

**Resolution Approving The Terms And Conditions Of A Certain Pilot Agreement To Be Entered Into Between Ulster County Industrial Development Agency And MHMG-KM Kingston LLC In Connection With The MHMG-KM Kingston LLC Project**

Referred to: The Economic Development and Tourism Committee (Chairman Maloney and Legislators Maio, Roberts, Loughran and Wishnick) and The Ways and Means Committee (Chairman Gerentine and Legislators Harris, Maio, Maloney, Gregorius, Provenzano and Rodriguez)

Chairman of the Economic Development and Tourism Committee, James F. Maloney, and Deputy Chairman Peter M. Loughran offer the following:

BE IT ENACTED by the County Legislature of Ulster County, New York (the "County Legislature"), as follows:

WHEREAS, pursuant to Title 1 of Article 18-A of the General Municipal Law of the State of New York, as amended (the "Enabling Act") and Chapter 787 of the 1976 Laws of New York, as amended, constituting Section 923 of said General Municipal Law (said Chapter and the Enabling Act being hereinafter collectively referred to as the "Act"), the County Legislature has heretofore appointed the Chairman and members of Ulster County Industrial Development Agency (the "Agency") and has duly caused to be filed in the office of the Secretary of State of the State of New York the certificates required by Section 856 of the Act; and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to acquire, construct, reconstruct and install one or more "projects" (as defined in the Act) or to cause said projects to be acquired, constructed, reconstructed and installed, and to convey said projects or to lease said projects with the obligation to purchase; and

WHEREAS, MHMG-KM Kingston LLC (the "Company") has presented an application (the "Application") to Ulster County Industrial Development Agency (the "Agency"), a copy of which was presented at this meeting and copies of which are on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") consisting of: (A) (1) the acquisition of an interest in an approximately 5 acre portion of an approximately 10.2 acre parcel of land located at 1561 Ulster Avenue in the Town of Ulster, Ulster County, New York (Tax ID# 38.82-2-7.100) (the "Land"), including the existing improvements located thereon containing approximately 15,000 square feet of space (collectively, the "Existing Facility"), (2) the demolition of the Existing Facility, (3) the construction on the Land of a new 4-story building to contain approximately 84,000 square feet of space (the "Facility") and (4) the acquisition and installation therein and thereon of certain machinery and equipment (the "Equipment") (the Land, the Existing Facility, the Facility and the Equipment being collectively referred to as the "Project Facility"),

**Resolution No. 28      February 19, 2013**

**Resolution Approving The Terms And Conditions Of A Certain Pilot Agreement To Be Entered Into Between Ulster County Industrial Development Agency And MHMG-KM Kingston LLC In Connection With The MHMG-KM Kingston LLC Project**

all of the foregoing to be owned by the Company and leased to Mid Hudson Medical Group, P.C. (the “Tenant”) and utilized by the Tenant as medical office space and other directly and indirectly related activities; (B) the granting of certain “financial assistance” (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes, real estate transfer taxes and mortgage recording taxes (collectively, the “Financial Assistance”); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Agency; and

WHEREAS, in connection with the undertaking of the Project, the Company will execute and deliver a certain payment in lieu of tax agreement (the “PILOT Agreement”) by and between the Agency and the Company pursuant to which the Company will agree to pay certain payments in lieu of taxes with respect to the Project Facility; and

WHEREAS, the proposed payment terms of the PILOT Agreement constitute a deviation from the Agency’s Uniform Tax Exemption Policy (the “Policy”); and WHEREAS, under Section 8(D) of the Policy, prior to entering into a PILOT Agreement that deviates from the Policy’s standard payment terms, the Agency shall (1) notify each affected tax jurisdiction, and (2) attempt to obtain the written consent of all the affected tax jurisdictions; and

WHEREAS, the Agency desires that Ulster County (the “County”), the Town of Ulster, the Kingston City School District, as the affected tax jurisdictions with respect to the Project Facility, adopt resolutions approving the terms of the PILOT Agreement; now, therefore, be it

RESOLVED by the County Legislature of Ulster County as follows:

Section 1. For the purpose of satisfying the requirements contained in Section 8(D) of the Policy, the County Legislature of Ulster County hereby approves the terms and conditions of the PILOT Agreement, including but not limited, to the payment terms. The payment terms to be contained in the PILOT Agreement are substantially described in Schedule A attached hereto.

**Resolution No. 28      February 19, 2013**

**Resolution Approving The Terms And Conditions Of A Certain Pilot Agreement To Be Entered Into Between Ulster County Industrial Development Agency And MHMG-KM Kingston LLC In Connection With The MHMG-KM Kingston LLC Project**

Section 2. The Chairman of the Legislature or the Vice Chairman of the Legislature is hereby authorized, on behalf of the County, to execute and deliver the PILOT Agreement, said PILOT Agreement to contain the payment terms substantially in the form thereof presented at this meeting with such changes, variations, omissions and insertions as the Chairman or Vice Chairman of the Legislature shall approve, the execution thereof by the Chairman or Vice Chairman of the Legislature to constitute conclusive evidence of such approval.

Section 3. The officers, employees and agents of the County are hereby authorized and directed for and in the name and on behalf of the County to do all acts and things required or provided for by the applicable provisions of this Resolution in order to ensure compliance with such provisions as they relate to the execution and delivery of the PILOT Agreement, and to execute and deliver all such additional certificates, instruments and documents, 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 resolution.

Section 4. This resolution shall take effect immediately,

and moves its adoption.

ADOPTED BY THE FOLLOWING VOTE:

AYES: 21      NOES: 0  
(Legislator Briggs left at 10:15 PM)  
(Absent: Legislator Lopez)

Passed Committee: Economic Development and Tourism on February 13, 2013

Passed Committee: Ways and Means Committee on February 19, 2013

FINANCIAL IMPACT:  
SEE SCHEDULE A

**Resolution No. 28      February 19, 2013**

**Resolution Approving The Terms And Conditions Of A Certain Pilot Agreement To Be Entered Into Between Ulster County Industrial Development Agency And MHMG-KM Kingston LLC In Connection With The MHMG-KM Kingston LLC Project**

STATE OF NEW YORK

ss:

COUNTY OF ULSTER

This is to certify that I, the undersigned Clerk of the Legislature of the County of Ulster have compared the foregoing resolution with the original resolution now on file in the office of said clerk, and which was adopted by said Legislature on the 19<sup>th</sup> Day of February, 2013, and that the same is a true and correct transcript of said resolution and of the whole thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of the County of Ulster this 22<sup>nd</sup> Day of February in the year Two Thousand and Thirteen.

|s| Victoria A. Fabella  
Victoria A. Fabella, Clerk  
Ulster County Legislature

Submitted to the County Executive this  
22<sup>nd</sup> Day of February, 2013.

Approved by the County Executive this  
\_\_\_\_\_ Day of February, 2013.

|s| Victoria A. Fabella  
Victoria A. Fabella, Clerk  
Ulster County Legislature

\_\_\_\_\_  
Michael P. Hein, County Executive