

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”) and Section 859-a of Title 1 of Article 18-a of the General Municipal Law of the State of New York, as amended, and Chapter 453 of the Laws of 1970 of the State of New York (hereinafter collectively called the “Act”) will be held by the **COUNTY OF FRANKLIN INDUSTRIAL DEVELOPMENT AGENCY** (the “Agency”) on Tuesday, August 24, 2021, at 5:00 p.m. local time, at the Town of Tupper Lake Town Hall, 120 Demars Boulevard, Tupper Lake, New York 12986, in connection with the matter described below.

CHURCH STREET NY LLC, for itself and/or on behalf of an entity or entities to be formed (collectively, the “Company”), has submitted an application to the Agency, requesting that the Agency issue its tax-exempt multi-family housing revenue bonds in a principal amount not to exceed \$5,100,000 (the “Bonds”) for the purpose of financing a certain project (the “Project”) consisting of: (i) the acquisition by the Agency of a leasehold interest in approximately .94 acres of real property located at 15 Church Street in the Village of Tupper Lake, New York (the “Land”, being more particularly described as tax parcel No. 490.75-2-1) along with the existing improvements thereon consisting principally of an approximately 41,000 square foot residential apartment building consisting of approximately fifty (50) one bedroom units, all of which are HUD Section 8 subsidized (the “Existing Improvements”); (ii) the renovation, reconstruction, rehabilitation and operation of the Existing Improvements, together with other related site work, exterior access and egress improvements, curbage, signage, utility and related exterior improvements (collectively, the “Improvements”); (iii) the acquisition of and installation in and around the Land, the Existing Improvements, and Improvements by the Company of machinery, equipment, fixtures and other items of tangible personal property (the “Equipment” and, collectively with, the Land, the Existing Improvements and the Improvements, the “Facility”); (iv) funding all or a portion of the costs of a debt service reserve fund, if any, and paying capitalized interest, if any, and certain other costs and expenses incidental to the issuance of the Bonds (the costs associated with items (i) through (iv) above being hereinafter referred to as the “Project Costs”) and (v) entering into a straight lease transaction (within the meaning of subdivision (15) of Section 854 of the Act), pursuant to which the Agency will retain a leasehold interest in the Facility for a period of time and sublease such interest in the Facility back to the Company (the “Straight Lease Transaction”).

The Project Facility will be owned, operated and managed by the Company. The Bonds will be a special obligation of the Agency payable solely from rental payments made by the Company to the Agency pursuant to a lease or other agreement and certain other assets of the Company pledged to the repayment of the Bonds. The Agency is contemplating providing financial assistance to the Company with respect to the Project (the “Financial Assistance”) in the form of: (i) interest savings through the issuance of the Bonds, (ii) an exemption from all State and local sales and use taxes with respect to qualifying personal property included in or incorporated into the Facility or used in the acquisition, construction or equipping of the Facility; (iii) mortgage recording tax exemption(s) relating to financings undertaken in furtherance of the Project, including the Agency’s issuance of the Bonds; and (iv) a partial real property tax abatement provided through a Payment in Lieu of Tax Agreement (“PILOT Agreement”), pursuant to which

the Company would make payments in lieu of real property taxes to the Agency for the benefit of each municipality having taxing jurisdiction over the Project Facility.

If the issuance of such Bonds is approved by the Agency, (i) it is intended that interest on such Bonds will be excluded from gross income for federal income tax purposes, pursuant to Section 103(a) of the Code, (ii) the Company shall make payments sufficient to fund debt service on the Bonds and make certain other payments, and (iii) the Bonds will be special limited obligations of the Agency payable solely from certain of the proceeds of the agreement and certain other assets of the Agency pledged to the repayment of the Bonds. It is intended that the Bonds will be issued as exempt facility bonds for a qualified residential rental project pursuant to Section 142(a)(7) of the Code. Under the Code, approval of the issuance of the Bonds by the Franklin County Legislature is necessary under Section 147(f) of the Code in order for the interest on the Bonds to be excluded from gross income for federal income tax purposes.

THE BONDS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING FRANKLIN COUNTY, AND NEITHER THE STATE OF NEW YORK NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING FRANKLIN COUNTY, SHALL BE LIABLE THEREON.

Minutes of the public hearing will be made available to the Franklin County Legislature. Approval of the issuance of the Bonds by Franklin County, through the Board of Legislators, is necessary in order for the interest on the Bonds to be excluded from gross income for federal income tax purposes.

PLEASE NOTE SPECIAL PUBLIC HEARING CONDUCT INSTRUCTIONS AND INFORMATION:

In accordance with Section 859-a of the Act, a representative of the Agency will be at the above-stated time and place to present a copy of the Company's Project Application (including a cost-benefit analysis), which is also available for viewing on the Agency's website at <https://adirondackfrontier.com/about-us/resource-library/>. The Agency also encourages all interested parties to submit written comments to the Agency, which will all be included within the public hearing record, which can be submitted to Jeremy Evans, AICP, Chief Executive Officer, County of Franklin IDA, 355 West Main Street, Suite 428, Malone, NY 12953 and/or jeremy@adirondackfrontier.com.

DATED: August 6, 2021

COUNTY OF FRANKLIN INDUSTRIAL
DEVELOPMENT AGENCY