



BOND, SCHOENECK & KING, PLLC
ATTORNEYS AT LAW ■ NEW YORK FLORIDA KANSAS

February 23, 2011

VIA CERTIFIED MAIL

Joseph Surace, Assessor
City of Rome
198 North Washington Street
Rome NY 13440

*Re: Oneida County Industrial Development Agency 2009 Real Estate Lease
Canal Village, LLC Facility*

Dear Mr. Surace:

It has been brought to our attention the terms of the PILOT Agreement relating to the above-referenced project require clarification. Namely, it was the intention of the IDA that the PILOT Payments described in Section 2(a) be allocated among the Taxing Jurisdictions, not paid to *each* Taxing Jurisdiction.

The spirit of this agreement is evident in the fact that, at the time the transaction closed, total taxes for all affected parcels was \$21,800±. If the Company were to pay the minimum \$11,000 PILOT Payment to each taxing jurisdiction, it would result in an increased obligation for the Company, which was not the intent of the IDA.

Enclosed please find an Amendment #1 to PILOT Agreement dated to be effective January 1, 2011 that amends the language accordingly.

Should you have any questions on the enclosed, please do not hesitate to contact our offices.

Very truly yours,

Laura S. Ruberto
Paralegal

Enclosures

c: Attached Distribution List (w/enclosures)

Distribution List

Anthony J. Picente, Jr.
Oneida County Executive
800 Park Avenue
Utica, New York 13501

City of Rome
Attn.: City Treasurer
198 North Washington Street
Rome, New York 13440

Kathy Pilbeam, Director
Real Property Tax Services
Oneida County
800 Park Avenue
Utica, New York 13501

Patricia S. Riedel, President
Board of Education
Rome City School District
409 Bell Road
Rome, New York 13440

County of Oneida
Receiver of Taxes
800 Park Avenue
Utica, New York 13501

Jeffrey P. Simons
Superintendent of Schools
Rome City School District
409 Bell Road
Rome, New York 13440

James F. Brown, Mayor
City of Rome
Rome City Hall
198 North Washington Street
Rome, New York 13440

Diane DeLude, District Treasurer
Rome City School District
409 Bell Road
Rome, New York 13440

**AMENDMENT #1 TO
PAYMENT-IN-LIEU-OF-TAX AGREEMENT**

THIS AMENDMENT #1 TO PAYMENT-IN-LIEU-OF-TAX AGREEMENT dated as of January 1, 2011 is between the **ONEIDA COUNTY INDUSTRIAL DEVELOPMENT AGENCY**, a public benefit corporation of the State of New York having its office at 584 Phoenix Drive, Rome, New York 13441 (the "Agency"), and **CANAL VILLAGE, LLC.**, a limited liability company duly organized and validly existing under the laws of the State of New York, having an address of 1201 East Fayette Street, Syracuse, New York 13210 (the "Company").

W I T N E S S E T H:

The Agency owns a leasehold interest in a certain facility consisting of residential housing units located at 410 – 416 S. James Street, 418 S. James Street, 420 S. James Street, 403 West Street, 426 S. James Street, 428 – 430 S. James Street, 432 S. James Street, 434 S. James Street, 436 S. James Street, 427 S. James Street, 431A S. James Street, 442 S. James Street, 444 S. James Street (the "Existing Improvements") situated on a 1.7± acre parcel of land in the City of Rome, Oneida County, New York, more particularly set forth on Exhibit A attached hereto and made a part hereof (the "Land"); demolish certain Existing Improvements; renovate certain Existing Improvements and construct 33 new residential apartment units and a community building with laundry facility (collectively, the "Improvements") and acquire and install equipment in the Improvements (the "Equipment") (the Land, the Existing Improvements, the Improvements and the Equipment being collectively referred to as the "Facility"), all to be used by the Company in connection with the development of quality affordable housing for low and moderate income families through the New York State Division of Housing and Community Renewal Low Income Housing Tax credit program;

The Agency leases the Facility to the Company pursuant to a Lease Agreement dated as of April 1, 2009 (the "Lease Agreement") by and between the Agency and the Company;

The Agency and the Company entered into a Payment-in-Lieu-of-Tax Agreement dated as of April 1, 2009 (the "PILOT Agreement") in order to make provisions for payments in lieu of taxes with respect to the Facility; and

The Agency deems it necessary and proper to amend the PILOT Agreement to clarify the provisions for payments-in-lieu-of-taxes and such assessments with respect to the Facility.

NOW THEREFORE, in consideration of the mutual covenants expressed herein and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. **Payments In Lieu of Taxes.** Section 2(a) of the PILOT Agreement is replaced in its entirety by the following language:

2 (a) The Company shall pay to Taxing Authorities as set forth on Schedule A attached hereto and made a part hereof an amount in lieu of the Exempt Taxes (the "PILOT Payments") during each Exemption Year as follows:

(i) One hundred percent (100%) of Exempt Taxes during Year One;

(ii) An amount equal to the greater of seven percent (7%) of the gross annual rental income collected by the Company in relation to the leasing of the Facility or eleven thousand dollars (\$11,000.00) during years two through and including sixteen, such amount to be allocated among the Taxing Authorities in the same proportion as ad valorem taxes would have been allocated but for the Agency's involvement, unless the Taxing Authorities have consented in writing to a specific allocation (For the purposes of apportioning PILOT Payments, each Taxing Authority shall use the tax rate for the prior Exemption Year); and

(iii) One hundred percent (100%) of Exempt Taxes after year sixteen.

2. **Effect of Amendment.** This Amendment #1 to Payment In Lieu of Tax Agreement serves only to clarify the PILOT Payments to be made by the Company. All terms, conditions, representations and covenants of the PILOT Agreement remain in full force and effect and are hereby restated with respect to the description of the Facility as now defined.

3. **Counterparts.** This Amendment #1 to Payment In Lieu of Tax Agreement may be executed in several counterparts and all so executed shall constitute one Agreement, binding on all the parties hereto even though all the parties are not signatories to the original or to the same counterpart.

4. **Definitions.** All capitalized terms not defined herein shall have the same definitions assigned to them in the PILOT Agreement.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed this **Amendment #1 to Payment-in-Lieu-of-Tax Agreement** as of January 1, 2011.

ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: David C. Grow
David C. Grow
Its Chairman

CANAL VILLAGE, LLC
By HV Consultants Holding Co., LLC,
Its Managing Member
By Housing Visions Consultants, Inc.,
Its Manager

By: _____
Kenyon M. Craig
President

IN WITNESS WHEREOF, the parties hereto have executed this Amendment #1 to Payment-in-Lieu-of-Tax Agreement as of January 1, 2011.

**ONEIDA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**

By: _____
David C. Grow
Its Chairman

CANAL VILLAGE, LLC
By HV Consultants Holding Co., LLC,
Its Managing Member
By Housing Visions Consultants, Inc.,
Its Manager

By: 

Kenyon M. Craig
President

STATE OF NEW YORK)

: ss.:

COUNTY OF ONEIDA)

On the ___ day of February 2011 before me, the undersigned a notary public in and for said state, personally appeared **David C. Grow**, 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.

Notary Public

STATE OF NEW YORK)

: ss.:

COUNTY OF *Oranada*)

On the 15th day of February 2011 before me, the undersigned a notary public in and for said state, personally appeared **Kenyon M. Craig**, 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.

Anita Nash

Notary Public

Anita Nash
Notary Public in the State of New York
Qualified in Onon. Co. No. 01NA6172670
My commission Expires August 13, 2011