

**NOTICE OF PUBLIC HEARING ON
PROPOSED ISSUANCE OF BONDS AND FINANCIAL ASSISTANCE**

NOTICE IS HEREBY GIVEN pursuant to the Internal Revenue Code of 1986, as amended (the "Code") and Section 859-a and Article 18-A of the New York State General Municipal Law that a public hearing will be held by the Orange County Industrial Development Agency (the "Issuer") on Tuesday, March 16, 2021, at 10:00 a.m., local time ("Hearing"), in connection with matter described below. As more fully set forth below, the public hearing will be held via toll-free telephone conference and by additional remote electronic means only (including Zoom) as set forth below. **PLEASE NOTE THE SPECIAL PUBLIC HEARING LOGISTICS AND INSTRUCTIONS INCLUDED AT THE END OF THIS NOTICE.**

WALLKILL OWNER LLC, a New York limited liability company, for itself and/or on behalf of an entity to be formed (collectively, the "Company"), has submitted an application (the "Application") to the Issuer, requesting that the Issuer issue its multi-family housing revenue bonds in the maximum stated principal amount not to exceed \$18,000,000 (the "Bonds") pursuant to the provisions of a trust indenture or amendment thereof (the "Indenture") by and between the Issuer and a trustee for the holders of the Bonds issued under the Indenture in connection with the undertaking by the Issuer of a project (the "Project"), which Project consists of: (A) the acquisition by the Issuer of title to or a leasehold interest in approximately 14.10 acres of real property located at 455 Schutt Road Extension in the Town of Wallkill, New York (the "Land", being more particularly described as tax parcel No. 50-2-49.22) and the existing improvements located thereon consisting principally of an approximately 160,000 square foot building (the "Existing Improvements"); (B) the planning, design, construction, reconstruction, rehabilitation and upgrade of the Existing Improvements as a low-income elderly housing facility, consisting of approximately 136 residential rental units (consisting of approximately 58 one-bedroom units and 78 two-bedroom units), all of which will serve those at 60% Area Median Income (the "Improvements"); and (C) the acquisition and installation, in, on or around the Improvements of various machinery, equipment and personal property (collectively, the "Equipment"; and, collectively with the Land, the Existing Improvements and the Improvements, the "Facility"); (D) 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 (A) through (D) above being hereinafter referred to as the "Project Costs"); and (E) the acquisition by the Issuer of fee title to or a leasehold (or other) interest in the Facility and the lease (with the obligation to purchase) or sale of such interest in the Facility back to the Company.

It is intended that the Bonds will be issued as tax-exempt obligations and will be issued as exempt facility bonds for a qualified residential rental project, pursuant to Section 142(a)(7) of the Code, the interest on which will be excluded from gross income for federal income tax purposes pursuant to Section 103(a) of the Code.

The Issuer is considering the extension of financial assistance for the Project pursuant to the New York State Industrial Development Agency Act and the Agency's enabling legislation, respectively Article 18-A and Section 912 of the General Municipal Law (Chapter 24 of the consolidated laws of New York), which will not deviate from the Uniform Tax Exemption Policy

of the Issuer. The proposed financial assistance being contemplated by the Issuer includes (i) financing a portion of the Project Costs by the issuance of the Bonds in an amount not to exceed the lesser of the Project Costs or \$18,000,000, (ii) an exemption from all state and local sales and use taxes with respect to the qualifying personal property included within the Project or used in the acquisition, renovation reconstruction or equipping of the Project, (iii) an exemption from all New York State and local mortgage recording taxes with respect to any qualifying mortgage on the Facility (or such interest in the Land as is conveyed to the Issuer) to secure the Bonds and (iv) a partial real property tax abatement structured within a payment in lieu of tax agreement.

The proceeds of the Bonds will be loaned by the Issuer to the Company pursuant to the terms of a certain loan agreement, lease agreement or similar agreement (the "Loan Agreement"), between the Issuer and the Company to pay the costs of the Project. The Company will be the initial owner and principal user of the Facility. The Bonds will be special obligations of the Issuer payable solely from loan/lease payments made by the Company to the Issuer pursuant to the Loan Agreement and certain other assets of the Company pledged to the repayment of the Bonds, if any.

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

In addition to the issuance of the Bonds, the Issuer contemplates that it will provide financial assistance to the Company in connection with the Project in the form of exemptions from sales tax, mortgage recording taxes in connection with the financing or subsequent refinancing of the Project and a partial real property tax abatement, consistent with the policies of the Issuer, to be more particularly described in a final Resolution to be adopted by the Issuer prior to the issuance of the Bonds.

The Issuer will hold the public hearing on the proposed issuance of the Bonds and the other financial assistance proposed to be provided for the Project, as required by Section 147(f) of the Code and Section 859-a of the New York State General Municipal Law. The subject of the hearing will be the nature and location of the Facility and the issuance of Bonds of the Issuer to provide financing, and the provision of other financial assistance for the Project. Interested persons are invited to attend and will have an opportunity to make a statement regarding the Project or the financing. Written comments and general inquires may be directed to the Issuer at the address indicated below.

Under the Code, approval of the issuance of the Bonds by the County Executive of the County of Orange is necessary under Section 147(f) of the Code in order for the interest on the Bonds to be excluded from the gross income for federal income tax purposes.

PLEASE NOTE SPECIAL PUBLIC HEARING CONDUCT INSTRUCTIONS AND INFORMATION:

Given the ongoing COVID-19 public health crisis and related Executive Orders issued by Governor Andrew M. Cuomo, the Issuer will not be able to accommodate any in-person public

attendance or participation at this hearing. Nonetheless, in furtherance of federal regulations requiring interested individuals to have a reasonable opportunity to express their view at this hearing, and in accordance with Executive Order No. 202.15 issued on April 9, 2020, as extended by Executive Order 202.29 issued on May 8, 2020, Executive Order 202.39, issued on June 7, 2020, Executive Order 202.55, issued on August 6, 2020, and Executive Order 202.60, issued on September 4, 2020, as amended and extended from time to time, by Governor Andrew M. Cuomo, suspending the Open Meetings Law, and pursuant to Internal Revenue Service Revenue Procedure 2020-49, and if the Issuer is able to hold the public hearing remotely authorizing the conduct of public hearings through use of telephone conference, video conference and/or other similar service, the Issuer will provide all interested persons of the public the opportunity, at the time and on the date indicated above, to provide oral comments with respect to the Project and/or the issuance of the Bonds via a video conference <https://zoom.us/j/96647864120>, with written comments accepted on that platform in real time. In addition, the Issuer will provide public access to provide oral comments in real time via conference bridge at toll free telephone number: 1-646-558-8656, meeting ID # 966 4786 4120 [no passcode required].

Finally, the Issuer also encourages all interested parties to submit written comments to the Issuer, which will be included within the public hearing record. Any written comments may be sent to Orange County Industrial Development Agency, 4 Crotty Lane, Suite 100, New Windsor, New York 12553, Attention: Melanie Schouten and/or via email at business@ocnyida.com with the subject line being "RE: Wallkill Owner LLC", no **later than March 15, 2021.**

A representative of the Issuer will, at the above-stated time and place, hear and accept written comments from all persons with views in favor of or opposed to either the issuance of the Bonds, the granting of other financial assistance contemplated by the Issuer or the location or nature of the Project. For those members of the public desiring to review the application for financial assistance before the date of the hearing, copies of the Application and other related materials will be made available at available for viewing on the Issuer's website at: <https://www.ocnyida.com/active-projects/>.

Dated: February 26, 2021

**ORANGE COUNTY INDUSTRIAL
DEVELOPMENT AGENCY**