx?file=&swiscode=272089&printkey=05600400020040010000&siteType=res&siteNum=1>

1/2

12/23/2020

Printer Friendly Report - Image/Male Online

Fuel Type: 0 **Central Air:** No

Improvements

Structure	Size	Grade	Condition	Year
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Land Types

Type	Size
Primary	1.00 acres
Pasture	19.00 acres
Woodland	0 Sq.Ft. 40.40

Special Districts for 2020

Description	Units	Percent	Type	Value
Cranesville fire	0	0		0
Montg co agri dist 2	0	0		0

Exemptions

Year	Description	Amount	Exempt %	Start Yr	End Yr	V Flag	H Code	Own %
2020	AG, D CO	\$2,021	0	2009				0

<https://penger.co.monroemontgomery.ny.us/MO/report.aspx?file=&swiscode=272089&printkey=05600400020040010000&siteType=res&siteNum=1>

2/2

DATA SOURCES

PARCEL VALUE AND TAX INFORMATION

New York State Department of Tax and Finance, including the project valuation and assessment tool required to be used by assessors beginning with the 2022 assessment rolls.

Montgomery County

Greater Amsterdam School District

SOLAR LEASE PROJECT SCOPE AND LEASES

Amp Solar Development, Inc.

New York State Energy Research and Development Authority (NYSERDA.ny.gov) and its New York Solar Guidebook for Local Governments, November 2021.

PERMITTED AND SPECIAL PERMIT USES

National Association of Home Builders (NAHB) Cost of Constructing a Home, Special Studies January 2, 2020, Carmel Ford.

Investing in Senior Housing and Care Properties, Sixth Edition, 2020, National Investment Center for Senior Housing and Care.

Operating benchmarks from RealtyRates.com

Senior Housing: An economic impact and pro forma operations analysis for a basic senior housing project in the Hudson Valley,

analyzed by Victoria Storrs, 2020, was used as a model for operations.

So, You Want to Own a Golf Course?" published 2021, National Golf Course Owners Association, www.ngcoa.org

Central New York Bed and Breakfast Association, www.cynhb.com

IMPLAN Economic Impact Analysis for Planning, www.implan.com

DEMOGRAPHIC AND HOUSING PROFILE FOR TOWN OF AMSTERDAM AND MONTGOMERY COUNTY



Esri is an internationally-recognized provider of Geographic Information Systems (GIS) and

demographic data and visualization tools. Esri's demographic data is gathered from the U.S. Census, the Bureau of Labor Statistics, and Bureau of Economic Analysis. Esri uses current and historical data to create estimates of future demographic characteristics. Any estimates used by Storrs Associates are clearly labeled as such.

About Storrs Associates

Storrs Associates, LLC is a partner and advisor to public and private entities seeking to encourage economic growth and to make direct public and private investments. We deliver client-driven, high quality advice, customized analyses and reports, public speaking and learning sessions, and transaction management. Victoria Storrs, the company President, founded the firm in 2021 to provide direct, responsive service to municipal governments and the public and private organizations who work with and for them. She has worked with municipal governments for more than 20 years, beginning as an investment banker at First Albany Corporation and managing debt financings for state public authorities. She taught money and capital markets at the State University of New York at Albany School of Business, and has been a development finance and economic development consultant for more than seven years, including five years at Camoin Associates of Saratoga Springs, NY, where she became the firm's first Development Finance Practice Leader.

Storrs Associates, LLC is located in Albany County, NY, and serves clients throughout New York and the Northeast. Learn more at www.storrsassociates.com and on [LinkedIn](#).

This report was prepared by Victoria Storrs, President and Founder.

Vstorrs@storrsassociates.com

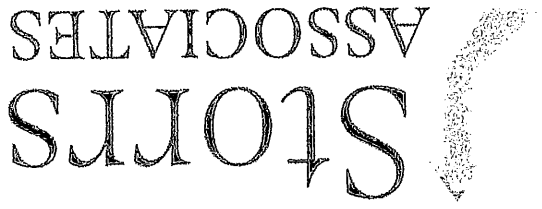
(518) 512-9537

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PREPARED BY STORRS ASSOCIATES, LLC FOR
AMP SOLAR INC., A DELAWARE CORPORATION



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