

RESOLUTION - ACCEPTING PAYMENT IN
LIEU OF TAXES FOR THE COUNTY OF
OTSEGO FROM ELIZABETH HOTELS, INC.

WHEREAS, the County of Otsego Industrial Development Agency (the "Agency") is authorized and empowered by Title 1 of Article 18-A of the General Municipal Law of the State of New York (the "State"), as amended, and Chapter 252 of the Laws of 1973 of the State (collectively, the "Act") to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping, and furnishing of industrial, manufacturing, warehousing, commercial, research and recreation facilities for the purpose of promoting, attracting, encouraging and developing recreation and economically sound commerce and industry to advance the job opportunities, health, general prosperity and economic welfare of the people of the State, to improve their recreation opportunities, prosperity and standard of living; and

WHEREAS, Elizabeth Hotels, Inc., a New York corporation (the "Company"), on behalf of itself and lessees has presented an application to the Agency, verified by an officer of the Company on October 25, 1991 (the "Application"), a copy of which was presented at the Agency's November 7, 1991 meeting, requesting that the Agency consider undertaking (i) the acquisition, construction and equipping of the below described facility (the "Facility") or to cause the Facility to be acquired, constructed and equipped; and (ii) to sell or lease with an obligation to purchase the Facility to the Company, all of the foregoing to constitute the Project (the "Project"); and

WHEREAS, the Facility consists or will consist of (i) an approximately 3 acre parcel of land located at the commonly referred to Main Development Area in the City of Oneonta, Otsego County, New York and, (ii) an approximately 100,000 sq. ft., 100 to 126 room building which is to be used as a Quality Inn Hotel complete with restaurants, lounges, health spa and conference and meeting rooms (the "Facility"); and

WHEREAS, the Agency has agreed to undertake the project as described in and per the terms and conditions of Resolutions dated November 7, 1991 and May 7, 1992; and

WHEREAS, the Agency's stipulated involvement will result in the Agency holding title to the described real property situated in the City of Oneonta, County of Otsego, State of New York; and

WHEREAS, pursuant to Article 18-A of the General Municipal Law of the State of New York, this property will be exempt from taxation; and

WHEREAS, the Company has obtained a Resolution accepting Payment-In-Lieu of Taxes from the Oneonta School Board, said Resolution adopted on February 26, 1992; and

WHEREAS, the City of Oneonta approved a Payment-In-Lieu of Tax Schedule at a meeting held on May 5, 1992; and

WHEREAS, the County of Otsego approved a Payment-In-Lieu of Tax Agreement at a Board of Representative Meeting on May 6, 1992; and

WHEREAS, the Company has advised the City and the Agency that it does not agree with the County of Otsego Payment-In-Lieu Tax Agreement but that it accepts the Oneonta School District and the City of Oneonta schedules and will proceed with the project if the following Payment-In-Lieu of Tax Schedule to the County is agreed to:

<u>YEAR</u>	<u>COUNTY TAXES</u>
1994	\$6,580
1995	6,950
1996	7,250
1997	7,610
1998	7,990
1999	9,930
2000	10,345
2001	10,785
2002	11,245
2003	11,730
2004	17,580
2005	18,375
2006	19,214
2007	20,091
2008	21,014
2009	28,795
2010	30,155
2011	31,585
2012	33,085
2013	<u>34,655</u>
TOTAL	\$344,964; and

WHEREAS, the Agency has been requested by the Company and the City of Oneonta to accept a schedule of Payment-In-Lieu of Taxes from the Company to County of Otsego per the Agency's legal authority and in conformance with the Agency's By-Laws; and

WHEREAS, the Agency has determined that the PILOT Schedule is reasonably necessary for Elizabeth Hotels, Inc. to undertake construction and operation of the hotel project; now therefore be it

RESOLVED, that by the authority vested to the Agency by Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 252 of the Laws of 1973 of the State of New York, the Agency hereby accepts the above annual amounts annually from Elizabeth Hotels, Inc. in lieu of real estate taxes for the County of Otsego for the years so stipulated, or for such time as said property is tax exempt, whichever period is shorter; and be it further

RESOLVED, each annual payment shall be due and payable to the County of Otsego's Treasurer's Office by the 31st day of January in each year set forth above; and be it further

RESOLVED, that late penalties shall be charged in the same amounts and due at the same time as if the above payments were taxes; and be it further

RESOLVED, in the event unanticipated improvements are made to the subject real property, the County of Otsego and/or the Agency reserves the right to demand additional Payment-In-Lieu of Taxes; and be it further

RESOLVED, that the privilege of payment in lieu shall terminate upon any transfer of the lease for the subject premises from the County of Otsego Industrial Development Agency or other voiding of the lease pursuant to its terms.

THE QUESTION OF THE ADOPTION OF THE FOREGOING RESOLUTION WAS DULY PUT TO A VOTE BY ROLL CALL VOTE ON MOTION OF DAVID WIGHTMAN , SECONDED BY JOSEPH BERNIER, WHICH RESULTED AS FOLLOWS

PETER AXHOJ	- ABSENT
JOSEPH BERNIER	- AYE
WALTER BROOKS	- AYE
DAVID G. DOKUCHITZ	- ABSENT
STEPHEN C. GRUVER	- ABSENT
WARREN C. KINNEY	- AYE
RICHARD G. SCHLEE	- AYE
DAVID B. WIGHTMAN	- AYE
VIRGIL E. ZINNINGER	- AYE

6 AYES - NO NAYES - 3 ABSENT - ADOPTED MAY 7, 1992