

Approving The Issuance Of Certain Bonds By Ulster County Industrial Development Agency To Finance A Project For St. Clara Church Of God In Christ, Inc.

The Economic Development / Education, Tourism and Cultural Affairs Committee (Chairman Harris and Legislators Cummings, Felicello, Roberti, Bartels, Loughran and Zimet) offers the following:

WHEREAS, pursuant to Article 18-A of the General Municipal Law of the State of New York and Chapter 787 of the Laws of 1976 of the State of New York (herein collectively called the "Act"), the County Legislature of Ulster County, New York (the "County Legislature") has heretofore appointed the Chairman and members of the Ulster County Industrial Development Agency (the "Agency") and has duly caused to be filed in the office of the Secretary of the State of New York the certificates required by Section 923 of the General Municipal Law of the State of New York, and

WHEREAS, to accomplish its stated purposes, the Agency is authorized and empowered under the Act to issue its industrial development revenue bonds to finance the cost of the acquisition, construction and installation of one or more "projects" (as defined in the Act), to acquire, construct and install said projects or to cause said projects to be acquired, constructed and installed, and to convey said projects or to lease said projects with the obligation to purchase, and

WHEREAS, St. Clara Church of God in Christ, Inc. (the "Institution") has presented an application (the "Application") to the Agency, copies of which are on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project"), and

WHEREAS, said Project consists of: (A) (1) the acquisition of a parcel of land containing approximately 17.3 acres located at 205-209 Hurley Avenue in the City of Kingston, Ulster County, New York (the "Land"); (2) the construction on the Land of a building to contain approximately 25,000 square feet of space (the "Facility") and (3) the acquisition and installation therein and thereon of certain machinery and equipment (the "Equipment") (the Land, the Facility and the Equipment being collectively referred to as the "Project Facility"), all of the foregoing to constitute a community center, child development center and catering facility and related activities and uses to be owned and operated by the Institution; (B) the financing of all or a portion of the costs of the foregoing by the issuance of taxable revenue bonds (the "Taxable Bonds") and/or tax-exempt revenue bonds (the "Tax-Exempt Bonds") of the Agency in one or more issues or series in an aggregate principal amount not to exceed \$3,500,000.00 (the Taxable Bonds and the Tax-Exempt Bonds being hereinafter collectively referred to as the "Bonds"); (C) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including exemption from certain sales taxes, deed transfer

Resolution No. 335 December 14, 2005

Approving The Issuance Of Certain Bonds By Ulster County Industrial Development Agency To Finance A Project For St. Clara Church Of God In Christ, Inc.

taxes, mortgage recording taxes and real property taxes (collectively with the Bonds, the "Financial Assistance"); and (D) the lease (with an obligation to purchase) or sale of the Project Facility to the Institution or such other person as may be designated by the Institution and agreed upon by the Agency, and

WHEREAS, the County Legislature has been advised by the Agency that the Agency proposes to issue, subsequent to the adoption of this resolution, its civic facility revenue bonds from time to time in a principal amount sufficient to fund all or a portion of the cost of acquiring, constructing and installing the Project Facility, together with incidental costs in connection therewith, which principal amount is presently estimated to be approximately \$3,500,000.00, and

WHEREAS, the Institution has requested that interest on the Bonds be treated by the federal government as excludable from gross income for federal income tax purposes pursuant to section 145(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and

WHEREAS, pursuant to Section 147(f) of the Code, interest on the Bonds will not be excludable from gross income for federal income tax purposes unless the issuance of the Bonds shall be approved by this County Legislature after the Agency has conducted a public hearing thereon following reasonable public notice, and

WHEREAS, on July 28, 2003, the Agency held a public hearing to consider both the issuance of the proposed Bonds and the nature and location of the proposed Project, and a report of said public hearing will be made available to each member of this County Legislature, and

WHEREAS, pursuant to Section 147(f) of the Code, the County Legislature desires to allow the interest on the Bonds to be treated as excludable from gross income for federal income tax purposes.

RESOLVED, by the County Legislature of Ulster County, New York as follows:

Section 1. For the sole purpose of qualifying the interest payable on the Bonds for exclusion from gross income for federal income tax purposes pursuant to

Resolution No. 335 December 14, 2005

Approving The Issuance Of Certain Bonds By Ulster County Industrial Development Agency To Finance A Project For St. Clara Church Of God In Christ, Inc.

the provisions of Section 145(a) of the Code, the County Legislature, as the elected legislative body of Ulster County, New York, hereby approves the issuance by the Agency of the Bonds, provided that the Bonds, and the premium (if any) and interest thereon, shall be special obligations of the Agency and shall never be a debt of the State of New York, Ulster County, New York or any political subdivision thereof (other than the Agency), and neither the State of New York, Ulster County, New York nor any political subdivision thereof (other than the Agency) shall be liable thereon.

Section 2. This resolution shall take effect immediately,

and moves its adoption.

ADOPTED BY THE FOLLOWING VOTE:

AYES: 32 NOES: 0
(Absent: Legislator Hyatt)

FINANCIAL IMPACT:

\$3,500,000.00 - UC INDUSTRIAL DEVELOPMENT AGENCY BONDS

1231