

**ULSTER COUNTY INDUSTRIAL DEVELOPMENT AGENCY
LEASE/LEASEBACK TRANSACTION
SAUGERTIES NY HOSPITALITY PROJECT**

I. PROJECT IDENTIFICATION:

1. Project Applicant: Saugerties NY Hospitality, LLC (the “Company”).
2. The Project:
 - (A) Acquisition of Land: the acquisition of an interest in an approximately 10 acre parcel of land located at 2777 Route 32 in the Town of Saugerties, Ulster County, New York (being a portion of Tax Map No. 17.2-5-39.100) (the “Land”).
 - (B) Reconstruction and renovation: the construction on the Land of an approximately 53,000 square foot – 4 story building (the “Facility”).
 - (C) Equipment component: the acquisition and installation therein and thereon of certain machinery, equipment and other personal property (collectively, the “Equipment”), all the foregoing to constitute a hotel facility and directly and indirectly related activities (the Land, the Facility and the Equipment being collectively referred to as the “Project Facility”).
 - (D) Lease: the lease of the Project Facility by the Agency to the Company, all of the foregoing to constitute a hotel facility and other directly and indirectly related activities.

II. PRIOR ACTION ON PROJECT:

3. Inducement Proceedings:
 - (A) Public Hearing Resolution: adopted on April 12, 2017.
 - (B) Public Hearing:
 - (1) Mailed to Affected Taxing Jurisdictions: April 14, 2017.
 - (2) Date Posted: (a) April 18, 2017 on Agency website; and (b) April 18, 2017 on a public bulletin board.
 - (3) Published in The Shawangunk Journal on April 20, 2017 and in the Almanac Weekly on April 20, 2017.
 - (4) Date of Public Hearing: May 1, 2017.
 - (5) Location of Public Hearing: Frank D. Greco Memorial Building (Senior Center), located at 207 Market Street, in the Town of Saugerties, Ulster County, New York.
4. Payment in Lieu of Taxes: Pursuant to the Agency’s Uniform Tax Exemption Policy, the Company qualifies for the following abatement schedule:

<u>Tax Year</u>	<u>Abatement</u>
1-5	100%
6	75%
7	75%
8	75%
9	50%
10	50%
11	40%
12	30%
13	20%

14	10%
15	5%
16 and thereafter	0%

III. PROPOSED AGENCY ACTION ON JUNE 14, 2017:

5. SEQR Resolution: Adopts findings of Town of Saugerties Planning Board.
6. Approving Resolution: Approving the Company's project, the proposed financial assistance and the execution and delivery of certain documents in connection therewith.

IV. DETAILS OF PROPOSED STRAIGHT LEASE TRANSACTION:

7. Relationship of Agency to Company: The Agency will acquire, construct and install the Project Facility and lease the Project Facility to the Company pursuant to the Lease Agreement.
8. Business Terms: The Agency fee is estimated to be \$68,900 (1% of the Project costs of \$6,890,000 (est.)).
9. Basic Documents:
 - (A) Underlying Lease from the Company to the Agency.
 - (B) License Agreement from the Company to the Agency.
 - (C) Bill of Sale to Agency.
 - (D) Lease Agreement by and between the Company and the Agency.
 - (E) Payment in Lieu of Tax Agreement by and between the Agency and the Company.
 - (F) Uniform Agency Project Agreement by and between the Agency and the Company.
 - (G) Section 875 GML Recapture Agreement by and between the Agency and the Company
10. Proposed Closing Date: To Be Determined.
11. Agency Counsel: Hodgson Russ LLP, Albany, New York.