



**RESOLUTIONS:**

- 1. RESOLUTION OF THE TOWN OF LANCASTER INDUSTRIAL DEVELOPMENT AGENCY (THE “AGENCY”) AUTHORIZING GARDEN PLACE INC. (THE “LESSEE”) TO RETROFIT, REFURBISH AND EQUIP GUEST ROOMS AND COMMON AREAS IN LESSE'S EXISTING 166 ROOM HOTEL LOCATED AT 6615 TRANSIT ROAD, TOWN OF LANCASTER; TO ACQUIRE AND INSTALL EQUIPMENT, FURNISHINGS AND FIXTURES REQUIRED IN CONNECTION THEREWITH, TO BE ACQUIRED BY THE AGENCY AND LEASED TO THE LESSEE, AND TO TAKE OTHER PRELIMINARY ACTION.**

*Paul Leone gave a brief overview of the project, which is a continuation of the Company’s ongoing renovation project. Renovations of additional guest rooms and common areas in the existing 166 room hotel include sales tax exemptions only on non-manufacturing equipment for an estimated project in the amount of \$600,000.*

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

MEMBER FIALKIEWICZ	VOTED	YES
MEMBER HOFFMAN	VOTED	YES
MEMBER KURTZMAN	VOTED	YES
MEMBER LOCICERO	VOTED	YES
MEMBER NUNAN	VOTED	YES
MEMBER O’BRIEN	VOTED	WAS ABSENT
CHAIRMAN FUDOLI	VOTED	YES

Richard Grimm arrived at 8:47 AM

**CURRENT BUSINESS**

*Chairman Fudoli addressed the Board with regard to the LIDA granting authorization to Magavern, Magavern & Grimm to conduct research into options for utilizing some of the Agency’s assets to further economic development in the Villages of Lancaster and Depew and the Town of Lancaster. The Board granted verbal approval to Magavern, Magavern & Grimm to begin conducting research in this area.*

*Cemetery Road Property – Richard Grimm provided an update to the Board regarding the sale of the vacant property on Cemetery Road. A revision to the survey is required before closing is scheduled.*

**NEW BUSINESS**

Paul Leone will provide an update regarding the current status of potential projects.

*Mr. Leone and Board Member Steven Hoffman reported that a recent meeting was held with a company interested in pursuing an adaptive reuse project in a vacant building located in the Village of Depew. The potential project is in the due diligence stage. Further details will be provided at a later date.*

*Mr. Leone reported that discussions with NutraBlend and Pfannenberger are continuing.*

**OTHER BUSINESS**

The Scott's Buffalo Inn project was closed on May 28<sup>th</sup>.

**NEXT LIDA MEETING – TUESDAY, JULY 8, 2014 AT 8:45 AM**

By Motion of Member Frank Fialkiewicz and seconded by Member James Nunan, the meeting was adjourned at 9:00 AM.

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E. James Nunan, Secretary

**RESOLUTION OF THE TOWN OF LANCASTER INDUSTRIAL DEVELOPMENT AGENCY (THE "AGENCY") AUTHORIZING GARDEN PLACE INC. (THE "LESSEE") TO RETROFIT, REFURBISH AND EQUIP GUEST ROOMS AND COMMON AREAS IN LESSEE'S EXISTING 166 ROOM HOTEL LOCATED AT 6615 TRANSIT ROAD, TOWN OF LANCASTER; TO ACQUIRE AND INSTALL EQUIPMENT, FURNISHINGS AND FIXTURES REQUIRED IN CONNECTION THEREWITH, TO BE ACQUIRED BY THE AGENCY AND LEASED TO THE LESSEE, AND TO TAKE OTHER PRELIMINARY ACTION.**

WHEREAS, Garden Place Inc. (the "Lessee") has entered into negotiations with the officials of the Town of Lancaster Industrial Development Agency (the "Agency") with respect to the retrofitting, refurbishment and equipping of guest rooms and common areas in Lessee's existing 166 room hotel located at 6615 Transit Road, Town of Lancaster, New York (the "Facility") and the acquisition and installation therein, thereon or thereabout of equipment, furnishings, fixtures and related personal property (the "Equipment"), which Equipment is to be acquired by the Agency and leased to the Lessee (the "Project"); and

WHEREAS, the Applicant has submitted an Eligibility Questionnaire and other materials and information to the Agency (collectively hereinafter the "Eligibility Questionnaire") to initiate the accomplishment of the above; and

WHEREAS, the Eligibility Questionnaire sets forth certain information with respect to the Applicant, including the following: that the Applicant desires Agency assistance in connection with improvements to the Facility currently leased by the Lessee with resultant continued employment in the Town of Lancaster; that the Lessee presently employs approximately 30 full-time and 35 part-time employees at the Facility and it is anticipated that the Lessee will continue to employ the same number of employees after the Project is completed together with construction jobs during the renovation period; that the availability of financing and/or other assistance by the Agency will facilitate the Lessee's ability to upgrade and improve Lessee's business within the Town of Lancaster; there will be no substantial adverse disruption of existing employment at facilities of a similar nature in the Town of Lancaster; the Project will provide employment and substantial capital investment; and that Agency financing or other assistance is necessary to allow the Lessee and to allow the Applicant to proceed with the Project in the Town of Lancaster; and

WHEREAS, the Agency does not require a public hearing on the 2014 Project pursuant to Section 859-A of the General Municipal Law so the assistance available by the Agency is limited to \$100,000 at this time; and

WHEREAS, the Agency desires to further encourage the Applicant with respect to the refurbishment of the Facility, if by so doing it is able to induce the Applicant to proceed with the Project in the Town of Lancaster and to acquire the Equipment required in connection therewith; and

WHEREAS, by resolution dated March 12, 2013, as amended May 14, 2013, the Agency has previously induced the 2013 Garden Place Inc. Project to provide assistance to the Applicant in refurbishing the Facility (the "2013 Project"). The 2013 Project has not yet been closed, nor have the fees and expenses of the Agency incurred in connection with the 2013 Project (the "Outstanding Fees") been paid by the Applicant.

NOW, THEREFORE, THE TOWN OF LANCASTER INDUSTRIAL DEVELOPMENT AGENCY HEREBY RESOLVES AS FOLLOWS:

Section 1. The Agency hereby determines that the refurbishment of the Facility and installation of the Equipment in connection with the Project and the assistance thereof by the Agency pursuant to the New York State Industrial Development Agency Act will promote and is authorized by and will be in furtherance of the policy of the State as set forth in said Act. The Agency further hereby determines, on the basis of the Eligibility Questionnaire and supplemental information furnished by the Lessee, as follows: (a) it would not have assisted the Project except to induce the location of the Project in the Town of Lancaster; (b) but for the availability of Agency assistance for the Project in the Town of Lancaster, the Project would not be economically feasible; (c) there will be no substantial adverse disruption of existing employment or facilities of a similar nature to the Project in the Town of Lancaster; and (d) the Project will provide substantial employment and substantial capital investment; the Agency further determines, on the basis of the Lessee's Eligibility Questionnaire; that (e) the Project as represented is reasonably necessary to provide the purposes of the Act, subject to verification and confirmation of such representations prior to the Agency entering an installment sale transaction; (f) and that therefore Agency financing or other assistance is necessary to encourage the Applicant to expand in the Town of Lancaster; and (g) the Agency's assistance with the Project is an integral part of the Applicant's plan to proceed with the Project in the Village of Lancaster.

Section 2. The Agency hereby authorizes the Lessee to proceed with the refurbishment of the Facility and installation of the Equipment in connection with the Project as herein authorized. The assistance by the Agency at this time shall be limited to sales tax abatement on the construction of the renovations to the Facility and the purchase and installation of the Equipment required in connection therewith, with the total benefits authorized for the 2014 project shall not to exceed \$100,000. No other financial assistance shall be provided unless and until it is authorized following a duly held public hearing.

Section 3. 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, Treasurer and Secretary of the Agency and other appropriate officials of the Agency and its agents and employees are hereby authorized and directed to take whatever steps may be necessary to cooperate with the Applicant to assist in the acquisition and construction of the Project.

Section 5. The Applicant is authorized to initiate the refurbishment of the building improvements and the Applicant is authorized to initiate the acquisition and installation of equipment, furnishings and fixtures required in connection therewith. The Agency is hereby authorized to enter into such agreements with the Applicant as the Chairman, Vice Chairman, Secretary, Assistant Secretary or other authorized officer may deem necessary in order to accomplish the above.

Section 6. Any such action heretofore taken by the Applicant in initiating the refurbishment and construction of the Project is hereby ratified, confirmed and approved.

Section 7. Any expenses incurred by the Agency with respect to the Project and the financing thereof shall be paid by the Applicant. By acceptance hereof, the Applicant agrees to pay such expenses and further agrees to indemnify the Agency, its members, directors, officers, employees and agents and hold the Agency and such persons harmless against claims for losses, damage or injury or any expenses or damages incurred as a result of action taken by or on behalf of the Agency in good faith with respect to the Project and the financing thereof.

Section 8. The provisions of this resolution shall continue to be effective until one year from the date hereof whereupon this resolution shall cease to be effective (except with respect to matters contained in Section 5 hereof) unless prior to the expiration of such period (a) the Agency shall by subsequent resolution extend the effective date of this resolution or (b) the Applicant shall continue to take affirmative steps to secure financing for the Project.

Section 9. The execution and delivery of an Agent Agreement between the Agency and the Applicant, substantially in the form approved by the Agency for prior transactions or in form approved by the Chairman, Vice Chairman, Secretary or Assistant Secretary, is hereby authorized. The Chairman, Vice Chairman, Secretary or Assistant Secretary or other officer of the Agency are hereby authorized to execute and deliver an Agent Agreement. The Secretary and Assistant Secretary are hereby authorized to attest to the signatures on such agreement and affix the seal of the Agency, if required, on such agreement. The appropriate officers of the

Agency are hereby authorized to execute, seal, acknowledge and deliver such other agreements and any and all papers, instruments, opinions, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for carrying out this resolution. The execution and delivery of each such instrument shall be conclusive evidence of due authorization and approval.

Section 10. The Agency hereby determines, based upon information furnished to the Agency by the Applicant and such other information as the Agency has deemed necessary to make this determination, that the Project does not require the preparation of an environmental impact statement under the State Environmental Quality Review Act, being Article 8 of the New York State Environmental Conservation law, as the contemplated actions will not have a significant effect on the environment.

Section 11. The Agency has made and makes no representation or warranty whatsoever, either express or implied, with respect to the merchantability, condition, environmental status, fitness, design, operation or workmanship of the refurbishment of the Facility, the Equipment, or any other part of the Project, its fitness for any particular purpose, the quality or capacity of the materials in the Project, or the suitability of the Project for the Applicant's purposes or needs. The Applicant is satisfied that the Project is suitable and fit for Lessee's purposes. The Agency shall not be liable in any manner whatsoever to anyone for any loss, damage or expense of any kind or nature caused, directly or indirectly, by the Project or the use or maintenance thereof or the failure of operation thereof, or the repair, service or adjustment thereof, or by any delay or failure to provide any such maintenance, repairs, service or adjustment, or by any interruption of service or loss of use thereof or for any loss of business howsoever caused, and the Applicant hereby indemnifies and holds the Agency harmless from any such loss, damage or expense.

Section 12. Should the Agency's participation in the Project be challenged by any party, in the courts or otherwise, the Applicant shall defend, indemnify and hold harmless the Agency and its members, officers and employees from any and all losses arising from any such challenge including, but not limited to, the fees and disbursements of the Agency's counsel. Should any court of competent jurisdiction determine that the Agency is not authorized under Article 18-A of the General Municipal Law to participate in the Project, this resolution shall automatically become null and void and of no further force and effect, and the Agency shall have no liability to the Applicant hereunder or otherwise.

Section 13. This resolution is subject to compliance with all local building and zoning requirements.

Section 14. This resolution shall take effect immediately.

Section 15. If the Outstanding Fees attributed to the 2013 Project are not paid in full within Thirty (30) days of the date hereof, then the Agency may suspend or terminate any remaining benefits then available under the either Project until the Outstanding Fees are paid.

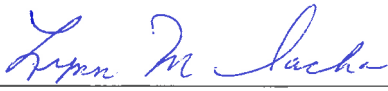
ADOPTED: June 10, 2014

ACCEPTED: \_\_\_\_\_

Garden Hotel Inc. d/b/a Salvatore's Garden  
Place Hotel

By: \_\_\_\_\_  
Joseph A. Salvatore  
President

I, Lynn Sacha, being the Administrative Secretary and Records Management Officer of the Lancaster Industrial Development Agency, hereby certify that this is a true and correct copy of the Resolution adopted by the LIDA board on June 10, 2014.

  
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Lynn M. Sacha

  
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Date