

RESOLUTION No. 2023–

***RELATIVE TO TERMINATION OF EXISTING PILOT
AGREEMENT AND CREATION OF NEW PILOT
FOR THE NIAGARA TOWERS APARTMENTS***

BY:

Council Member Kenny Tompkins

WHEREAS, the City of Niagara Falls (the “City”) entered into that certain payment-in-lieu-of-tax agreement dated as of January 1, 1983 (the “Original PILOT”), in relation to a 200 unit affordable housing facility (the “Facility”) located at 821 and 901 Cedar Avenue (the “Premises”), lying and being in the City of Niagara Falls, Niagara County and State of New York, with LH NIAGARA TOWERS LLC, a New York limited liability company (the “Current Owner”), as permitted assignee of Niagara II, L.P.; and

WHEREAS, the Original PILOT was amended by that First Amendment to PILOT Agreement dated as of June 22, 2006, and further amended by that Second Amendment to PILOT Agreement dated October 30, 2019 (collectively, the “Existing PILOT”), which Existing PILOT was assigned by Orbach Affordable Housing Solutions, LLC to the Current Owner; and

WHEREAS, in connection with a rehabilitation of the Facility of approximately \$11,000,000.00, the Premises will be transferred to OAHS NIAGARA TOWERS TC LLC AND OAHS NIAGARA HOUSING DEVELOPMENT FUND CORPORATION (collectively, the “New Owner”); and

WHEREAS, the Existing PILOT is scheduled to terminate on December 31, 2041;
and

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WHEREAS, Orbach Affordable Housing Solutions, LLC, on behalf of the New Owner, has requested that the City enter into a new payment-in-lieu-of-tax agreement (the “New PILOT”) with the New Owner; and

WHEREAS, the initial PILOT payment under the New PILOT will be \$80,000.00 which is an increase from the 2022 PILOT payment of \$57,672.63; and

WHEREAS, the new PILOT will be for a term of forty (40) years, will include annual payment increases of 2% during the term of the agreement; and

WHEREAS, simultaneous with the City and the New Owner entering into the New PILOT, the parties wish to terminate the Existing PILOT.

NOW, THEREFORE BE IT RESOLVED that the Niagara Falls City Council hereby approves:

- i) the termination of the Existing PILOT agreement,
- ii) the New PILOT agreement, and
- iii) to the extent applicable, approves the transfer of the property to the New Owner; and

BE IT FURTHER RESOLVED that Mayor Robert Restaino is hereby authorized and directed to execute, on behalf of the City, the Termination of PILOT Agreement, the New PILOT, and any documents that may be required to evidence the City’s consent to the transfer of the property, provided that these documents are in form and content acceptable to the office of the Corporation Counsel.