

IV. Certification

DAVID HART deposes that he/she is the MANAGER
(Name of chief executive officer of company submitting application) *(Title)*

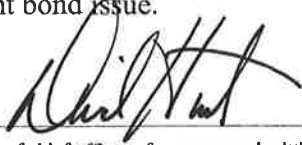
Of LENROC LP, the corporation named in the attached application; That he/she has
(Company Name)

read the foregoing application and knows the contents thereof; that the same is true to his knowledge. Deponent further says that the reason this verification is made by the deponent and not by LENROC LP is because the said company is a corporation.
(Company Name)

The grounds of deponent's belief relative to all matters in the said application which are not stated upon his own personal knowledge, are investigations which deponent has caused to be made concerning the subject matter of this application as well as information acquired by deponent in the course of his duties as an officer of and from the books and papers of said corporation.

As an officer of said corporation (hereinafter referred to as the "Applicant"), deponent acknowledges and agrees that applicant shall be and is responsible for all costs incurred by the nonprofit Tompkins County Industrial Development Agency (hereinafter referred to as the "Agency") acting in behalf of the attached application whether or not the application, the project it describes, the attendant negotiations and ultimately the necessary issue of bonds or transfer of title are ever carried to successful conclusion. If, for any reason whatsoever, the Applicant fails to conclude or consummate necessary negotiations or fails to act within a reasonable or specified period of time to take reasonable, proper, or requested action, or withdraws, abandons, cancels, or neglects the application or if the Agency or Applicant are unable to find buyers willing to purchase the total bond issue required or financing for the project, then upon presentation of invoice, the Applicant shall pay to the Agency, its agents, or assigns all actual costs involved in conduct of the application, up to that date and time, including but not limited to fees of bond counsel for the Agency and fees of general counsel for the Agency. Upon successful conclusion and sale of the required bond issue or transfer of title the Applicant shall pay to the Agency an administrative fee set by the Agency, not to exceed an amount equal to 1% of the total project cost. The cost incurred by the Agency and paid by the Applicant, including bond counsel, the Agency's general counsel's fees and the Agency's

administrative fees, may be considered as a cost of the project and included as part of the resultant bond issue.



(Signature of chief officer of company submitting application)

NOTARY

Sworn to before me this

20th day of May, 2013
Debra A. Herman

DEBRA A. HERMAN
NOTARY PUBLIC, STATE OF NEW YORK
REGISTRATION No. 01HE6172277
QUALIFIED IN ERIE COUNTY
My Commission Expires Aug. 6, 2015

V. Completion Status (To be Completed by Staff)

Eligibility Criteria:

Size _____

Density _____

Location _____

Additional Documentation Submitted: _____

Staff Review Date _____

Mayor's Endorsement date _____

III. Tax Abatement Application

CIITAP Application for Tax Abatement

The City of Ithaca Community Investment Incentive Program provides incentives for investment in the City. The incentives include property tax reductions and/or abatements for a period of up to 7 years. Applicants and projects must meet the minimum eligibility requirements (see application Part 5) in order to apply for the program

Part 1. -Applicant Information

Application Date: 4/20/13

Company/Applicant Name: LENROC L.P. dba: HOLIDAY INN - ITHACA

Primary Contact: DAVID HART

Address: 617 DINGENS ST City: BUFFALO State: NY Zip: 14206

Phone: 716-893-6551 Email: DHART@HARTHOTELS.COM

Applicant Attorney: MIKE SCHIAVONE

Attorney Address: 42 DELAWARE AVE City: BUFFALO State: NY Zip: 14202

Attorney Phone: 716-649-1333 Email: MSCHIAVONE@LG.LAW.COM

Applicant Accountant: DOPKINS & COMPANY LLP

Accountant Address: 200 INTERNATIONAL City: BUFFALO State: NY Zip: 14221

Accountant Phone: 716-634-8800 Email: DOPKINS@DOPKINS.COM

Applicant Engineer/Architect: JIM BOY

Address: 66 AYLUGA ROAD City: CHEMUNG State: NY Zip: 14225

Phone: 716-565-0722 Email: JEB0209@AOL.COM

Will a separate company hold title to/own property in question that is separate from the operating company? If yes, please provide the name and contact information for that entity.

Company Name: OWNER: LENROC L.P. OPERATOR: HART HOTELS INC.

Primary Contact: DAVID HART

Address: 617 DINGWANS ST City: BUFFALO State: NY Zip: 14206

Phone: 716 893 6551 Email: DHART@HARTHOTELS.COM

Describe the terms and conditions of the lease between the applicant and the owner of the property: NOT A LEASE. MANAGEMENT AGREEMENT BETWEEN OPERATOR AND OWNER

Part 2. -Business History

Year Company was Founded: LENROC L.P. FOUNDED 1992

Type of Ownership (Corporation, LLC, Sole Proprietor): LLC

Product or Service: HOTEL OWNER

Major Customers: DIVISIONS OF CORNELL UNIVERSITY/AND ITHACA COLLEGE. DL INSTRUMENTS, BORG WARNER, IMR

Major Suppliers: US FOODS, GUEST SUPPLY, SYSCO FOODS HOME DEPOT, MAINES FOOD AND PAPER

Major Local Competitors: HILTON GARDEN INN, HAMPTON INN MARRIOTT COURTYARD, RAMADA

Part 3. -Project Description

Project Narrative: ATTACHED

Project Location: 222 S. CAYUGA STREET

Property Size (acres) - both existing & proposed: 2.27 ACRES, NO CHANGE

Building Size (square feet) - both existing & proposed: 100,000 / 140,000

Proposed Project Start & Completion Dates: 11/1/13 / 3/31/15

Do you certify that this project will not result in the relocation of all or part of any business or jobs from another county within New York State to Tompkins County?
 Yes No

List the names, nature of business of proposed tenants, and percentage of total square footage to be used for each tenant (additional sheets may be attached, if necessary):

AREA	SQ. FEET	%
GUESTROOMS	95,000	68
CONFERENCE	17,000	12
RESTAURANT	14,000	11
OTHER	12,000	9

Hotel Ithaca

Project Description

Objective: Proactively address the functional obsolescence of the existing forty year old full service hotel located in the heart of Downtown Ithaca by redeveloping the site and facility into an IACC accredited Independent Conference Center Hotel. The current Holiday Inn license will expire on November 1, 2013. The newly named **Hotel Ithaca and Conference Center** will enhance the current strong market position of the hotel by constructing much needed conference facilities. The hotel will be an independent privately owned facility with no national franchise affiliation. The redevelopment will preserve the 90 existing jobs that would have been at risk over time while creating the need for 25 new jobs.

Plan: Demolish three guestroom wings, all built in 1972 totaling 101 guestrooms and replace that guestroom inventory with a new eight-story tower of 97 guestrooms. The existing tower and commercial building will be saved but fully renovated. The hotel room count will decrease from 181 to 177. Convention and meeting space will be expanded from the current 4,000 square feet to 15,000 square feet including a new 6,000 square foot ballroom. Ballroom seating capacity will exceed 400 for a formal function. Significant breakout meeting space and pre-function area will enable the hotel to attract small to medium sized business and social events, conferences and association meetings from New York State and neighboring states.

A new café will be created on the ground floor of new tower with street presence on S. Cayuga Street. A roof top entertainment complex on top of the new tower will add an exciting new attraction to the area. The rooftop will double as a special event venue and evening lounge with an urban club atmosphere. Workforce housing are also included on the first floor of the new tower with capacity for 15 employees. The new and expanded facilities will compliment facilities at Cornell University and the new event center at Ithaca College and enhance the Ithaca urban core by promoting and accommodating residential, lodging, meeting, dining and entertainment facilities.

The site zoning allows for a 100' building height and 100% density. The new tower will match the 100' height of the existing tower. On premise parking will be reduced from 108 to 90 spots however a 750-car city owned parking garage across the street will provide ample overflow parking. The convenient location of the garage and the excess capacity provide the perfect opportunity for the hotel to take advantage of the 100% density zoning.

Approvals: This project is shovel ready for a November 2013 start and March 2015 completion. Ithaca planning board has approved the project. Environmental impact is complete and approved with a negative declaration. Project design and drawings are complete. Site zoning allows for the proposed plan, the one variance required has been granted. Krog Corporation will act as the general contractor. Project developers and partners have the necessary experience to complete the project and manage the new Independent Hotel operation based on success on other similar projects and twenty years of hotel operating experience in Ithaca. The developers will be making a significant investment due to the type of construction, location of the project, size and scope of the conference center and the generally the high cost of building full service hotels. However, the manner in which this project is being administered by redeveloping in part an existing hotel site and reusing in part existing structures with a compliment of new facilities will deliver this project at about two thirds of the replacement cost of a completely brand new facility. This is a unique opportunity to deliver, in a timely manner, a demand generating upscale conference center and hotel in the perfect location complimenting the City of Ithaca's CBD. The project will fill a large hole in the hospitality segment of the Ithaca economy and more generally, Tompkins County, New York's Southern Tier and the Finger Lakes Region.

The project will commence in the fall of 2013 with a complete hotel closure for approximately six months. This will allow for the renovation of the tower guestrooms, lobby, restaurant and meeting space. In the late spring of 2014 the hotel will reopen with 80 rooms and food and beverage outlets. Construction of the new tower and conference center will continue through 2014. The entire project will be complete in the spring 2015. While the hotel is closed some staff will be retained to assist with the renovations and project coordination. During the approximate 18 month period when the hotel is closed (or open with limited facilities) the hotel is expected to lose one full year worth of revenues.

Construction Timeline:

- November 2013 - close hotel
- November - December 2013 - Demolition.
- January - April 2014 - complete foundation work and steel structure.
- April 2014 - reopen hotel with 80 rooms and F&B operation
- April 2014 - February 2015 - complete general construction.
- March 2015 - open new facility

Part 4. -Project Costs

Value of land to be acquired (if any): EXISTING

Value of buildings to be acquired (if any): EXISTING

Cost of New Construction: \$11.5M % subject to local sales tax 50%.

Value of Improvements: \$1.3M % subject to local sales tax 10%.

Value of Equipment to be Acquired: \$3.0M % subject to local sales tax 100%.

Other: SOFT COSTS \$2.0M % subject to local sales tax 0

Total: \$17.8M

Part 5. - Criteria

Will the proposed project result in an increase to the tax roll value of new real property by at least \$500,000? YES

Does this project contain at least three occupiable stories? YES

Proposed Height (in stories and feet): 8 STORIES 100'

Does the project include a rehab of an existing structure? YES

Is the project located in the City of Ithaca Density District? YES

Does the project contain the redevelopment of a Brownfield site? NO