

AUTHORIZING RESOLUTION
(Inns of Aurora, LLC Project)

A regular meeting of Cayuga County Industrial Development Agency was convened on Tuesday, January 21, 2020 at 4:00 p.m.

The following resolution was duly offered and seconded, to wit:

Resolution No. 01/2020 - __

**RESOLUTION OF THE CAYUGA COUNTY INDUSTRIAL DEVELOPMENT
AGENCY AUTHORIZING THE AMENDMENT TO A CERTAIN PILOT
AGREEMENT ENTERED INTO WITH INNS OF AURORA, LLC**

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 688 of the Laws of 1970 of the State of New York, (hereinafter collectively called the "Act"), the **CAYUGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (hereinafter called the "Agency") was created with the authority and power to promote, develop, encourage and assist in acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing industrial, manufacturing, warehousing, commercial, research, and recreational facilities as authorized by the Act, and in connection therewith to issue its revenue bonds, enter into straight lease transactions and provide other forms of financial assistance; and

WHEREAS, **THE PLEASANT T. ROWLAND, LLC** (herein, the "Applicant"), as predecessor to the Company, previously submitted an application (the "Application") to the Agency requesting the Agency's assistance with a certain project (the "Project") consisting of: (A) the acquisition by the Agency from the Company of a leasehold interest in an approximately two (2) acre parcel of land located at 453 Main Street within the Village of Aurora, New York (the "Land", being more particularly described as TMID No. 181.12-1-8) and the existing improvements located thereon, including an approximately 10,000 square foot residential facility, along with related site improvements, known as the "Abbott House" (collectively, the "Existing Improvements") (B) the planning, design, construction, reconstruction, rehabilitation and upgrade of the Existing Improvements as a modern lodging, meeting and restaurant facility, including of ten (10) guest rooms, an innkeeper room, conference rooms, private dining room, outdoor special event patio, a boathouse addition and various outdoor upgrades, improvements, parking and site improvements (collectively, the "Improvements") to be leased to and operated by Aurora Inn, Inc. (the "Operator"); (C) the acquisition and installation in and around the Existing Improvements and Improvements of certain machinery, equipment and other items of tangible personal property (the "Equipment", and collectively with the Land, the Existing Improvements and Improvements, the "Facility"); and (D) through a straight lease transaction (within the meaning of subdivision (15) of Section 854 of the Act), pursuant to which the Agency will acquire a leasehold interest in the Facility and sublease such interest in the Facility back to the Company (the "Straight Lease Transaction"); and

WHEREAS, reference is made to (i) that certain Lease Agreement, dated as of August 20, 2013, a memorandum of such Lease Agreement having been recorded in the Office of the Cayuga County Clerk at Liber 1521 of Deeds, at page 324, and (ii) a certain Leaseback Agreement, also dated as of August 20, 2013, a memorandum of such Leaseback Agreement having been recorded in the Office of the Cayuga County Clerk at Liber 1521 of Deeds, at page 331, (iii) that certain Payment-in-lieu-of-Tax Agreement entered into by the Agency and the Applicant, also dated as of August 20, 2013 (the "PILOT Agreement"), along with related documents, including, but not limited to a certain Environmental Compliance and Indemnification Agreement, each dated as of August 20, 2013, and entered into by and between the Agency and the Applicant (collectively, the "Agency Documents", as assigned to the Company pursuant to that certain Assignment and Assumption Agreement with Acknowledgment and Consent, dated as of August 1, 2016, such Assignment Agreement having been recorded in the Office of the Cayuga County Clerk at Liber 1640 of Deeds, at page 306, and herein, the "2016 Assignment"); and

WHEREAS, consistent with the Agency's Uniform Tax Exemption Policy ("UTEP"), the PILOT Agreement included a then-effective Base Value of \$1,335,000, which established the minimum PILOT Payment amount due each year, however, the Assessor recently lowered the as-completed assessed value of the Facility to \$1,000,000, which as a result eliminates the immediate economic value of the PILOT Agreement; and

WHEREAS, the Company has submitted a request to the Agency to keep the Straight Lease Transaction in place with a technical amendment to the PILOT Agreement to stabilize future increases in assessed value over the originally stipulated \$1,335,000 Base Value, which will entail establishing the Base Value as \$1,000,000 (full assessed value), with the Added Value and abatement schedule to continue to provide abatement only for amounts over \$1,335,000 in total assessed valuation (collectively, the "Amendment"); and

WHEREAS, pursuant to Article 18-A of the Act, the Agency desires to adopt a resolution authorizing the Amendment, subject to the following conditions: (i) no additional financial assistance is being conferred through the proposed Amendment, (ii) the PILOT Agreement, as amended, will only abate Added Value above \$1,335,000 as may be assessed during the remaining term of the PILOT Agreement through December 31, 2024, and (iii) the Company shall pay all costs of the Agency to effectuate the foregoing.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE CAYUGA COUNTY INDUSTRIAL DEVELOPMENT AGENCY AS FOLLOWS:

Section 1. The Agency hereby authorizes the Amendment, subject to the following conditions: (i) no additional financial assistance is being conferred through the proposed Amendment, (ii) the PILOT Agreement, as amended, will only abate Added Value above \$1,335,000 as may be assessed during the remaining term of the PILOT Agreement through December 31, 2024, and (iii) the Company shall pay all costs of the Agency to effectuate the foregoing.

Section 2. The Chairman (or Vice Chairman) and/or Executive Director of the Agency are hereby authorized, on behalf of the Agency, to execute and deliver documents and agreements to effectuate the Amendment, as may be approved and authorized by the Chairman (or Vice Chairman) and/or Executive Director of the Agency and counsel to the Agency.

Section 3. Harris Beach PLLC, as Transaction Counsel for the Agency, is hereby authorized to work with counsel to the Company and others to prepare, execute and file the Amendment.

Section 4. The officers, employees and agents of the Agency are hereby authorized and directed for and in the name and on behalf of the Agency to do all acts and things required and to execute and deliver all such certificates, instruments and documents, to pay all such fees, charges and expenses and to do all such further acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of the foregoing resolutions and to cause compliance by the Agency with all of the terms, covenants and provisions of the documents executed for and on behalf of the Agency.

Section 5. These Resolutions shall take effect immediately.

The question of the adoption of the foregoing Resolution was duly put to vote on roll call, which resulted as follows:

	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstain</u>
Paul Lattimore	[X]	[]	[]	[]
Hon. Benjamin Vitale	[X]	[]	[]	[]
John Latanyshyn	[X]	[]	[]	[]
Raymond Lockwood	[X]	[]	[]	[]
Herb Marshall	[X]	[]	[]	[]
Gina Speno	[X]	[]	[]	[]
Andrew Rindfleisch	[X]	[]	[]	[]

The Resolution was thereupon declared duly adopted.

SECRETARY'S CERTIFICATION

STATE OF NEW YORK)
COUNTY OF CAYUGA) SS:

I, the undersigned Acting Secretary of the Cayuga County Industrial Development Agency, DO HEREBY CERTIFY:

That I have compared the annexed extract of minutes of the meeting of the Cayuga County Industrial Development Agency (the "Agency"), including the resolution contained therein, held on January 21, 2020, with the original thereof on file in my office, and that the same is a true and correct copy of the proceedings of the Agency and of such resolution set forth therein and of the whole of said original insofar as the same related to the subject matters therein referred to.

I FURTHER CERTIFY, that all members of said Agency had due notice of said meeting, that the meeting was in all respects duly held and that, pursuant to Article 7 of the Public Officers Law (Open Meetings Law), said meeting was open to the general public, and that public notice of the time and place of said meeting was duly given in accordance with such Article 7.

I FURTHER CERTIFY, that there was a quorum of the members of the Agency present throughout said meeting.

I FURTHER CERTIFY, that as of the date hereof, the attached resolution is in full force and effect and has not been amended, repealed or modified.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Agency this 21 day of January, 2020.



Acting Secretary

[SEAL]