

Preliminary Resolution

PRELIMINARY RESOLUTION
(Hotel Niagara Development, LLC Project)

A regular meeting of Niagara County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 6311 Inducon Corporate Drive, Suite One, Sanborn, New York on the 12th day of June, 2024 at 9:00 a.m., local time.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Agency were:

PRESENT:

Mark A. Onesi	Chairperson
Jason Krempa	First Vice Chairman
Clifford Scott	Second Vice Chairman
William L. Ross	Secretary
Mark D. Berube	Assistant Secretary
Anne E. McCaffrey	Member
Ryan Mahoney	Member
David J. Masse	Member

ABSENT:

William Fekete	Member
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THE FOLLOWING PERSONS WERE ALSO PRESENT:

Andrea Klyczek	Executive Director
Michael Dudley	Finance Manager
Caroline Caruso	Accounting Associate
Susan Barone	Grants & Operations Manager
Julie Lamoreaux	Administrative & Human Resource Officer
Jeremy Geartz	Project Manager
Mark Gabriele, Esq.	Agency Counsel

The following resolution was offered by Mr. Krempa, seconded by Mr. Ross, to wit:

Resolution No. 8.2.1

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) ACCEPTING THE APPLICATION OF HOTEL NIAGARA DEVELOPMENT, LLC WITH RESPECT TO A CERTAIN PROJECT (AS MORE FULLY DEFINED BELOW) TO BE UNDERTAKEN BY THE AGENCY FOR THE BENEFIT OF HOTEL NIAGARA DEVELOPMENT, LLC FOR ITSELF OR ON BEHALF OF AN ENTITY FORMED OR TO BE FORMED; (ii) AUTHORIZING A PUBLIC HEARING WITH RESPECT TO THE PROJECT; (iii) AUTHORIZING THE EXECUTIVE DIRECTOR OF THE AGENCY TO TAKE CERTAIN ACTIONS UNDER ARTICLE 8 OF THE ENVIRONMENTAL CONSERVATION LAW IN CONNECTION WITH THE PROJECT; (iv) PROVIDE SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE CONSTRUCTION AND EQUIPPING OF THE PROJECT; AND (v) DESCRIBING THE FORMS OF FINANCIAL ASSISTANCE BEING CONTEMPLATED BY THE AGENCY.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 569 of the Laws of 1972 of the State of New York (the "Act"), **NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency") was created with the authority and power to own, lease and sell property and to issue its bonds as authorized by the Act; and

WHEREAS, **HOTEL NIAGARA DEVELOPMENT, LLC**, and/or an individual(s) or affiliate, subsidiary, or entity or entities formed or to be formed on its behalf (the "Company"), has submitted an application to the Agency, a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") consisting of: (A) the acquisition (or retention) by the Agency of leasehold interest in a parcel of land located at 201 Rainbow Boulevard, Niagara Falls, New York, (the "Land"), (B) the renovation of an approximately 168,160 square foot building to be transformed into an upscale, full service hotel (the "Improvements"); (C) the acquisition and installation in and around the improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment" and, collectively with the Land and the Improvements, the "Facility").

WHEREAS, pursuant to Article 18-A of the General Municipal Law the Agency desires to adopt a resolution describing the Project and the financial assistance that the Agency is contemplating with respect to the Project; and

WHEREAS, it is contemplated that the Agency will hold a public hearing and (i) negotiate an agent agreement (the "Agent Agreement") whereby the Agency will designate the Company as its agent for the purpose of acquiring, constructing and equipping the Project, (ii) negotiate a lease agreement (the "Lease Agreement"), leaseback agreement (the "Leaseback Agreement"), payment-in-lieu-of-tax agreement (the "PILOT Agreement") and payment-in-lieu of tax mortgage (the "PILOT Mortgage") with the Company, (iii) take a leasehold interest in the

Land, Improvements, Equipment and personal property constituting the Facility (once the Lease Agreement, Leaseback Agreement, PILOT Agreement and PILOT Mortgage have been negotiated), and (iv) provide financial assistance to the Company in the form of sales and use tax exemptions consistent with the policies of the Agency, a partial real property tax abatement and a mortgage recording tax exemption with respect to a certain payment-in-lieu-of-tax mortgage; and

WHEREAS, the Agency scheduled a public hearing and provided notice of the public hearing pursuant to Section 850-a of the Act; and

WHEREAS, the Agency must determine whether the undertaking of the Project and the providing of the contemplated financial assistance with respect to the same will be in conformance with Article 8 of the Environmental Conservation Law and the regulations adopted pursuant thereto by the Department of Environmental Conservation of the State of New York (said law and regulations hereinafter collectively referred to as "SEQR").

WHEREAS, pursuant to Section 862 of the Act, the Project may constitute a "retail" project and, as a result, in addition to the other requirements of the Act, prior to the Agency providing any financial assistance to the Project the Agency must determine if the Project is located in a "highly distressed area" as set term is defined in Section 862 of New York General Municipal Law.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE AGENCY AS FOLLOWS:

Section 1. The Company has presented an application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company's application, the Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(B) The Agency has the authority to take the actions contemplated herein under the Act; and

(C) The action to be taken by the Agency will induce the Company to develop the Project, thereby increasing employment opportunities in Niagara County and otherwise furthering the purposes of the Agency as set forth in the Act; and

(D) The Project will not result in the removal of a civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the "State") to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Agency hereby finds that, based on the Company's application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing

such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries.

(E) Pursuant to Section 862 of the Act, the Project may constitute a “retail” project. Subject to documentation to be provided by the Company to the Agency, the Agency hereby finds that the Project is located in a highly distressed area as defined in Section 862 of the New York General Municipal Law.

Section 2. For purposes of investigating the advisability of undertaking a coordinated review under SEQR with respect to the Project and determining whether the Project may have a "significant effect on the environment" (as such term is defined under SEQR), the Executive Director of the Agency is hereby authorized and directed to take the following actions:

(A) To obtain an Environmental Assessment Form (the "EAF") with respect to the Project from the Company; and

(B) To review the EAF with counsel to the Agency and prepare proceedings to allow the Agency to comply with SEQR; and

(C) To contact all other "involved agencies" with respect to the Project for the purposes of ascertaining whether they are interested in undertaking a coordinated review with respect to the Project; and

(D) Upon completion of the foregoing, to report to the Agency at its next meeting on the status of the environmental review process with respect to the Project.

Section 3. Based upon the representations and warranties made by the Company in its application for financial assistance, the Agency hereby authorizes and approves the Company, as its agent, to make purchases of goods and services relating to the Project and that would otherwise be subject to New York State and local sales and use tax in an amount up to \$24,709,500.00, which result in New York State and local sales and use tax exemption benefits ("sales and use tax exemption benefits") not to exceed \$1,976,760.00. The Agency agrees to consider any requests by the Company for increase to the amount of sales and use tax exemption benefits authorized by the Agency upon being provided with appropriate documentation detailing the additional purchases of property or services.

Pursuant to Section 875(3) of the New York General Municipal Law, the Agency may recover or recapture from the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any sales and use tax exemption benefits taken or purported to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the sales and use tax exemption benefits; (ii) the sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project; (iii) the sales and use tax exemption

benefits are for property or services not authorized by the Agency as part of the Project; or (iv) the sales and use tax exemption benefits are taken in cases where the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project. As a condition precedent of receiving sales and use tax exemption benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must (i) cooperate with the Agency in its efforts to recover or recapture any sales and use tax exemption benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands.

Section 4. The Chairman, Vice Chairman and/or the Executive Director of the Agency are hereby authorized, on behalf of the Agency, to hold a public hearing in compliance with the Act and negotiate (but not execute or deliver) the terms of (A) an Agent Agreement, whereby the Agency appoints the Company as its agent to undertake the Project and to immediately provide sales tax exemption benefits for purchases and rentals related to the renovation, construction and equipping of the project, (B) a Lease Agreement, whereby the Company leases the Facility to the Agency, (C) a related Leaseback Agreement, conveying the Facility back to the Company, (D) a PILOT Agreement, whereby the Company agrees to make certain payments-in-lieu-of real property taxes, (E) a PILOT Mortgage, securing the payment of the amounts due under the PILOT Agreement and (F) related documents; *provided*, (i) the rental payments under the Leaseback Agreement include payments of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project; and (ii) the terms of the PILOT Agreement are consistent with the Agency's Uniform Tax Exemption Policy or the procedures for deviation have been complied with.

Section 5. The Agency is hereby authorized to conduct a public hearing in compliance with the Act.

Section 6. 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 7. These Resolutions shall take effect immediately upon adoption.

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

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Mark Onesi	[x]	[]	[]	[]
Jason Krempa	[x]	[]	[]	[]
Clifford Scott	[x]	[]	[]	[]
William L. Ross	[x]	[]	[]	[]
Mark D. Berube	[x]	[]	[]	[]
David J. Masse	[x]	[]	[]	[]
Anne E. McCaffrey	[x]	[]	[]	[]
Ryan Mahoney	[x]	[]	[]	[]
William Fekete	[]	[]	[]	[x]

The Resolutions were thereupon duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF NIAGARA)

I, the undersigned Secretary of Niagara County Industrial Development Agency (the "Agency"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on June 12, 2024 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 12th day of June, 2024.

[SEAL]


William L. Ross, Secretary

Final Resolution

FINAL RESOLUTION

(Hotel Niagara Development, LLC Project)

A regular meeting of Niagara County Industrial Development Agency (the "Agency") was convened in public session at the offices of the Agency located at 6311 Inducon Corporate Drive, Suite One, Sanborn, New York on the 10th day of July, 2024 at 9:00 a.m., local time.

The meeting was called to order by the Chairman and, upon roll being called, the following members of the Agency were:

PRESENT:

Mark A. Onesi	Chairperson
Clifford Scott	Second Vice Chairman
William L. Ross	Secretary
Mark D. Berube	Assistant Secretary
Ryan Mahoney	Member
William Fekete	Member

ABSENT:

Jason Krempa	First Vice Chairman
Anne E. McCaffrey	Member
David J. Masse	Member

THE FOLLOWING PERSONS WERE ALSO PRESENT:

Andrea Klyczek	Executive Director
Michael Dudley	Finance Manager
Susan Barone	Grants & Operations Manager
Jeremy Geartz	Project Manager
Caroline Caruso	Accounting Associate
Julie Lamoreaux	Administrative Assistant
Mark Gabriele, Esq.	Agency Counsel

The following resolution was offered by Mr. Ross, seconded by Mr. Scott, to wit:

Resolution No. 7.2.1

RESOLUTION OF THE NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY (i) UNDERTAKE A CERTAIN PROJECT FOR THE BENEFIT OF HOTEL NIAGARA DEVELOPMENT, LLC AND/OR AN INDIVIDUAL(S) OR AFFILIATE, SUBSIDIARY, OR ENTITY FORMED OR TO BE FORMED ON ITS BEHALF (AS MORE FULLY DEFINED BELOW); (ii) NEGOTIATE AND EXECUTE AN AGENT AND FINANCIAL ASSISTANCE PROJECT AGREEMENT AND RELATED DOCUMENTS; AND (iii) PROVIDE FINANCIAL ASSISTANCE TO THE COMPANY IN THE FORM OF A SALES TAX EXEMPTION FOR PURCHASES AND RENTALS RELATED TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT.

WHEREAS, by Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended, and Chapter 569 of the Laws of 1972 of the State of New York (the "Act"), **NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY** (the "Agency") was created with the authority and power to own, lease and sell property and to issue its bonds as authorized by the Act; and

WHEREAS, **HOTEL NIAGARA DEVELOPMENT, LLC** and/or an individual(s) or affiliate, subsidiary, or entity or entities formed or to be formed on its behalf (the "Company"), has submitted an application to the Agency, a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") consisting of: (A) the acquisition (or retention) by the Agency of leasehold interest in a parcel of land located at 201 Rainbow Boulevard, Niagara Falls, New York, (the "Land"), (B) the renovation of an approximately 168,160 square foot building to be transformed into an upscale, full service hotel (the "Improvements"); (C) the acquisition and installation in and around the improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment" and, collectively with the Land and the Improvements, the "Facility").

WHEREAS, pursuant to Article 18-A of the General Municipal Law the Agency desires to adopt a resolution describing the Project and the financial assistance that the Agency is contemplating with respect to the Project; and

WHEREAS, on June 12, 2024, the Agency adopted a resolution (the "Preliminary Resolution") accepting the Application and directing that a public hearing be held; and

WHEREAS, it was contemplated that the Agency would hold a public hearing and (i) negotiate an Agent and Financial Assistance and Project Agreement (the "Agent Agreement") whereby the Agency will designate the Company as its agent for the purpose of acquiring, constructing and equipping the Project, (ii) retain a leasehold interest in the Land, Improvements, Equipment and personal property constituting the Facility and (iii) provide financial assistance to the Company in the form of sales and use tax exemptions related to the Project, consistent with the policies of the Agency; and

WHEREAS, on the 3rd day of July, 2024, at 2:15 p.m., the Agency held a public hearing with respect to the Project and the proposed financial assistance being contemplated by the Agency (the “Public Hearing”) whereat interested parties were provided a reasonable opportunity, both orally and in writing, to present their views. A copy of the Minutes of the Public Hearing along with the Notice of Public Hearing published and forwarded to the affected taxing jurisdictions prior to said Public Hearing are attached hereto as Exhibit A; and

WHEREAS, the Agency has determined that under Section 862 of the New York General Municipal Law, that the Project may be used to make retail sales of goods or services to customers who personally visit the Project facilities to obtain such goods or services and that more than one-third of the total Project costs may be allocated for such retail purposes; and

WHEREAS, the Agency also found that based year 2022 Census data, the poverty rate was 51% and the unemployment rate was 3.80 times the state average for the year to which the data related, with respect to the adjacent census tract where the Project is located enabled the Agency to determine that the Project is located in a “highly distressed area” as said term is defined in Section 862 of the New York General Municipal Law; and

WHEREAS, the Agency has determined that providing of the contemplated financial assistance will induce the Company to develop the Project, thereby to advance job opportunities, health, general prosperity and economic welfare of the people of the County of Niagara, and to specifically promote the investment commitment, employment commitment and other commitments of the Company contained herein and within the Company’s Application.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE AGENCY AS FOLLOWS:

Section 1. The Company has presented an application in a form acceptable to the Agency. Based upon the representations made by the Company to the Agency in the Company's application, the Agency hereby finds and determines that:

(A) By virtue of the Act, the Agency has been vested with all powers necessary and convenient to carry out and effectuate the purposes and provisions of the Act and to exercise all powers granted to it under the Act; and

(B) The Agency has the authority to take the actions contemplated herein under the Act; and

(C) The action to be taken by the Agency will induce the Company to develop the Project, thereby advancing job opportunities, health, general prosperity and economic welfare of the people of the County of Niagara, and to specifically promote the investment commitment, employment commitment and other commitments of the Company contained herein and within the Company’s Application; and

(D) The Project will not result in the removal of a civic, commercial, industrial, or manufacturing plant of the Company or any other proposed occupant of the Project from one area of the State of New York (the "State") to another area of the State or result in the abandonment of one or more plants or facilities of the Company or any other proposed occupant of the Project located within the State; and the Agency hereby finds that, based on the Company's application, to the extent occupants are relocating from one plant or facility to another, the Project is reasonably necessary to discourage the Project occupants from removing such other plant or facility to a location outside the State and/or is reasonably necessary to preserve the competitive position of the Project occupants in their respective industries.

Section 2. The Agency has now found that, based year 2022 Census data, the poverty rate was 51% and the unemployment rate was 15.50% or 3.80 times the state average for the year to which the data related, with respect to the adjacent census tract where the Project is located enabling the Agency to determine that the Project is located in a "highly distressed area" as said term is defined in Section 862 of the New York General Municipal Law.

Section 3. Subject to the Company executing an Agent Agreement by and between the Agency and the Company and the delivery to the Agency of a binder, certificate or other evidence of liability insurance policy for the Project satisfactory to the Agency, the Agency hereby authorizes the Company to proceed with the acquisition, construction and equipping of the Project and hereby appoints the Company as the true and lawful agent of the Agency; (i) to acquire, construct and equip the Project; (ii) to make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions, as the stated agent for the Agency with the authority to delegate such agency, in whole or in part, to agents, subagents, contractors, and subcontractors of such agents and subagents and to such other parties as the company chooses; and (iii) in general, to do all things which may be requisite or proper for completing the Project, all with the same powers and the same validity that the Agency could do if acting in its own behalf; provided, however, the Agent Agreement shall expire on the date as indicated in the Agent Agreement (*unless extended for good cause by the Executive Director of the Agency*).

Section 4. Pursuant to Section 875(3) of the New York General Municipal Law, the Agency may recover or recapture from the company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, any sales and use tax exemption benefits taken or purported to be taken by the company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, if it is determined that: (i) the Company, its agents, constants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, is not entitled to the sales and use tax exemption benefits; (ii) the sales and use tax exemption benefits are in excess of the amounts authorized to be taken by the purchases for the benefit of the Project; (iii) the sales and use tax exemption benefits are for property or services not authorized by the Agency as part of the Project; or (iv) the consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, fails to comply with a material term or condition to use property or services in the manner approved by the Agency in connection with the Project. As a condition precedent of receiving sales and use tax exemption benefits, the Company, its agents, consultants, subcontractors, or any other party authorized to make purchases for the benefit of the Project, must (i) cooperate with the Agency in its efforts to recover or recapture any sales and

use tax exemption benefits, and (ii) promptly pay over any such amounts to the Agency that the Agency demands.

Section 5. The Agency hereby confers on the Company in connection with the Project certain benefits, exemptions and other financial assistance consisting of: (a) an exemption benefit from all New York State and local sales and use tax exemption benefits for purchases and rentals related to the Project with respect to the qualifying personal property included in or incorporated into the Facility or used in the acquisition, construction or equipping of the Facility, (b) an exemption benefit from mortgage recording tax, and (c) a partial abatement from real property taxes benefit conferred through a certain Payment in Lieu of Tax Agreement. The Agency will provide the Company with Project incentives totaling \$6,707,234.00, comprised of real property tax exemption benefits in the estimated amount of \$4,382,474.00, sales and use tax exemption benefits of approximately \$1,976,760.00, and mortgage recording exemption benefits of \$348,000.00. To effectuate this Resolution, the Chairman, Vice Chairman and/or the Executive Director of the Agency are hereby authorized, on behalf of the Agency, to negotiate and execute (A) the Lease Agreement whereby the Company leases the Project to the Agency, (B) the related Leaseback Agreement conveying the Project back to the Company, and (C) the PILOT Agreement with real property tax exemption benefits; provided (i) the rental payments under the Leaseback Agreement include payments of all costs incurred by the Agency arising out of or related to the Project and indemnification of the Agency by the Company for actions taken by the Company and/or claims arising out of or related to the Project; and (ii) the terms of the PILOT Agreement are consistent with the Agency's Uniform Tax Exemption Policy or the procedures for deviation have been complied with.

Section 6. 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 7. This resolution shall take effect immediately upon adoption, and shall expire one (1) year from the date hereof unless extended for good cause by the Chairman, Vice-Chairman or Executive Director.

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

	<u>Yea</u>	<u>Nay</u>	<u>Abstain</u>	<u>Absent</u>
Mark Onesi	[x]	[]	[]	[]
Jason Krempa	[]	[]	[]	[x]
Clifford Scott	[x]	[]	[]	[]
William L. Ross	[x]	[]	[]	[]
Mark D. Berube	[x]	[]	[]	[]
David J. Masse	[]	[]	[]	[x]
Ryan Mahoney	[x]	[]	[]	[]
Anne E, McCaffrey	[]	[]	[]	[x]
William Fekete	[x]	[]	[]	[]

The resolution was thereupon duly adopted.

STATE OF NEW YORK)
) SS.:
COUNTY OF NIAGARA)

I, the undersigned Secretary of Niagara County Industrial Development Agency (the "Agency"), do hereby certify that I have compared the foregoing extract of the minutes of the meeting of the members of the Agency, including the Resolution contained therein, held on July 10, 2024 with the original thereof on file in my office, and that the same is a true and correct copy of said original and of such Resolution set forth therein and of the whole of said original so far as the same relates to the subject matters therein referred to.

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Agency this 10th day of July, 2024.

[SEAL]



William L. Ross, Secretary

EXHIBIT A

**NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
NOTICE OF PUBLIC HEARING**

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York General Municipal Law will be held by the Niagara County Industrial Development Agency (the "Agency") on the 3rd day of July, 2024, at 2:15 p.m., local time, Niagara Falls City Hall, Room 117, 745 Main Street, Niagara Falls, New York 14302, in connection with the following matter:

Hotel Niagara Development, LLC and/or an individual(s) or affiliate, subsidiary, or entity or entities formed or to be formed on its behalf (the "Company"), has submitted an application to the Agency, a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") consisting of: (A) the acquisition (or retention) by the Agency of leasehold interest in a parcel of land located at 201 Rainbow Boulevard, Niagara Falls, New York, (the "Land"), (B) the renovation of an approximately 168,160 square foot building to be transformed into an upscale, full service hotel (the "Improvements"); (C) the acquisition and installation in and around the improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment" and, collectively with the Land and the Improvements, the "Facility").

The Agency will acquire a leasehold interest in the Facility and lease the Facility back to the Company. The Company will operate the Facility during the term of the lease. At the end of the lease term, the Company will purchase the Facility from the Agency, or if the Agency holds a leasehold interest, the leasehold interest will be terminated. The Agency contemplates that it will provide financial assistance (the "Financial Assistance") to the Company in the form of sales and use tax exemptions consistent with the policies of the Agency, and a partial real property tax abatement.

A representative of the Agency will be at the above-stated time and place to present a copy of the Company's project application and hear and accept written and oral comments from all persons with views in favor of or opposed to or otherwise relevant to the proposed Financial Assistance.

This public hearing is being conducted in accordance with Subdivision 2 of Section 859-a of the New York General Municipal Law.

DATED: June 12, 2024

NIAGARA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: 
Andrea Klycezk
Executive Director

**NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
NOTICE OF PUBLIC HEARING**

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Article 18-A of the New York General Municipal Law will be held by the Niagara County Industrial Development Agency (the "Agency") on the 3rd day of July, 2024, at 2:15 p.m., local time, Niagara Falls City Hall, Room 117, 745 Main Street, Niagara Falls, New York 14302, in connection with the following matter:

Hotel Niagara Development, LLC and/or an individual(s) or affiliate, subsidiary, or entity or entities formed or to be formed on its behalf (the "Company"), has submitted an application to the Agency, a copy of which is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") consisting of: (A) the acquisition (or retention) by the Agency of leasehold interest in a parcel of land located at 201 Rainbow Boulevard, Niagara Falls, New York, (the "Land"), (B) the renovation of an approximately 188,160 square foot building to be transformed into an upscale, full service hotel (the "Improvements"); (C) the acquisition and installation in and around the Improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment" and, collectively with the Land and the Improvements, the "Facility").

The Agency will acquire a leasehold interest in the Facility and lease the Facility back to the Company. The Company will operate the Facility during the term of the lease. At the end of the lease term, the Company will purchase the Facility from the Agency, or if the Agency holds a leasehold interest, the leasehold interest will be terminated. The Agency contemplates that it will provide financial assistance (the "Financial Assistance") to the Company in the form of sales and use tax exemptions consistent with the policies of the Agency, and a partial real property tax abatement.

A representative of the Agency will be at the above-stated time and place to present a copy of the Company's project application and hear and accept written and oral comments from all persons with views in favor of or opposed to or otherwise relevant to the proposed Financial Assistance.

This public hearing is being conducted in accordance with Subdivision 2 of Section 859-a of the New York General Municipal Law.

DATED: June 12, 2024

NIAGARA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: Andrea Klycozk
Executive Director

N/L#334703

6/14/2024

Public Hearing for Hotel Niagara Development, LLC
July 3, 2024 at 2:15 p.m.
Niagara Falls City Hall

Jeremy Geartz; Welcome. This public hearing is now open; it is 2:15 p.m. My name is Jeremy Geartz. I am a Project Manager at the Niagara County Industrial Development Agency, and I will be the hearing officer to conduct this public hearing. Notice of this public hearing was published in the Niagara Gazette.

We are here to hold the public hearing on Hotel Niagara Development, LLC and/or Individual(s) or Affiliate(s), Subsidiary(ies), or Entity(ies) formed or to be formed on its behalf. The transcript of this hearing will be reviewed and considered by the Agency in determination of this project.

The proposed project (the "Project") includes the redevelopment of the hotel into an upscale, full service hotel while maintaining its historic characteristics. When complete the hotel will include 160 guest rooms, a main ballroom and a second ballroom, full service restaurant, a lounge, and a patio.

The proposed financial assistance contemplated by the Agency includes New York State and local sales and use tax exemption benefits in compliance with Agency's tax exemption policy. The project application and project summary are posted on the Agency's website at niagaracountybusiness.com and I have copies with me today.

If you have a written comment to submit for the record, you may do so. Written comments may also be delivered to Agency at 6311 Inducon Corporate Drive, Suite One, Sanborn, New York 14132 until the comment period closes on July 10, 2024.

If anyone is interested in making a comment, please, state your name and address; if you are representing a company, please identify the company.

Jeremy Geartz: Are there any comments? Hearing none, I will now adjourn the meeting.
It is now 2:20 p.m. Thank you.

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

PUBLIC HEARING FOR:

Hotel Niagara

HELD:

July 3, 2024

2:15 p.m.

LOCATION:

NIAGARA FALLS CITY HALL

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PRESENT:

JEREMY GEARTZ
Project Manager
Niagara County Industrial Development Agency
Appearing as Hearing Officer.

Additional attendance noted on attached sign-in
sheet.

INDEX TO SPEAKERS

<u>NAME</u>	<u>PAGE</u>
REVEREND PATRICK J. BRADLEY	3

JEREMY GEARTZ: This public hearing is now open. It is 2:15 p.m. My name is Jeremy Geartz, and I am the Project Manager at the Niagara County Industrial Development Agency. I will be the hearing officer to conduct this public hearing.

Notice of this public hearing was published in the Niagara Gazette.

We are here to hold the public hearing on the Hotel Niagara Development, LLC

1 and/or individuals, affiliates, subsidiaries, entities
2 formed, or to be formed, on its behalf.

3 The transcript of this hearing
4 will be reviewed and considered by the Agency in
5 determination of this project. The proposed project
6 includes the redevelopment of the hotel into an
7 upscale full-service hotel, while maintaining its
8 historic characteristics.

9 When complete, the hotel will
10 include 160 guest rooms, a main ballroom and second
11 ballroom, full-service restaurant, a lounge and a
12 patio.

13 The proposed financial assistance
14 contemplated by the Agency includes New York State
15 and local sales and use tax exemption benefits, in
16 compliance with the Agency's tax exemption policy.

17 The project application and
18 project summary are posted on the Agency's website
19 at niagaracountybusiness.com, and I have copies here
20 with me today.

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22 submit for the record, you may do so. Written
23 comments may also be delivered to the Agency at 6311

1 Inducon Corporate Drive, Suite One, Sanborn, New
2 York 14132 until the comment period closes on July
3 10, 2024.

4 If anyone is interested in making
5 a comment, please state your name and address. If
6 you are representing a company, please identify the
7 company.

8 Are there any comments? Sir?

9 **REVEREND PATRICK J. BRADLEY:** The
10 Reverend Patrick J. Bradley, St. Peter's Episcopal
11 Church, 140 Rainbow Boulevard, Niagara Falls, New
12 York 14303.

13 I'm an ordained deacon in the
14 Episcopal Diocese of Western New York, and have been
15 assigned for the past 24 years by successive bishops
16 to serve at St. Peter's Church in Niagara Falls. I
17 speak today on behalf of the Church.

18 Historic St. Peter's Episcopal
19 Church has been an institution in the City of
20 Niagara Falls since the congregation of the first
21 service here in 1823, more than 200 years ago.

22 The cornerstone of the existing
23 church, the congregation's third and permanent

1 location, was laid in 1873. The Rt. Rev. A.
2 Cleveland Coxe, the second bishop of the Episcopal
3 Diocese of Western New York, held the first service
4 there and consecrated the building on All Saint's
5 Day, November 1, 1880.

6 We continue to bear witness to the
7 life and ministry of Jesus Christ, and to address
8 the needs of the community to this day.

9 St. Peter's Episcopal Church and
10 the Hotel Niagara have been neighbors for as long as
11 there has been a Hotel Niagara, which is to say
12 since 1925. Both stand as enduring historic
13 landmarks.

14 Sadly, what was once a glamorous
15 and world-renowned hotel, has been closed since
16 2007. Since then it has undergone numerous
17 ownership changes. Some owners and prospective
18 owners announced grandiose plans to renovate it,
19 restore it to its former grandeur, and reopen it as
20 a five-star hotel. None of this ever happened.

21 Now, our historical and
22 meticulously maintained church sits next to a
23 towering, boarded-up eyesore and safety hazard.

1 It has no running water or functional sprinkler
2 system, and entry to the building is easily
3 accomplished by those determined to do so.

4 We were excited when in late 2019
5 Mr. Ed Riley, who had successfully restored the
6 historic Hotel Syracuse, announced plans to restore
7 the Hotel Niagara to its former grandeur, with 160
8 rooms, three restaurants, banquet facilities, and a
9 rooftop lounge.

10 We were deeply disappointed when
11 those plans were derailed by the economic impact of
12 the COVID-19 pandemic.

13 We understand that Mr. Riley's
14 Brine Wells Development, LLC has resubmitted its
15 plans to restore this once grand hotel. It has
16 applied for a significant package of tax incentives
17 through the Niagara County Industrial Development
18 Agency.

19 A restored Hotel Niagara brings
20 signs of hope, a positive impact on the community
21 and tourist industry, create a substantial number of
22 both seasonal and permanent jobs, and will eliminate
23 a longtime downtown Niagara Falls eyesore.

1 It would also generate thousands
2 of dollars in state sales tax, and over time
3 increase property tax revenues, and it would
4 eliminate our church's considerable safety concerns.

5 Finally, after nearly 20 years, it
6 will again give our church a historic neighbor,
7 which we would certainly welcome.

8 For all these reasons, we support
9 the application made by Ed Riley and Brine Wells
10 Development, LLC, and encourage its approval.

11 Thank you.

12 MR. GEARTZ: Thank you.

13 Are there any other comments?

14 Hearing none, I will adjourn this
15 meeting. It is now 2:20 p.m. Thank you.

16
17 (The public hearing was adjourned at 2:20 p.m.)

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**SIGN IN SHEET
PUBLIC HEARING**

June 3, 2024 – 2:15 p.m.
Niagara Falls City Hall

regarding:

**Hotel Niagara Development, LLC and/or Individual(s) or Affiliate(s), Subsidiary(ies),
or Entity(ies) formed or to be formed on its behalf**

Name	Company and/or Address	X box to speak/ comment
John Bradley	St. Peter's Episcopal church 140 Rainbow Blvd.	X
Tracy Farrell	NCRPTS	
Alissa Orr	Rev NCRPTS	
JOHN SKRZYKUR	NCRPTS	

EXHIBIT B

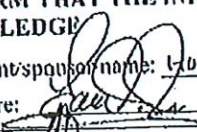
617.20
Appendix B
Short Environmental Assessment Form

Instructions for Completing

Part 1 - Project Information. The applicant or project sponsor is responsible for the completion of Part 1. Responses become part of the application for approval or funding, are subject to public review, and may be subject to further verification. Complete Part 1 based on information currently available. If additional research or investigation would be needed to fully respond to any item, please answer as thoroughly as possible based on current information.

Complete all items in Part 1. You may also provide any additional information which you believe will be needed by or useful to the lead agency; attach additional pages as necessary to supplement any item.

Part 1 - Project and Sponsor Information Hotel Niagara Development, LLC				
Name of Action or Project: The Resoraton of Hotel Niagara				
Project Location (describe, and attach a location map): 201 Rainbow Boulevard, Niagara Falls New York, 14303				
Brief Description of Proposed Action: The action will include the complete renovation of the currently close Hotel Niagara				
Name of Applicant or Sponsor: Hotel Niagara Development, LLC		Telephone: 3154246091		
		E-Mail: ed.riley@bwillc.com		
Address: c/o Brine Wells Development LLC 250 South Townsend Street				
City/PO: Syracuse		State: New York	Zip Code: 13202	
1. Does the proposed action only involve the legislative adoption of a plan, local law, ordinance, administrative rule, or regulation? If Yes, attach a narrative description of the intent of the proposed action and the environmental resources that may be affected in the municipality and proceed to Part 2. If no, continue to question 2.			NO <input checked="" type="checkbox"/>	YES <input type="checkbox"/>
2. Does the proposed action require a permit, approval or funding from any other governmental Agency? If Yes, list agency(s) name and permit or approval:			NO <input type="checkbox"/>	YES <input checked="" type="checkbox"/>
3.a. Total acreage of the site of the proposed action? _____			.53 acres	
b. Total acreage to be physically disturbed? _____			0 acres	
c. Total acreage (project site and any contiguous properties) owned or controlled by the applicant or project sponsor? _____			.53 acres	
4. Check all land uses that occur on, adjoining and near the proposed action.				
<input checked="" type="checkbox"/> Urban <input type="checkbox"/> Rural (non-agriculture) <input type="checkbox"/> Industrial <input type="checkbox"/> Commercial <input type="checkbox"/> Residential (suburban)				
<input type="checkbox"/> Forest <input type="checkbox"/> Agriculture <input type="checkbox"/> Aquatic <input type="checkbox"/> Other (specify): _____				
<input type="checkbox"/> Parkland				

18. Does the proposed action include construction or other activities that result in the impoundment of water or other liquids (e.g. retention pond, waste lagoon, dam)? If Yes, explain purpose and size: _____	NO	YES
_____	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. Has the site of the proposed action or an adjoining property been the location of an active or closed solid-waste management facility? If Yes, describe: _____	NO	YES
_____	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. Has the site of the proposed action or an adjoining property been the subject of remediation (ongoing or completed) for hazardous waste? If Yes, describe: _____	NO	YES
_____	<input checked="" type="checkbox"/>	<input type="checkbox"/>
I AFFIRM THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE		
Applicant/sponsor name: <u>HUTA HIAGARA DEVELOPMENT, LLC</u>		Date: <u>8, JUNE, 2024</u>
Signature:  <u>Prakash Tambar, MEMBER</u>		

Part 2 - Impact Assessment: The Lead Agency is responsible for the completion of Part 2. Answer all of the following questions in Part 2 using the information contained in Part 1 and other materials submitted by the project sponsor or otherwise available to the reviewer. When answering the questions the reviewer should be guided by the concept "Have my responses been reasonable considering the scale and context of the proposed action?"

	No, or small impact may occur	Moderate to large impact may occur
1. Will the proposed action create a material conflict with an adopted land use plan or zoning regulations?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Will the proposed action result in a change in the use or intensity of use of land?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Will the proposed action impair the character or quality of the existing community?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Will the proposed action have an impact on the environmental characteristics that caused the establishment of a Critical Environmental Area (CEA)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Will the proposed action result in an adverse change in the existing level of traffic or affect existing infrastructure for mass transit, biking or walkway?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Will the proposed action cause an increase in the use of energy and it fails to incorporate reasonably available energy conservation or renewable energy opportunities?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Will the proposed action impact existing:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a. public / private water supplies?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. public / private wastewater treatment utilities?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Will the proposed action impair the character or quality of important historic, archaeological, architectural or aesthetic resources?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Will the proposed action result in an adverse change to natural resources (e.g., wetlands, waterbodies, groundwater, air quality, flora and fauna)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

	No, or small impact may occur	Moderate to large impact may occur
10. Will the proposed action result in an increase in the potential for erosion, flooding or drainage problems?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Will the proposed action create a hazard to environmental resources or human health?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Part 3 - Determination of significance. The Lead Agency is responsible for the completion of Part 3. For every question in Part 2 that was answered "moderate to large impact may occur", or if there is a need to explain why a particular element of the proposed action may or will not result in a significant adverse environmental impact, please complete Part 3. Part 3 should, in sufficient detail, identify the impact, including any measures or design elements that have been included by the project sponsor to avoid or reduce impacts. Part 3 should also explain how the lead agency determined that the impact may or will not be significant. Each potential impact should be assessed considering its setting, probability of occurring, duration, irreversibility, geographic scope and magnitude. Also consider the potential for short-term, long-term and cumulative impacts.

<input type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action may result in one or more potentially large or significant adverse impacts and an environmental impact statement is required.
<input checked="" type="checkbox"/>	Check this box if you have determined, based on the information and analysis above, and any supporting documentation, that the proposed action will not result in any significant adverse environmental impacts.
<u>NCIDA</u>	<u>6/7/24</u>
Name of Lead Agency	Date
<u>Andree Kyzczek</u>	<u>Executive Director</u>
Print or Type Name of Responsible Officer in Lead Agency	Title of Responsible Officer
<u>[Signature]</u>	<u>[Signature]</u>
Signature of Responsible Officer in Lead Agency	Signature of Preparer (if different from Responsible Officer)

PRINT

Attachment to Hotel Niagara Development, LLC
Niagara County Industrial Development Agency
Application for Financial Assistance

USA Niagara Development Corporation, a subsidiary of New York State Urban Development corporation, d/b/a Empire State Development ("ESD"), the current owner of the Niagara Hotel, sought proposals for the redevelopment of the Hotel Niagara (the "Hotel") in Niagara Falls, New York. After considering all responses to the request for proposals, ESD selected the proposal by the Hotel Niagara Development, LLC ("HND") development team. The HND team is the same team responsible for the recently completed renovation of the historic Hotel Syracuse.

Because of the poor physical condition of the Hotel, HND will acquire the Hotel and its property for One Dollar (\$1.00). HND will redevelop the Hotel into an upscale, full-service hotel while maintaining its historic characteristics. When complete, the redeveloped Hotel (the "Project") will include:

- 160-guest rooms with new finishes and furnishings, including the latest technology
- Restoration of the lobby and related spaces to a quality level consistent with the original, historic design
- Restoration of the main ballroom to its original quality level and historic design
- Conversion of existing areas to a second ballroom, more contemporary in appearance
- A full-service restaurant serving three (3)-meals per day, focused on local foods and New York State wines
- A full-service lounge with a "speak-easy" theme, opening to the sidewalk immediately adjacent to the front of the Hotel
- Exterior sidewalk patio for seasonally appropriate outside dining
- Roof-top lounge, accessible when seasonally appropriate, affording views of the Niagara River and Canadian side of the Niagara River
- Private meeting and dining facilities
- Restoration of the Hotel's façade, including entrance elements and signage
- Guest service and amenities, including gift shop and exercise facilities
- Redevelopment back of house support and heart of house areas, including all mechanical, electrical, and plumbing systems

The Project has a minimum redevelopment budget of \$50,799,500 and from pre-construction through re-opening and continuing during operations, the Project will have a major economic impact on the City of Niagara Falls. In addition to the redevelopment costs and expenses, the Project will result in approximately 150-construction jobs and 67-full-time equivalent permanent jobs. HND and its operations team will hire and train local individuals to fill the permanent positions and anticipates the Project's economic impact during the first 10-years' of operations will be approximately \$62-million.

Hotel Niagara
201 Rainbow Blvd., Niagara Falls, N.Y. 14303

Restoration Program

Year Constructed: 1923 – 1925; Opened: 1925; Closed: 2004
Number of Stories: 12 Full, 1 Partial Penthouse, Full Basement
Square Footage: 168,160 sf

Construction: Steel proofed reinforced concrete floors and roof deck, terra cotta block and brick exterior envelope, wood ornamental windows first and second floor public areas, aluminum windows (replaced 1970's) all other locations.

Public space finishes on first and second floor are partially intact and will be restored, with balance of building substantially demolished to shell state.

All mechanical, plumbing and fire protection systems have been removed, along with the majority of electrical systems and equipment. Only the front elevator is operational, however all elevators will require complete replacement.

No furnishing, fixtures or equipment (FF&E) is remaining.

Historical Context: The building is listed on the National Register, has been approved for both approved Parts 1 and Parts 2 National Park Service, and is eligible for Historic Rehabilitation Tax Credits.

Restoration Scope: The entire exterior of the building will be restored with a decorative terra cotta repaired and/or replaced, original stone cleaned and polished, brickwork cleaned, repointed and sealed, original wood decorative windows restored. Existing aluminum windows repaired, missing storefronts and entrance doors reconstructed, new roofing insulation and membrane, new metal roofing on Penthouse. With minor additions to Penthouse for Rooftop Lounge, in accordance with Part 2 Historic Rehabilitation Tax Credits application.

Interior areas, including the Lobby, Restaurant Dining, Main Ballroom, Mezzanine areas and Meeting Rooms on the first and second floor; corridors on the Guestroom floors; Barber Shop in the basement will be restored to original colors, finishes, and details complying with Part 2 application.

These areas will also receive new mechanical, electrical, plumbing, sprinklers and Life Safety Systems throughout.

Interior – non-Historically significant areas:

Interior areas either demolished to shell space or deemed not historically significant will be renovated with new partitions, gypsum wall board, finished ceiling, finished flooring, and paint or wall covering consistent with an upper upscale hotel. These areas will also receive new mechanical, electrical, plumbing, sprinklers and Life Safety Systems and equipment throughout.

Hotel Niagara

Schedule of Sources and Uses of Capital

Sources	LTC		Per Key
Senior Loan	22%	11,000,000	64,708
CPACE	22%	11,000,000	64,708
Building Contribution	9%	4,400,000	25,882
City of Niagara Falls Grant	0%	280,000	1,471
National Grid Grant	1%	300,000	1,765
HTC Equity (Bridged at 90%)	20%	9,860,323	58,590
ESD Grant - Approved	17%	8,500,000	50,000
Sponsor Cash Equity	11%	5,389,177	31,701
Total Sources		\$50,799,500	\$298,821

Uses			
Building		4,400,000	25,882
Construction Cost		34,000,000	200,000
FF&E		7,709,500	45,350
Franchise Fee		200,000	1,176
Loan Closing Costs & Bank Fees 3.5%		770,000	4,628
HTC Investor Closing Costs & Fees		250,000	1,471
Legal Cost - Developer		550,000	2,059
			0
Financing with Interest Reserve		680,000	4,000
CPACE Interest Reserve		2,440,000	14,353
Total Uses		\$50,799,500	\$298,821

**Hospitality
Program Elements**

Guest Rooms		
Standard Rooms	147	
Junior Suites	10	
Presidential Suite	1 (2)	
Total	159	Includes 2 bdrm and Bridal area
Function Areas		
Main Ballroom	4,892 sf	Includes Pre-Function area
Meeting Room 1	570 sf	
Meeting Room 2	425 sf	
Meeting Room 3	390 sf	
Meeting Room 4	594 sf	
Meeting Room 5	1,020 sf	
Mezzanine Area	1,848 sf	
Food & Beverage Areas		
Main Dining Room	1,595 sf	110 seats. refer to Note 1 below
Main Dining Room Bar & Buffet	504 sf	12 seats
Exterior Patio Area	700 sf	40 seats, seasonal use
Pub/Sports Bar	1,850 sf	156 seats, including bar seating
Private Dining/Multi-use	825 sf	50 seats
Roof Top Lounge - Interior Bar	600 sf	20 seats including bar seating
Exterior Area	2,940 sf	140 seats, seasonal use
Exercise Facility	1,536 sf	

Note 1: Main Dining room will also be sold as Junior Ballroom in off season with movable seating moved to Pub/Sports bar as required.

PILOT Agreement

HOTEL NIAGARA DEVELOPMENT, LLC

(the "Mortgagor")

TO

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY,
(the "Mortgagee") for the benefit of
NIAGARA COUNTY, NEW YORK;
CITY OF NIAGARA FALLS, NEW YORK; and
NIAGARA FALLS CITY SCHOOL DISTRICT,
(collectively, the Taxing Jurisdictions)

PILOT MORTGAGE

Dated: as of April 1, 2026

AFTER RECORDING RETURN TO:

Gabriele & Berrigan, P.C.
ATTN: Michelle Squaires
Box

PILOT MORTGAGE

THIS **PILOT MORTGAGE**, made as of the 1st day of April, 2026 (the "PILOT Mortgage"), is from **HOTEL NIAGARA DEVELOPMENT, LLC**, a New York limited liability company, with offices at 250 South Townsend Street, Syracuse, New York 13202 (the "Company" and sometimes hereinafter referred to as the "Mortgagor"), and **NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation of the State of New York with offices at 6311 Inducon Corporate Drive, Suite One, Sanborn, New York 14132, as Mortgagee (the "Agency" and sometimes hereinafter referred to as the "Mortgagee"), in and for the benefit of **NIAGARA COUNTY, NEW YORK, CITY OF NIAGARA FALLS, NEW YORK** and **NIAGARA FALLS CITY SCHOOL DISTRICT**, each of which shall ultimately receive the PILOT Payments (collectively referred to as the "Taxing Jurisdictions").

WITNESSETH, that to secure the obligation of the Company to make all payments and perform all other obligations of the Company for the benefit of the Mortgagee and the Taxing Jurisdictions under that certain payment-in-lieu-of-tax agreement (the "PILOT Agreement") dated as of the date hereof between the Company (as such payments are described in the PILOT Agreement, a form of which is attached hereto as **Exhibit B**), the Mortgagor hereby mortgages to the Mortgagee the real property described in **Exhibit A** attached hereto (the "Mortgaged Property"), including any insurance or condemnation proceeds related thereto in an amount equal to the aggregate of all total unpaid and defaulted PILOT Payments (as defined in the PILOT Agreement);

TOGETHER with all, right, title and interest of the Mortgagor in and to the land lying in the streets and road in front of and adjoining said Mortgaged Property in an amount equal to the aggregate of all unpaid and defaulted Total PILOT; and

TOGETHER with all fixtures, furnishings, fittings, appliances, machinery, chattels and articles of personal property now or hereafter attached to or used solely in connection with the Mortgaged Property, together with any and all replacements thereof and additions thereto in an amount equal to the aggregate of all unpaid and defaulted Total PILOT;

BEING THE SAME PREMISES and interest therein leased by the Company to the Agency pursuant to the terms of a certain Lease Agreement, dated as of the date hereof by and between the Company and the Agency (the "Lease Agreement"), and which premises and interests therein are being leased by the Agency back to the Company pursuant to the terms of a certain Leaseback Agreement, dated as of the date hereof, by and between the Company and the Agency (the "Leaseback Agreement"); which memorandum of the Lease Agreement and a memorandum of the Leaseback Agreement are intended to be recorded in the office of the Niagara County Clerk prior to or contemporaneously with the recording of this PILOT Mortgage; and

This PILOT Mortgage, when recorded, shall constitute a lien against the Mortgaged Property in an amount equal to any and all unpaid and defaulted Total PILOT Payments.

NOW THEREFORE, Mortgagor covenants and agrees with Mortgagee as follows:

1. That the Company will timely perform all of its obligations under the PILOT Agreement and will timely pay all amounts due thereunder. In addition, the Company will maintain or cause to be maintained in good condition and repair the buildings and improvements constructed, renovated and equipped or to be constructed, renovated and equipped on the Mortgaged Property, and shall not commit or permit waste or permit any nuisance to exist thereon.

2. That if any action or proceeding be commenced (except an action to foreclose this PILOT Mortgage or to collect the debt secured thereby), to which action or proceeding the Mortgagee is made a party, or in which it becomes necessary to defend or uphold the lien of this PILOT Mortgage, all reasonable out-of-pocket sums paid by the Mortgagee for the expense of any litigation to prosecute or defend the rights and lien created by this PILOT Mortgage (including reasonable counsel fees and all reasonable costs and disbursements incurred in connection with such litigation) shall be paid by the Company, together with interest thereon at the applicable rate prescribed by Title I of Article 18-A of the New York State General Municipal Law, and any such sum and the interest thereon shall be a lien on said Mortgaged Property, prior to any right, title to, interest in or claim upon said Mortgaged Property attaching or accruing subsequent to the lien of this PILOT Mortgage, and shall be deemed to be secured by this PILOT Mortgage. In any action or proceeding to foreclose this PILOT Mortgage, the provisions of law respecting the recovery of costs, disbursements and allowance shall prevail unaffected by this covenant.

3. The Mortgagee's enforcement of its rights under this PILOT Mortgage shall be expressly subject (in the case of a failure of the Company to make any payments required to be paid pursuant to the PILOT Agreement) to the limitation that no such rights may be exercised until the Company shall be in default beyond applicable notice and cure periods in the making of any payment for the benefit of the Mortgagee in accordance with the terms of the PILOT Agreement. Notwithstanding anything to the contrary contained herein, Mortgagee agrees that it shall commence its enforcement rights under this PILOT Mortgage within twelve (12) months from the date the Company shall be in default in the making of any payment for the benefit of the Mortgagee in accordance with the terms of the PILOT Agreement.

4. The Company shall name the Mortgagee as an additional insured, as its interests may appear, on any policy of hazard insurance required to be carried in connection with the Mortgaged Property, until the amounts secured by this PILOT Mortgage are paid in full.

5. The obligations and agreements of the Agency contained herein and in any other instrument or document executed in connection herewith, and any other instrument or document supplemental hereto, shall be deemed the obligations and agreements of the Agency, and not of any member, officer, agent (other than the Company) or employee of the Agency in his/her individual capacity, and the members, officers, agents (other than the Company) and employees of the Agency shall not be liable personally hereon or be subject to any personal liability or accountability based upon or in respect hereto or of any transaction contemplated hereby. The obligations and agreements of the Agency contained herein shall not constitute or give rise to any obligations of the

State of New York or Niagara County, New York, and further, such obligations and agreements shall not constitute or give rise to a general obligation of the Agency, but rather shall constitute limited obligations of the Agency payable solely from the revenues of the Agency derived and to be derived from the lease of the Facility (as defined in the PILOT Agreement).

Notwithstanding any provision of this PILOT Mortgage to the contrary, the Agency shall not be obligated to take any action pursuant to any provision hereof unless (A) the Agency shall have been requested to do so in writing by the Company or the Taxing Jurisdictions, and (B) compliance with such request is not reasonably expected to result in the incurrence by the Agency (or any member, officer or employee of the Agency) of any liabilities, fees, expenses or other costs, unless the Agency shall have received from the Company or the Taxing Jurisdictions, as the case may be, security or indemnity satisfactory to the Agency for protection against all such liabilities, however remote, and for the reimbursement of all such fees, expenses and other costs. This PILOT Mortgage shall in no way impair or adversely affect the Agency's Unassigned Rights (as defined in the Leaseback Agreement).

6. The term "Event of Default" as used herein shall have the meaning as set forth in the PILOT Agreement.

7. (a) Subject to the provisions of the PILOT Agreement and the provisions of Section 3 hereof, upon the occurrence and during the continuation of an Event of Default hereunder, beyond any applicable notice and cure period, the Mortgagee may, in addition to any other rights or remedies available to it hereunder, at law or in equity, take such action, as may be permitted by applicable law, as is necessary to protect and enforce its rights against the Mortgagor in and to the Mortgaged Property including, but not limited to, the following actions:

(i) enter into or upon the Mortgaged Property, either personally or by its agents, nominees or attorneys, and dispossess the Mortgagor and its agents, employees and servants therefrom and thereupon the Mortgagee may (A) use, operate, manage, control, insure, maintain, repair, restore and otherwise deal with all and every part of the Mortgaged Property and conduct the business thereat, (B) complete any construction on the Mortgaged Property in such manner and form as the Mortgagee deems advisable, (C) make alterations, additions, renewals, replacements and improvements to or on the Mortgaged Property, and (D) exercise all rights and powers of the Mortgagor with respect to the Mortgaged Property, whether in the name of the Mortgagor or otherwise;

(ii) institute proceedings for the foreclosure of this PILOT Mortgage;

(iii) to the extent permitted by applicable law, sell or otherwise dispose of the Mortgaged Property or any part thereof and all estate, claim, demand, right, title and interest of the Mortgagor therein and rights of redemption thereof, pursuant to power of sale or otherwise, at one or more sales, in whole or in parcels, at such time and place, upon such terms and after such notice thereof as may be required or permitted by law, and in the event of a sale, by foreclosure or otherwise, of less than all of the Mortgaged Property, this PILOT

Mortgage shall continue to the full extent permitted by applicable law as a lien on the remaining portion of the Mortgaged Property; or

(iv) pursue such other remedies as the Mortgagee may have hereunder, under applicable law or in equity.

(b) The avails of any sale or other disposition made under or by virtue of this Section 7, together with any other sums which then may be held by the Mortgagee under this PILOT Mortgage, whether under the provisions of this Section 7 or otherwise, shall be applied as follows:

First: To payment of the reasonable costs and expenses, including, but not limited to, necessary repairs, improvements, or environmental remediations, of any such sale or other disposition including reasonable out-of-pocket costs of the Mortgagee, its agents and counsel, and of any judicial proceedings wherein the same may be made, and all expenses, liabilities and advances reasonably made or incurred by the Mortgagee under this PILOT Mortgage on all advances made by the Mortgagee, and all taxes required to be paid in connection with such sale or other disposition of the Mortgaged Property, except any taxes or other charges subject to which the Mortgaged Property shall have been sold;

Second: To the payment of the Company's liabilities and obligations pursuant to the PILOT Agreement;

Third: The surplus, if any to the Mortgagor, or to whomsoever may be lawfully entitled to receive the same if not the Mortgagor upon ten (10) days' prior notice to the Mortgagor.

(c) The Mortgagee may adjourn from time to time any sale by it under or by virtue of this PILOT Mortgage by announcement at the time and place appointed for such sale or for adjourned sale or sales and, except as otherwise provided by any applicable provision of law, the Mortgagee, without further notice or publication, may make such sale at the time and place to which the same shall be so adjourned.

(d) To the extent permitted by applicable law, no recovery of any judgment by the Mortgagee and no levy of an execution under any judgment upon the Mortgaged Property or upon any other property of Mortgagor shall affect in any manner or to any extent the lien of this PILOT Mortgage upon the Mortgaged Property or any part thereof or any liens, rights, powers or remedies of Mortgagee hereunder, but such liens, rights, powers and remedies of Mortgagee shall continue unimpaired.

(e) Upon the occurrence and during the continuation of an Event of Default beyond any applicable notice and cure periods, the Mortgagor, (if it is an occupant of the Mortgaged

11. The Company, as agent of the Agency, shall bear any and all costs and expenses pertaining to this PILOT Mortgage and the perfection thereof, including but not limited to any applicable recording fees and mortgage taxes, the New York State mortgage tax (1/2 of 1%) and additional mortgage tax (1/4 of 1%), to the extent applicable. To the extent Agency is not exempt from the payment of any of the foregoing costs and expenses, the Company shall pay same.

12. All notices, certificates and other communication hereunder shall be in writing and shall be sufficiently given and shall be deemed given when (A) sent to the applicable address stated below by registered or certified mail, return receipt requested, or by telecopy or other electronic means of communication, followed by prompt written confirmation thereof, or by such other means as shall provide the sender with documentary evidence of such delivery, or (B) delivery is refused by the addressee, as evidenced by the affidavit of the person who attempted to effect such delivery. The addresses to which notices, certificates and other communication hereunder shall be delivered are as follows:

If to the Agency:

Niagara County Industrial Development Agency
6311 Inducon Corporate Drive, Suite One
Sanborn, New York 14132
Attn: Executive Director

With a copy to:

Gabriele & Berrigan, P.C.
800 Main Street, 4th Floor
Suite B
Niagara Falls, New York 14301
Attn: Mark J. Gabriele, Esq.

If to the Company:

Hotel Niagara Development, LLC
c/o Brine Wells Development LLC
250 South Townsend Street
Syracuse, New York 13202
Attn: Edward Riley, Managing Member

with a copy to:

MacKenzie Hughes, LLP
440 South Warren Street
Suite 400
Syracuse, New York 13202
Attn: Richard Engel, Esq.

If to the County:

Niagara County Manager
Philo J. Brooks Building
59 Park Avenue
Lockport, New York 14094

and

Chairman
Niagara County Legislature
County Courthouse
175 Hawley Street
Lockport, New York 14094

If to the City:

Mayor
City of Niagara Falls
745 Main Street
Niagara Falls, New York 14301

If to the School District:

Superintendent
Niagara Falls City School District
630 66th Street
Niagara Falls, New York 14304

The parties by notice given in accordance with this Section 12 to each of the others, may designate any further or different addresses to which subsequent notices, certificates or other communications to them shall be sent.

13. Terms with capitalized first initials used in this PILOT Mortgage shall have the meanings ascribed to such terms in the PILOT Agreement unless the context otherwise requires. The word "Mortgagor" shall be construed as if it read "Mortgagors" whenever the sense of this PILOT Mortgage so requires. The word "Mortgagee" shall be construed as if it read "Mortgagees and the Taxing Jurisdictions" whenever the sense of this PILOT Mortgage so requires.

14. If an Event of Default shall have occurred and be continuing, beyond any applicable notice and cure periods, Mortgagee (subject to the provisions of Section 3 hereof), as a matter of right and without regard to the adequacy of the Mortgaged Property as collateral security, but after notice to Mortgagor, shall have the right to appoint a receiver or receivers, and Mortgagor hereby irrevocably consents to such appointment.

22. The rights of Mortgagee under this PILOT Mortgage are independent of and cumulative to its rights, with respect to the collection of special assessments and special ad valorem levies, if any, lawfully assessed against the Mortgaged Property or any part thereof.

23. This PILOT Mortgage constitutes a security agreement under the New York Uniform Commercial Code with respect to any portion of the Mortgage Property which is personal property and Mortgagee shall have all of the rights and remedies of a secured party thereby in addition to the rights and remedies granted by other applicable law or by this PILOT Mortgage. Mortgagor agrees to execute a UCC-1 Financing Statement to implement this provision.

24. So long as any portion of the obligations of the Company under the PILOT Agreement shall remain outstanding, the title to the Mortgaged Property and the lien of this PILOT Mortgage shall not merge, but shall always be kept separate and distinct.

25. The covenants contained in this PILOT Mortgage shall run with the land and bind Mortgagor, its heirs, personal representatives, successors and assigns and all subsequent owners, encumbrances, tenants and subtenants of the premises, and shall inure to the benefit of the Mortgagee, its personal representatives, successors and assigns and all subsequent holders of this PILOT Mortgage.

26. Upon the termination of the PILOT Agreement and the payment in full of all sums payable thereunder, Mortgagee by acceptance of this PILOT Mortgage agrees to execute and deliver any and all instruments necessary and/or appropriate to discharge the lien of record of this PILOT Mortgage.

27. If this PILOT Mortgage contains any unlawful provision not an essential part of this PILOT Mortgage and which shall not appear to have been a controlling or material inducement to the making thereof, the same shall be deemed of no effect and shall, upon notice by either party, be deemed stricken from this PILOT Mortgage without affecting the binding force of the remainder.

28. Section headings are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of this PILOT Mortgage and in no way affect this PILOT Mortgage.

29. This PILOT Mortgage may be executed in one or more counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

[Remainder of Page Intentionally Left Blank]

[Signature Page to PILOT Mortgage]

IN WITNESS WHEREOF, this PILOT Mortgage has been duly executed by the Mortgagor as of the day and year first above written.

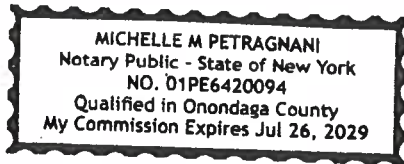
HOTEL NIAGARA DEVELOPMENT, LLC

By: 
Name: Edward Riley
Title: Managing Member

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

Onondaga

On the 13 day of April, in the year 2026, before me, the undersigned, personally appeared, **Edward Riley**, 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, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.



[Handwritten Signature]

Notary Public

EXHIBIT A

ALL THAT CERTAIN PLOT, PIECE OF PARCEL OF LAND, with the buildings and improvements thereon erected, situate, lying and being in the City of Niagara Falls, County of Niagara and State of New York, being part of Lot 43 Mile Reserve, Known as and being Subdivision Lots 76 and 77, situate on the easterly side of First Street and part of Subdivision Lot 2, situation on the northeasterly side of Rainbow Boulevard (formerly Jefferson Avenue, formerly Union Street) and parts of First Street and Rainbow Boulevard (formerly Jefferson) as formerly located according to a map of the Village (now City) of Niagara Falls, New York made by Jesse P. Haines, C.E. in 1861, and filed in the Niagara County Clerk's Office on December 20, 1861, now under Cover No. 389, more particularly described as follows:

BEGINNING at the point of intersection of the north line of Subdivision Lot 76 with the west line of the alley extending north from Rainbow Boulevard (formerly Jefferson Avenue, formerly Union Street) to Falls Street; thence westerly along the north line of Subdivision Lot 76, a distance of 132.99 feet to the east line of First Street, as established by the City of Niagara Falls by Resolution of the City Council dated June 17, 1959; thence southerly along the east line of First Street, 129.50 feet more or less to its intersection with the north line of Rainbow Boulevard (formerly Jefferson Avenue, formerly Union Street), 134.20 feet to its intersection with a line drawn at right angles to the north line of Rainbow Boulevard (formerly Jefferson Avenue, formerly Union Street), through the northwest corner of a triangular piece of land conveyed to the City of Niagara Falls by deed dated May 26, 1959 and recorded in the Niagara County Clerk's Office in Liber 1318 of Deeds at page 312 on June 19, 1959; thence northeasterly along said right angle .45 of a foot to the northwest corner of the triangle conveyed to the City of Niagara Falls, as aforesaid; thence northeasterly along the northwest line of said triangle 19.26 feet to the west line of the alley above described; thence northerly along the west line, 189.21 feet to the point of beginning.

EXHIBIT B

PILOT Agreement

NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY

AND

HOTEL NIAGARA DEVELOPMENT, LLC

PAYMENT-IN-LIEU-OF-TAX AGREEMENT

Regarding the leasehold interest in land, the renovation and equipping of an approximately 168,160 sq. ft. vacant building to be used for guest rooms, ballrooms, a restaurant and patio space located at 201 Rainbow Boulevard in the City of Niagara Falls, Niagara County, New York

Affected Tax Jurisdictions:
Niagara County
City of Niagara Falls
Niagara Falls City School District

Dated as of: April 1, 2026
Termination Date: December 31, 2041
SBL Nos: 159-09.1.13

PAYMENT-IN-LIEU-OF-TAX AGREEMENT

THIS PAYMENT-IN-LIEU-OF-TAX AGREEMENT (the "PILOT Agreement"), dated as of the 1st day of April, 2026, is by and between the **NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation duly existing under the laws of the State of New York with its offices at 6311 Inducon Corporate Drive, Suite 1, Sanborn, New York 14132 (the "Agency") and **HOTEL NIAGARA DEVELOPMENT, LLC** a New York limited liability company formed and existing under the laws of the State of New York, with offices located at 250 South Townsend Street, Syracuse, New York 13202 (the "Company").

WITNESSETH:

WHEREAS, the Agency was created by Chapter 569 of the Laws of 1972 of the State of New York pursuant to Title I of Article 18-A of the General Municipal Law of the State of New York (collectively, the "Act") as a body corporate and politic and as a public benefit corporation of the State of New York; and

WHEREAS, the Company has requested the Agency's assistance with a certain project (the "Project") consisting of: (A) the acquisition (or retention) by the Agency of leasehold interest in a parcel of land located at 201 Rainbow Boulevard, Niagara Falls, New York, (the "Land"), (B) the renovation of an approximately 168,160 square foot vacant building to be transformed into an upscale, full service hotel (the "Improvements"); (C) the acquisition and installation in and around the improvements of certain items of machinery, equipment and other tangible personal property (the "Equipment" and, collectively with the Land and the Improvements, the "Facility"); and

WHEREAS, in order to induce the Company to acquire, construct and equip the Facility, the Agency is willing to take a leasehold interest in the land, improvements and personal property constituting the Facility and lease said land, improvements and personal property back to the Company pursuant to the terms and conditions of a certain Leaseback Agreement, dated on or about the date hereof (the "Leaseback Agreement"); and

WHEREAS, pursuant to Section 874(1) of the Act, the Agency is exempt from the payment of taxes imposed upon real property and improvements owned by it or under its jurisdiction, control or supervision, other than special ad valorem levies, special assessments and service charges against real property which are or may be imposed for special improvements or special district improvements; and

WHEREAS, the Agency and the Company deem it necessary and proper to enter into an agreement making provisions for payments-in-lieu-of-taxes by the Company to the Agency for the benefit of Niagara County (the "County"), the City of Niagara Falls (the "City"), the Niagara Falls City School District (the "School District or "School" and, collectively with the County and City, the "Affected Tax Jurisdictions").

NOW, THEREFORE, in consideration of the covenants herein contained, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, it is mutually agreed as follows:

Section I - Payment in lieu of Ad Valorem Taxes:

Section 1.1 A. Subject to the completion and filing by the taxable status date (March 1, 2027) (the "Taxable Status Date") of New York State Form RP-412-a Application For Real Property Tax Exemption (the "Exemption Application") under Section 412-a of the New York State Real Property Tax Law and Section 874 of the Act and the approval of the Exemption Application by the appropriate assessors or Board of Assessment Review, the Facility shall be exempt from Real Estate Taxes commencing with the 2027-2028 tax fiscal year of the School District and the 2027 tax fiscal year of the City and County and continuing for the periods set forth in Section 1.5 hereof. For purposes of the foregoing "Real Estate Taxes" means all general levy real estate taxes levied against the Facility by the City, County and School. The Company shall provide to the Agency with the information necessary for the completion and filing of the Exemption Application and shall provide such additional information and take such actions as are required by the appropriate assessors or Board of Assessment Review to process and approve the Exemption Application. Notwithstanding anything contained herein or in the Leaseback Agreement to the contrary, in the event the exemption from Real Estate Taxes is denied for any reason, the Company shall pay (and hereby agrees to pay) all Real Estate Taxes levied upon the Facility as they become due. After giving written notice to the Agency, the Company may in good faith contest the denial of the Exemption Application, provided that (i) the overall operating efficiency of the Facility is not impaired and the Facility continues to qualify as a "project" under the Act; (ii) neither the Facility nor any part of or interest in it would be in any danger of being sold, forfeited or lost; or (iii) neither the Company nor the Agency, as a result of such contest, shall be in any danger of any civil or criminal liability. The Company hereby waives any claim or cause of action against the Agency, and releases the Agency from any liability to the Company, arising from the denial of an exemption from Real Estate Taxes except to the extent that such denial results solely from the failure of the Agency to file the Exemption Application with the appropriate assessors or Board of Assessment Review by the Taxable Status Date.

B. **Payee.** As long as the Agency has a leasehold interest in the Facility, the Company agrees to pay annually to the Affected Tax Jurisdictions as a payment-in-lieu-of-taxes, on or before October 1 of each calendar year for School taxes and on or before January 1 of each calendar year for County and City taxes (collectively, the "Payment Date"), commencing on October 1, 2027 and January 1, 2028, respectively, an amount equal to the PILOT Payment, as described on **Schedule A** attached hereto.

The parties agree and acknowledge that payments made hereunder are to obtain revenues for public purposes, and to provide a revenue source that the Affected Tax Jurisdictions would otherwise lose because the subject parcels are not on the tax rolls.

1.2 Allocation. To the extent the Agency receives any PILOT Payment, the Agency shall remit to the Affected Tax Jurisdictions amounts received hereunder within thirty (30) days of receipt of said payment and shall allocate said payments among the Affected Tax Jurisdictions in the same proportion as ad valorem taxes would have been allocated but for the Agency's involvement, unless the Affected Tax Jurisdictions have consented in writing to a specific allocation.

1.3 Tax Rates. For purposes of determining the allocation of the Total PILOT Payment among the Affected Tax Jurisdictions, the Agency shall use the last tax rate utilized for levy of taxes by each such jurisdiction. For County, City and special district purposes, the tax rates used to determine the allocation of the Total PILOT Payment shall be the tax rates relating to the calendar year which includes the PILOT payment due date. For school district purposes, the tax rates used to determine the PILOT payment shall be the rate relating to the school year which includes the PILOT payment due date.

1.4 Valuation of Future Additions to the Facility: If there shall be a future addition to the Facility constructed or added in any manner after the date of this PILOT Agreement, other than the Project and excluding the replacement of equipment, the Company shall notify the Agency of such future addition ("Future Addition"). The notice to the Agency shall contain a copy of the application for a building permit, plans and specifications, and any other relevant information that the Agency may thereafter request. Upon the earlier of substantial completion, or the issuance of a certificate of occupancy for any such Future Addition to the Facility, the Company shall become liable for payment of an increase in the Total PILOT Payment. The Agency shall notify the Company of any proposed increase in the Total PILOT Payment related to such Future Addition. If the Company shall disagree with the determination of assessed value for any Future Additions made by the Agency, then and in that event that valuation shall be fixed by a court of competent jurisdiction. Notwithstanding any disagreement between the Company and the Agency, the Company shall pay the increased PILOT payment until a different Total PILOT Payment shall be established. If a lesser Total Annual Payment is determined in any proceeding or by subsequent agreement of the parties, the Total PILOT Payment shall be re-computed and any excess payment shall be refunded to the Company or, in the Agency's sole discretion, such excess payment shall be applied as a credit against the next succeeding PILOT payment(s).

1.5 Period of Benefits. The tax benefits shall be available for the period of the PILOT Agreement.

Agreement executed by both parties after any applicable public hearings. The Company agrees that it will not seek any tax exemption for the Facility which could provide benefits for more than the periods provided for herein and specifically agrees that the exemptions provided for herein, to the extent actually received (based on the number of lease years elapsed), supersede and are in substitution of the exemptions provided by Section 485-b of the New York Real Property Tax Law ("RPTL"). It is hereby agreed and understood that the Affected Tax Jurisdictions can rely upon and enforce the above waiver to the same extent as if they were signatories hereto.

Section II - Special Assessments and Service Charges.

2.1 Special district charges, special assessments, and special ad valorem levies (specifically including but not limited to fire district charges), and pure water charges and sewer charges are to be paid in full in accordance with normal billing practices.

Section III - Transfer of Facility.

3.1 In the event that the Facility is transferred from the Agency to the Company (the lease/leaseback agreements are terminated), and the Company is ineligible for a continued tax exemption under some other tax incentive program, or the exemption results in a payment to the Affected Tax Jurisdictions in excess of the payment described in Section I herein, or this PILOT Agreement terminates and the property is not timely transferred back to the Company, the Company agrees to pay no later than the next tax lien date (plus any applicable grace period), to each of the Affected Tax Jurisdictions, an amount equal to the taxes and assessments which would have been levied on the Facility if the Facility had been classified as fully taxable as of the date of transfer or loss of eligibility of all or a portion of the exemption described herein or date of termination.

Section IV - Assessment Challenges.

4.1 The Company shall have all of the rights and remedies of a taxpayer as if and to the same extent as if the Company were the owner of the Facility, with respect to any proposed assessment or change in assessment with respect to the Facility by any of the Affected Tax Jurisdictions and likewise shall be entitled to protest before and be heard by the appropriate assessors or Board of Assessment Review, and shall be entitled to take any and all appropriate appeals or initiate any proceedings to review the validity or amount of any assessment or the validity or amount of any tax equivalent provided for herein.

4.2 The Company shall have all of the rights and remedies of a taxpayer with respect to any tax, service charge, special benefit, ad valorem levy, assessment, or special assessment or service charge in lieu of which the Company is obligated to make a payment pursuant to this PILOT Agreement, as if and to the same extent as if the Company were the owner of the Facility.

4.3 The Company shall (i) cause the appropriate real estate tax assessment office and tax levy officers to assess the Facility and apply tax rates to the respective assessments as if the Facility were owned by the Company, (ii) file any accounts or tax returns required by the appropriate real estate tax assessment office and tax levy officers.

Section V - Changes in Law.

5.1 To the extent the Facility is declared to be subject to taxation or assessment by an amendment to the Act, other legislative change, or by final judgment of a Court of competent jurisdiction, the obligations of the Company hereunder shall, to such extent, be null and void.

Section VI - Events of Default and Remedies.

6.1 The following shall constitute "Events of Default" hereunder. The failure by the Company to: (i) make the payments described in Section I within thirty (30) days of the Payment Date (the "Delinquency Date"); provided the Company has received notice of the amounts due and the due date for the same; (ii) make any other payments described herein on or before the last day of any applicable cure period within which said payment can be made without penalty; or (iii) the occurrence and continuance of any events of default under the Leaseback Agreement after any applicable notice and cure periods. Upon the occurrence of any Event of Default hereunder, in addition to any other right or remedy the Agency and/or the Affected Tax Jurisdictions may have at law or in equity, the Agency and/or Affected Tax Jurisdictions may, immediately and without further notice to the Company (but with notice to the Agency with respect to actions maintained by the Affected Tax Jurisdictions) pursue any action in the courts to enforce payment or to otherwise recover directly from the Company any amounts so in default. The Agency and the Company hereby acknowledge the right of the Affected Tax Jurisdictions to recover directly from the Company any amounts so in default pursuant to Section 874(6) of the General Municipal Law and the Company shall immediately notify the Agency of any action brought, or other measure taken, by any Affected Tax Jurisdiction to recover any such amount.

6.2 If payments pursuant to Section I herein are not made by the Delinquency Dates, or if any other payment required to be made hereunder is not made by the last day of any applicable cure period within which said payment can be made without penalty, the Company shall pay penalties and interest as follows. With respect to payments to be made pursuant to Section I herein, if said payment is not received by the Delinquency Date defined in Section 6.1 herein, Company shall pay, in addition to said payment, (i) a late payment penalty equal to five percent (5%) of the amount due and (ii) for each month, or any part thereof, that any such

6.3 Upon the occurrence of an Event of Default hereunder, the liability of the Company hereunder shall be all amounts due pursuant to Section I hereof through, but not including, the date on which the Facility is no longer exempt from Real Estate Taxes together with all other amounts due pursuant to Section 6.2 hereof and clause (a) of Section 7 of the PILOT Mortgage (as hereinafter defined).

6.4 Subject to the rights of the mortgagees set forth in Section VIII below, whenever any Event of Default under Section 6.1 hereof shall have occurred and be continuing with respect to this PILOT Agreement, the remedies of the Agency shall be limited to the rights hereunder, under the Leaseback Agreement and under the PILOT Mortgage, subject to the rights of any lenders to cure any such Event of Default as set forth in Section VIII hereof.

Section VII - Assignment.

7. Except pursuant to a transaction permitted by the Leaseback Agreement, no portion of any interest in this PILOT Agreement may be assigned by the Company, nor shall any person other than the Company be entitled to succeed to or otherwise obtain any benefits of the Company hereunder without the prior written consent of the Agency, which shall not be unreasonably withheld, conditioned or delayed.

Section VIII – Rights of Mortgagees.

8.1 For the purposes of this PILOT Agreement, the term “mortgages” shall include any mortgage, leasehold mortgage, purchase money mortgage or other security instrument or instruments encumbering the Facility, such as, without limitation, mortgages, deeds of trust, financing statements, assignments of leases, rents and/or profits, security agreements and other documentation which a mortgage may require, and the terms “holder of a mortgage” and “mortgage” shall mean the secured party under any of the foregoing instruments. ANY MORTGAGE SHALL BE A LIMITED, NON-RECOURSE OBLIGATION OF THE AGENCY AND SHALL IN NO EVENT REQUIRE THE PAYMENT BY THE AGENCY TO ANY PARTY OF ANY AMOUNT INCLUDING, BUT NOT LIMITED TO, PRINCIPAL, INTEREST OR ANY OTHER AMOUNT SECURED BY ANY SUCH MORTGAGE.

8.2 So long as the mortgage shall remain unsatisfied of record or until written notice of satisfaction is given by the Mortgagee to the Agency, the following provisions shall, subject to and unless otherwise prohibited by all applicable law including, but not limited to, the Act, apply (in respect of such mortgage and of any other mortgages which also comply with the above):

(a) There shall be no payment of principal or interest on any mortgage until the Agency has received written notice of satisfaction from the Mortgagee.

(b) The Agency shall, at no cost to the Agency and at the sole cost of the Company, upon receipt of any notice or other communication, whether of default or any other matter, simultaneously serve a copy of such notice upon the Mortgagee, and no such notice of other communication to the Company shall be deemed received unless a copy is so served upon the Mortgagee in the manner provided in this PILOT Agreement for the giving of notice.

(c) Notwithstanding anything to the contrary herein, if the Agency serves a notice of default upon the Company, it shall, at no cost to the Agency and at the sole cost of the Company, also serve a copy of such notice upon the Mortgagee at the address set forth in Section 9.2 hereof.

(d) In the event of any default by the Company under this PILOT Agreement, the Mortgagee shall have fifteen (15) days for a monetary default and thirty (30) days in the case of any other default, after notice to the Mortgagee of such default (which notice shall be given in the manner set forth in Section 9.2 below), to cure or to cause to be cured the default complained of and the Agency shall accept such performance by or at the instigation of the Mortgagee as if same had been done by the Company. Each notice of default given by the Agency will state the amounts of any payments herein provided that are then claimed to be in default.

(e) If, before the expiration of the Mortgagee's cure period as provided in paragraph (3) above, the Mortgagee shall have notified the Agency in writing of its agreement to pay or cause to be paid, within fifteen (15) days after the expiration of mortgagor's cure period, all payments in this PILOT Agreement provided for and then in default, and/or in the case of non-monetary defaults, shall have agreed within forty-five (45) days to commence or cause to be commenced the cure of such non-monetary defaults, if any are then in default (other than defaults which by their nature cannot be cured), and shall prosecute or cause the prosecution of same to completion with reasonable diligence (collectively, the "extended cure period"), then the Agency shall not exercise any of its rights and remedies hereunder or under the PILOT Mortgage until expiration of the extended cure period.

(f) The Company (and not the Agency) shall give the Mortgagee notice of any arbitration or other proceeding or dispute by or between the parties hereto, and shall have the right to intervene therein and be made a party to any such arbitration or other proceeding.

(g) Except where the Mortgagee has succeeded to the interest of the Company in the Facility or assumed the right to cure as provided in this Section VIII, no liability for any payments to be made pursuant to this PILOT Agreement or the performance of any of the Company's covenants and agreements under this PILOT Agreement shall attach to or be imposed upon the Mortgagee.

(h) Notwithstanding any provision of this PILOT Agreement, the Lease Agreement, the Leaseback Agreement or the PILOT Mortgage to the contrary, foreclosure of a mortgage or any sale of the Company's interest in this PILOT Agreement and/or the Facility in connection with a foreclosure, whether by judicial proceedings, or any conveyance of the Company's interest in this PILOT Agreement and/or the Facility to the Mortgagee or its nominee or designee by virtue of or in lieu of foreclosure or other appropriate proceedings, or any conveyance of the Company's interest in this PILOT Agreement and/or the Facility by the Mortgagee or its nominee or designee, shall not require the consent or approval of the Agency and shall not be a default or Event of Default hereunder.

Section IX -- Miscellaneous.

9.1 This PILOT Agreement may be executed in any number of counterparts each of which shall be deemed an original but which together shall constitute a single instrument.

9.2 All notices, claims and other communications hereunder shall be in writing and shall be deemed to be duly given if personally delivered or mailed first class, postage prepaid, as follows:

To the Agency: Niagara County Industrial Development Agency
6311 Inducon Corporate Drive, Suite One
Sanborn, New York 14132-9099
Attn: Executive Director

With Copy To: Gabriele & Berrigan, P.C.
800 Main Street, 4th Floor
Niagara Falls, New York 14302
Attention: Mark J. Gabriele, Esq.

To the Company: Hotel Niagara Development, LLC
c/o Brine Wells Development LLC
250 South Townsend Street
Syracuse, New York 13202
Attn: Edward Riley, Managing Member

With Copy To: MacKenzie Hughes, LLP
440 South Warren Street
Syracuse, NY 13202

9.3 This PILOT Agreement shall be governed by, and all matters in connection herewith shall be construed and enforced in accordance with, the laws of the State of New York applicable to agreements executed and to be wholly performed therein and the parties hereto hereby agree to submit to the personal jurisdiction of the federal or state courts located in Niagara County, New York.

9.4 The obligations of the Company under this PILOT Agreement shall survive the termination or expiration of the Leaseback Agreement, for whatever reason terminated or expired.

9.5 To the extent the Facility is declared to be subject to taxation or assessment by an amendment to the Act, other legislative change, or by final judgment of a Court of competent jurisdiction, the obligations of the Company hereunder shall, to such extent, be null and void.

9.6 Notwithstanding any other term or condition contained herein, all obligations of the Agency hereunder shall constitute a special obligation payable solely from the revenues and other monies, if any, derived from the Facility and paid to the Agency by the Company. Neither member of the Agency nor any person executing this PILOT Agreement on its behalf shall be liable personally under this PILOT Agreement. No recourse shall be had for the payment of the principal or interest on amounts due hereunder or for any claim based upon or in respect of any modification of or supplement hereto against any past, present or future member, officer, agent, servant, or employee, as such, of the Agency, or of any successor or political subdivision, either directly or through the Agency or any such successor, all such liability of such members, officer, agents, servants and employees being, to the extent permitted by law, expressly waived and released by the acceptance hereof and as part of the consideration for the execution of this PILOT Agreement.


9.7 The Company hereby agrees that it shall, as security for its obligations hereunder, grant to the Affected Tax Jurisdictions a mortgage lien on the Facility pursuant to a certain PILOT Mortgage, dated as of April 1, 2026, from the Company and the Agency to the Agency, for the benefit of the Affected Tax Jurisdictions (the "PILOT Mortgage"), which PILOT Mortgage shall constitute a priority mortgage lien on and security interest in the Facility.

[Remainder of Page Intentionally Left Blank]

[Signature Page to PILOT Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this PILOT Agreement as of the day and year first above written.

NIAGARA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: 
Name: Andrea Klyczek
Its: Executive Director

HOTEL NIAGARA DEVELOPMENT, LLC

By: _____
Name: Edward Riley
Title: Managing Member


[Signature Page to PILOT Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this PILOT Agreement as of the day and year first above written.

**NIAGARA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____
Name: Andrea Klyczek
Its: Executive Director

HOTEL NIAGARA DEVELOPMENT, LLC

By:  _____
Name: Edward Riley
Title: Managing Member

SCHEDULE A

**TO PILOT AGREEMENT, DATED AS OF APRIL 1, 2026 BETWEEN
NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
AND
HOTEL NIAGARA DEVELOPMENT, LLC**

Pursuant to the terms of Section 1.2 of this PILOT Agreement, Total PILOT Payment shall mean an amount per annum as follows:

<u>PILOT Year</u>	<u>School Tax Year</u>	<u>County and City Tax Year</u>	<u>Percentage of Normal Tax</u>
Year 1	2027/28	2028	20%
Year 2	2028/29	2029	20%
Year 3	2029/30	2030	30%
Year 4	2030/31	2031	30%
Year 5	2031/32	2032	40%
Year 6	2032/33	2033	40%
Year 7	2033/34	2034	40%
Year 8	2034/35	2035	50%
Year 9	2035/36	2036	50%
Year 10	2036/37	2037	50%
Year 11	2037/38	2038	50%
Year 12	2038/39	2039	50%
Year 13	2039/40	2040	50%
Year 14	2040/41	2041	50%
Year 15	2041/42	2042	50%
Year 16 And thereafter	2042/43	2043	100%

The payments in lieu of taxes to be paid by the Company to the Affected Tax Jurisdiction pursuant to the terms of this Payment-in-Lieu-of-Tax Agreement shall be computed separately for each Affected Tax Jurisdiction as follows:

1. First, determine the amount of general taxes and general assessments (hereinafter referred

roll of any Affected Tax Jurisdiction, the amount payable by the Company to the Affected Tax Jurisdiction as a payment in lieu of property tax with respect to the Land shall be an amount equal to 100% of the Normal Tax due each Affected Tax Jurisdiction with respect to the Land for such tax year.

3. Next, determine the Normal Tax which would be payable to each Affected Tax Jurisdiction if the Improvements and any portion of the Equipment assessable as real property were owned by the Company and not the Agency by multiplying the (a) Assessed Value of the Improvements and such assessable Equipment as determined by the appropriate Assessor by (b) the tax rate or rates of such Affected Tax Jurisdiction that would be applicable to the Improvements and such assessable Equipment if the Improvements and such assessable Equipment was owned by the Company and not the Agency.
4. In each tax year during the term of this PILOT Agreement, commencing on the first tax year following the date on which the Improvements and such assessable Equipment shall be assessed as exempt on the assessment roll of any Affected Tax Jurisdiction, the amount payable by the Company to the Affected Tax Jurisdiction as a payment in lieu of property tax with respect to the Improvements and such assessable Equipment shall be an amount equal to the applicable percentage of the Normal Tax due each Affected Tax Jurisdiction with respect to the Improvements and such assessable Equipment for such tax year, as shown in the table.
5. The Total PILOT Payment to be made by the Company to the Affected Tax Jurisdictions shall equal the sum of Number (2) and Number (4), above, for each tax year during the term of this PILOT Agreement.

