

County of Clinton Industrial Development Agency
Report of the Public Hearing
Regarding Beekman Towers Preservation, LLC
June 22, 2023

The public hearing was called to order by Molly Ryan, Executive Director of the County of Clinton Industrial Development Agency at 10:00 a.m., at the Clinton County Government Center located at 137 Margaret Street in the City of Plattsburgh, Clinton County, New York.

Present: Molly Ryan, Executive Director of the County of Clinton IDA
Toni Moffat, Executive Assistant, County of Clinton IDA
Dorothy Brunell, Administrative Assistant, County of Clinton IDA
Peter Wallace, Beekman Towers Preservation, LLC

My name is Molly Ryan, and I am the Executive Director of County of Clinton Industrial Development Agency (the "Issuer") in connection with the project which is the subject of this public hearing.

Today I am holding this Public Hearing to allow citizens to make a statement, for the record, relating to the involvement of the Issuer with a project (the "Proposed Project") for the benefit of Beekman Towers Preservation LLC, a New York State limited liability company (the "Company").

The Proposed Project consists of the following: (A) (1) the acquisition of an interest in an approximately 3 acre parcel of land located at 50 Truman Avenue (tax map number 207.10-2-24) in the City of Plattsburgh, Clinton County, New York (the "Land"), together with an existing building and related improvements located thereon (collectively, the "Facility"); (2) the reconstruction and renovation of the Facility, and (3) the acquisition and installation thereon and therein of certain related furniture, fixtures, machinery and equipment (the "Equipment") (the Land, the Facility and the Equipment hereinafter collectively referred to as the "Project Facility"), all of the foregoing to constitute an affordable elderly housing facility to be owned and operated by the Company; (B) the financing of all or a portion of the costs of the foregoing by the issuance of taxable and/or tax-exempt revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay all or a portion of the cost of undertaking the Project, together with necessary incidental costs in connection therewith, presently estimated to equal approximately \$21,000,000 but in any event not to exceed \$25,000,000 (the "Obligations"); (C) the payment of a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations and any reserve funds as may be necessary to secure the Obligations; (D) the granting of certain other "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 taxes, mortgage recording taxes and real property taxes (collectively with the Obligations, the "Financial Assistance"); and (E) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Issuer.

For clarification purposes, I would like to state that the Obligations of the Issuer issued with respect to the Proposed Project will not be obligations of the State of New York or any municipality thereof, including Clinton County, New York (the "County"), the municipality for whose benefit the Issuer was created. In addition, the Obligations of the Issuer will not be a general obligation of either the Issuer or the County. **This means that if the holders of the Obligations are not paid by the Company, the holders of the Obligations will not be able to come back against the Issuer or the County. The Obligations are not an obligation of the County or the taxpayers of the County.**

I intend to provide general information on the Issuer's general authority and public purpose to

provide assistance to this Proposed Project. I will then open the comment period to receive comments from all present who wish to comment on either the Proposed Project or the Financial Assistance contemplated by the Issuer with respect to the Proposed Project.

Legal Authorization and Powers of the Issuer

The Issuer is authorized and empowered by the provisions of Chapter 1030 of the 1969 Laws of New York, constituting Title I of Article 18-A of the General Municipal Law, Chapter 24 of the Consolidated Laws of New York, as amended, and Chapter 225 of the 1971 Laws of the State of New York, as amended, codified as Section 895-f of said General Municipal Law (collectively, the “Act”), authorize the Issuer to promote, develop, encourage and assist in the acquiring, constructing, reconstructing, improving, maintaining, equipping and furnishing of industrial, manufacturing, warehousing, commercial, research, and recreation facilities, among others.

Purpose of this Public Hearing

Pursuant to Section 859-a(2) of the General Municipal Law of the State of New York (the “Act”), prior to the Issuer providing any “financial assistance” (as defined in the Act) of more than \$100,000 to any project, the Issuer, among other things, must hold a public hearing pursuant to Section 859-a of the Act with respect to said project. Since the proposed “financial assistance” to be provided by the Issuer with respect to the Proposed Project may exceed \$100,000, then prior to providing any “financial assistance” (as defined in the Act) of more than \$100,000 to the Proposed Project, the Issuer must hold a public hearing on the nature and location of the Project Facility and the proposed “financial assistance” to be provided by the Issuer with respect to the Proposed Project.

Pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), if any portion of the Obligations is intended to be issued as federally tax-exempt obligations (the interest on the Obligations will be excludable from the gross income of the holders thereof for federal income tax purposes), then prior to issuing such portion of the Obligations, (A) the Issuer must hold a public hearing on the nature and location of the Project Facility and the issuance of the Obligations, and (B) thereafter the County Legislature of Clinton County, New York must approve the issuance of the Obligations.

After consideration of the Application received from the Company, the members of the Issuer adopted a resolution on May 8, 2023 (the “Inducement Resolution”) authorizing the Executive Director of the Issuer to conduct this Public Hearing with respect to the Proposed Project pursuant to (1) Section 859-a(2) of the Act and (2) Section 147(f) of the Code.

The Executive Director of the Issuer caused notice of this Public Hearing to be (A) mailed on June 8, 2023 to the chief executive officers of Clinton County, the City of Plattsburgh and the Plattsburgh City School District and (B) published on June 12, 2023 in the Press Republican, a newspaper of general circulation available to the residents of the City of Plattsburgh, Clinton County, New York. In addition, the Executive Director of the Issuer caused notice of this Public Hearing to be posted on June 8, 2023 on the Issuer’s website and also on a public bulletin board located at 137 Margaret Street in the City of Plattsburgh, Clinton County, New York.

Copies of the notice of this Public Hearing are available on the table.

Now, unless there is any objection, I am going to suggest waiving the full reading of the notice of this Public Hearing, and instead request that the full text of the notice of this Public Hearing be inserted into the record of this Public Hearing.

Public Hearing Notice

Notice is hereby given that a public hearing (the "Public Hearing") pursuant to Section 859-a(2) of the General Municipal Law of the State of New York, as amended (the "Act") and Section 147(f) of the Internal Revenue Code of 186, as amended (the "Code") will be held by the County of Clinton Industrial Development Agency (the "Issuer") on the 22nd day of June, 2023 at 10:00 o'clock a.m., local time, at County of Clinton Industrial Development Agency office located at 137 Margaret Street on the second floor of the Clinton County Government Center in the City of Plattsburgh, Clinton County, New York in connection with the following matters:

Beekman Towers Preservation LLC, a limited liability company duly organized and existing under the laws of the State of New York (the "Company"), has submitted an application (the "Application") to the Issuer, a copy of which Application is on file at the office of the Issuer, which Application requested that the Issuer consider undertaking a project (the "Project") for the benefit of the Company, said Project consisting of the following: (A) (1) the acquisition of an interest in an approximately 3 acre parcel of land located at 50 Truman Avenue (tax map number 207.10-2-24) in the City of Plattsburgh, Clinton County, New York (the "Land"), together with an existing building and related improvements located thereon (collectively, the "Facility"); (2) the reconstruction and renovation of the Facility, and (3) the acquisition and installation thereon and therein of certain related furniture, fixtures, machinery and equipment (the "Equipment") (the Land, the Facility and the Equipment hereinafter collectively referred to as the "Project Facility"), all of the foregoing to constitute an affordable elderly housing facility to be owned and operated by the Company; (B) the financing of all or a portion of the costs of the foregoing by the issuance of taxable and/or tax-exempt revenue bonds of the Issuer in one or more issues or series in an aggregate principal amount sufficient to pay all or a portion of the cost of undertaking the Project, together with necessary incidental costs in connection therewith, presently estimated to equal approximately \$21,000,000 but in any event not to exceed \$25,000,000 (the "Obligations"); (C) the payment of a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations and any reserve funds as may be necessary to secure the Obligations; (D) the granting of certain other "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 taxes, mortgage recording taxes and real property taxes (collectively with the Obligations, the "Financial Assistance"); and (E) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company and agreed upon by the Issuer.

The Issuer is considering whether (A) to undertake the Project, (B) to finance the Project by issuing, from time to time, the Obligations, (C) to use the proceeds of the Obligations to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, and (D) to provide certain exemptions from taxation with respect to the Project, including (1) exemption from mortgage recording taxes with respect to any documents, if any, recorded by the Issuer with respect to the Project in the office of the County Clerk of Clinton County, New York or elsewhere, (2) exemption from deed transfer taxes on any real estate transfers, if any, with respect to the Project, (3) exemption from sales taxes relating to the acquisition, reconstruction, renovation and installation of the Project Facility, and (4) in the event that the Project Facility would be subject to real property taxation if owned by the Company but shall be deemed exempt from real property taxation due to the involvement of the Issuer therewith, exemption from real property taxes (but not including special assessments and special ad valorem levies), if any, with respect to the Project Facility, subject to the obligation of the Company to make payments in lieu of taxes with respect to the Project Facility. If any portion of the Financial Assistance to be granted by the Issuer with respect to the Project is not consistent with the Issuer's uniform tax exemption policy, the Issuer will follow the procedures for deviation from such policy set forth in Section 874(4) of the Act prior to granting such portion of the Financial Assistance.

If the issuance of the Obligations is approved, with respect to any portion of the Obligations intended to be issued as federally tax-exempt Obligations, the interest on such portion of the Obligations will not be excludable from gross income for federal income tax purposes unless (A) pursuant to Section 147(f) of the Code and the regulations of the United States Treasury Department thereunder, the issuance of the Obligations is approved by the County Legislature of Clinton County, New York (the "County Legislature") after the Issuer has held a public hearing on the nature and location of the Project Facility and the issuance of the Obligations; and (B) pursuant to Section 142(a)(7) of the Code, at least ninety-five percent (95%) of the net proceeds of the Obligations are used to provide a "qualified residential rental project" within the meaning of such quoted term in Section 142(d) of the Code.

If the Issuer determines to proceed with the Project and the issuance of the Obligations, (A) the Project Facility will be acquired, reconstructed, renovated, and installed by the Issuer and will be leased (with an obligation to purchase) or sold by the Issuer to the Company or its designee pursuant to a project agreement (the "Agreement") requiring that the Company or its designee make payments equal to debt service on the Obligations and make certain other payments and (B) the Obligations will be a special obligation of the Issuer payable solely out of certain of the proceeds of the Agreement and certain other assets of the Issuer pledged to the repayment of the Obligations. **THE OBLIGATIONS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR CLINTON COUNTY, NEW YORK, AND NEITHER THE STATE OF NEW YORK NOR THE COUNTY OF CLINTON, NEW YORK SHALL BE LIABLE THEREON.**

The Issuer has not yet made a determination pursuant to Article 8 of the Environmental Conservation Law (the "SEQR Act") regarding the potential environmental impact of the Project.

The Issuer will at said time and place hear all persons with views on the location and nature of the proposed Project, the Financial Assistance being contemplated by the Issuer in connection with the proposed Project or the proposed plan of financing the proposed Project by the issuance from time to time of the Obligations. A copy of the Application filed by the Company with the issuer with respect to the Project, including an analysis of the costs and benefits of the Project, is available for public inspection during business hours at the offices of the Issuer. A transcript or summary report of the hearing will be made available to the members of the Issuer and to the County Legislature. If the Issuer determines to issue any portion of the Obligations as federally tax-exempt Obligations, approval of the issuance of such portion of the Obligations by Clinton County, New York, acting through the County Legislature, is necessary in order for the interest on such portion of the Obligations to qualify for exemption from federal income taxation.

Minutes of the Public Hearing will be transcribed and posted on the Agency's Website (www.clintoncountyida.com). Additional information can be obtained from, and written comments are encouraged and may be addressed to: Molly Ryan, Executive Director, County of Clinton Industrial Development Agency, 137 Margaret Street, Suite 209, Plattsburgh, New York 12901; Telephone: 518-565-4627.

Dated: June 8, 2023.

The comments received today at this Public Hearing will be presented to the members of the Issuer at or prior to the meeting at which the members of the Issuer will consider whether to approve the undertaking of the Proposed Project by the Issuer and the issuance of the Obligations by the Issuer.

The comments received today at this Public Hearing will also be presented to the County Legislature of Clinton County, New York.

Written Comments

The notice of this Public Hearing indicated that written comments could be addressed to: Molly F. Ryan, the Executive Director of the Issuer. No written comments have been received by the Issuer prior to this Public Hearing.

Remarks by the Company

I will now introduce Peter Wallace of the Company, who will describe the Proposed Project in further detail. P. Wallace expressed his thanks to the CCIDA for considering this Proposed Project. P. Wallace stated that Section 8 housing projects like Beekman Towers, which offer low-income seniors a safe, decent, sanitary and affordable place to live, with a rent subsidy from the Federal government, are becoming very limited throughout the United States so the Company feels it is very important that this Project go forward and the Beekman Towers facility be renovated and maintained.

Open Public Hearing to the Floor for Comments

I will now open this Public Hearing for public comment at 10:07 o'clock, a.m.

By way of operating rules, if you wish to make a public comment, please raise your hand, and I will call on you. Please wait to be recognized, once recognized, please stand and state your name and address for the record.

When everyone has had the opportunity to speak, I will conclude this Public Hearing. A record of this Public Hearing will be prepared and reviewed by the members of the Issuer in connection with the Issuer's consideration of the Proposed Project.

Again, the purpose of this Public Hearing is to solicit public comment. We are not here to answer questions. However, we will in the course of this Public Hearing consider questions if we have the information to answer the questions and there is sufficient time to consider such questions.

I will now ask if there is anyone in attendance who wishes to comment on either on the nature and location of the Project Facility or the proposed "financial assistance" being contemplated by the Issuer with respect to the Proposed Project.

Formal closure of the public hearing

So, if there are no further comments, I will now close this Public Hearing at 10:25 o'clock, a.m.

Thank you for attending.



Dorothy Brunell
Administrative Assistant, County of Clinton IDA