

Approving The Issuance Of Certain Bonds By Ulster County Industrial Development Agency To Finance A Project For Gardiner Library

The Economic Development, Housing, Planning and Transit Committee (Chairman Rodriguez and Legislators Berardi, Gregorius, Loughran, Sheeley, Alfonso and Roberti) and Legislators Bartels, Liepmann, Noonan and Zimet offer 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, Gardiner Library (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 an interest in certain real estate containing approximately 1.97 acres of land located at 133 Farmer's Turnpike in the Town of Gardiner, Ulster County, New York (the "Land") together with an approximately 3,600 square foot building located thereon (the "Existing Facility"), (2) the demolition of the Existing Facility, (3) the construction of a building on the Land containing approximately 4,500 square feet of space (the "Facility"), and (4) the acquisition and installation therein and thereon of machinery and equipment (the "Equipment) (the Land, the Existing Facility, the Facility and the Equipment hereinafter collectively referred to as the "Project Facility), all of the foregoing to be owned and operated by the Institution as a free public library; (B) the financing of all or a portion of the costs of the foregoing by the issuance of revenue bonds of the Agency in one or more issues or series in an aggregate principal amount sufficient to pay the cost of undertaking the Project, together with necessary incidental costs in connection therewith, initially estimated to be approximately \$1,600,000.00 and in any event not to exceed \$1,800,000.00 (the "Bonds"); (C) the granting of certain other "financial assistance" (within the meaning of Section

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854(14) of the Act) with respect to the foregoing, including potential exemptions from real estate transfer taxes and mortgage recording taxes, (collectively with the Bonds and 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 will not exceed \$1,800,000.00, 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 January 2, 2007, 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, and

WHEREAS, the Economic Development, Housing, Planning and Transit Committee has met and reviewed said request with a majority of the members voting approval, and

WHEREAS, the Ways and Means Committee has met and reviewed said request with a majority of the members voting approval.

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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 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: 31 NOES: 0
(Absent: Legislator Felicello)
(Legislator Stoeckeler left at 8:05 PM)

FINANCIAL IMPACT:
NOT TO EXCEED \$1,800,000.00 – ULSTER COUNTY INDUSTRIAL
DEVELOPMENT AGENCY BONDS

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