

**PUBLIC HEARING**  
**200 HARRISON ST.**  
**JAMESTOWN, NY**  
**CCIDA BOARD ROOM**  
**HH JAMESTOWN LLC**  
**MARCH 9, 2016**  
**11:30 A.M.**

**Attendance:**

**Carol Rasmussen, County of Chautauqua IDA**

**Richard Dixon, County of Chautauqua IDA**

**Dave McCoy, Chautauqua County PED**

**William Salter, Holiday Inn Express**

**Ram Patel, Holiday Inn Express**

**Jayesh Patel, Holiday Inn Express**

Good morning. My name is Carol Rasmussen. I am the Business Development Manager for the County of Chautauqua Industrial Development Agency (hereafter, the "Agency") and I have been directed by the members of the Agency to hold a public hearing. Today is Wednesday, March 9, 2016 and the time is now 11:30 a.m. We are at the CCIDA Board Room, 200 Harrison Street, Jamestown, NY 14701.

This is a public hearing pursuant to section 859-a of the New York General Municipal Law, as amended. The Agency has received an application for financial assistance in connection with the following matter:

HH Jamestown, LLC, a corporation existing under the laws of the State of New York, (the "Applicant"), presented an application (the "Application") to the Agency, which Application requested that the Agency consider undertaking a project (the "Project") consisting of the following: (A) (1) the acquisition of an interest in approximately 1.41 acres of land located at 150 W. 4th Street, Jamestown, County of Chautauqua, New York (collectively, the "Land"), (2) the renovation of an approximately 97,329 square foot building located on the Land (collectively, the "Building"), and potential driveway, parking, landscaping and related improvements to the Land (together with the Building, collectively, the "Facility"), and (3) the acquisition and installation therein and thereon of certain furniture, fixtures, machinery and equipment (the "Equipment"), all of the foregoing for use by the Applicant as a full service hotel and banquet facility (collectively, the "Project Facility"); (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 or partial exemptions from sales and use taxes, mortgage recording taxes and real property taxes (but not special assessments or ad valorem levies) (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase) or sale of the Project Facility to the Applicant or such other entity as may be designated by the Applicant and agreed upon by the Agency.

Notice of this public hearing was published in *The Jamestown Post Journal* on February 27, 2016 and mailed to the Chief Executive Officer of each affected tax jurisdiction on February 25, 2016.

The purpose of this hearing is to provide an opportunity for all interested parties to present their views, both orally and in writing, with respect to the Project.

Let the record show that members of the public are in attendance.

I will ask at this time if anyone has a desire to comment with respect to the Project. If you wish to speak, please state your name and affiliation.

Would anyone like to speak in regard to the project:

(Tape broke during Jay's comments, and he repeated his comments on the new tape)

Jayesh Patel

Yes, my name is Jay Patel and I am with Holiday Inn Express.

When we applied for IDA benefits, the policy was very clear that no non-manufacturing PILOTS and no hospitality PILOTS, unless it is a tourist destination. So, on the same competitive argument; if Double Tree is proving that there is going to be a tourist destination, we can prove our case too. That we, and are attracting people from other townships. They have no business to conduct in Jamestown, they are just staying at the hotel. Not every guest I am talking, but a good portion of them. That we could prove, and the similar request that we would like you to consider is to offer the same if there is another hotel in Dunkirk. Dunkirk is all basic hotels now, and we can put a modern facility and prove in numbers that it will be full of people from Erie County and also from Pennsylvania, and that side of the travelers who will not have business to conduct in Dunkirk, yet they will be staying at the hotels. So the question is, "Are we going to get the same benefit offered as them, and if so are we going to revisit our PILOT agreement that we have done already for Holiday Inn Express Jamestown for the mortgage tax and all? By any means, we are not against this project, we are excited to have the hotel there, and I am glad it is a nicer brand and not a budget hotel that is going to hurt the economy in general. Everybody likes the newer stuff and the Double Tree option will make them spend a lot of money because they are one of the top notch brands. So, they have to upgrade the facility. So, from that standpoint; not by any means we are not against the project, but would like to get the same level field where we are developing hotels. So far, on the record we own five hotels in Jamestown, and wish to do a lot more. If you look at the last ten year

history, we are the only developer doing new hotel facility in this township. So, we really want some consideration given just to us, even after the fact or next year.

Carol Rasmussen

Thank you Jay; that was Jay Patel. Jay is the owner of the new Holiday Inn Express. As he stated, he owns five hotels in the area. Thank you.

Would anyone else like to speak?

Ram Patel

My name is Ram Patel, also the owner of the Holiday Inn, Hampton Inn, and Best Western in Jamestown. As they said; the same playing level field. If the IDA is going to approve a 15-year tax advantage to this Jamestown group. That is exactly what we asked for in the application for the Holiday Inn Express in Ellicott when we built it. That would be giving us the same advantage in what the new hotel group would get.

Carol Rasmussen

Thank you Ram.

At this time will there be any more comments with respect to the project?

William Salter

Yes Carol, I am William Salter, a consultant for the Holiday Inn Express owners. I had a number of meetings with Jay and Ram, and we went through most of the points they just gave. But, I want to clarify a couple of points regarding the PILOT situation. Clearly, I was part of that when they did the Holiday Inn Express and the Ellicott officials were part of it, and the IDA at that time definitely told us is that the only way you can apply for a PILOT, or you would accept the application for a PILOT was if the actual project was a tourist destination. Clearly in your guy's opinion, and the board's opinion, a hotel is not a

tourist destination. It is a business like any restaurant in town or any gas station, or anybody that benefits from people coming here as tourists for another event. Such as; golf tournament at the Peek, or the Lucy Fest, or things like that which occur in our area. But the hotels itself is not a tourist destination.

We were told, we were told, point blank that it had to be that way. Now with the DoubleTree is going in, I understand you are looking at it more as a tourist destination only because they have banquet facilities. In our opinion, banquets are for locals, not for tourists. Local people have banquets in hotels in these types of facilities. Weddings, their business meetings, political parties have their election parties there, service clubs have meetings there, but it has nothing to do with tourists. So, right now with those things, they do not think its being done on a level plan. If in fact, if they are going to get a PILOT, the request that they asked me to request to you, to revisit their agreement that they have to the Holiday Inn Express. It closed less than eight months ago, the hotel just opened. If in fact you have changed the rule, the IDA has changed the rules on how you are going to treat Hospitality with PILOTS. We would like to reapply and get a 15-year PILOT on the Holiday Inn Express. Jay has already pointed out that he is very interested in knowing what the IDA's position will be on future hotels, as he is going to be presenting in one month in Dunkirk, and I can tell you off the record, or on the record. It doesn't matter; they have two more in the planning stages. I know they have the architects and the accountants running numbers, okay. They are really going to want to know what the position of the IDA is on their future projects. So, I think from a requesting point, what they have asked me to ask you is "look at what they have done at the Holiday Inn". It was less than a year, it was done less than eight months ago, and can they get the same PILOT that these guys got. When we were told that was the only way to receive it. So, that is kind of their position at this point, and we will look forward to hearing from you guys if that is possible. That is what they definitely want to do at this point.

Carol Rasmussen

Okay, thanks' Bill.

Are there any other comments?

Great, thank you.

All comments have been noted for the record, and if no one has anything else to say, I will call this hearing to a close.

Thank you for coming.

It is now 11:43 a.m. on Wednesday, March 9, 2016.

(TIME NOTED: 11:43 a.m.)

Respectively,

A handwritten signature in black ink, appearing to read 'Carol Rasmussen', with a long horizontal flourish extending to the right.

Carol Rasmussen

CCIDA Business Development Manager