Resolution No. 46 March 2, 2010

A Resolution Assigning Recovery Zone Facility Bond Volume Cap To The Ulster County Industrial Development Agency Pursuant To The American Recovery And Reinvestment Tax Act Of 2009 For The Purpose Of Issuing Recovery Zone Facility Bonds

The Economic Development and Tourism Committee (Chairman Maloney and Legislators Frey, Hayes, Petit, Sweeney, Terrizzi, Donaldson, Loughran and Rodriguez) offers the following:

WHEREAS, pursuant to the American Recovery and Reinvestment Tax Act of 2009, codified in Title 26 of the United States Code ("ARRA") and Internal Revenue Service, Notice 2009-50, issued on June 12, 2009, Ulster County (the "County") has received (1) an allocation of the national Recovery Zone Economic Development Bonds limitation in the amount of $5,889,000.00 (the "Recovery Zone Economic Development Bond Allocation") and (2) an allocation of the national Recovery Zone Facility Bonds limitation in the amount of $8,833,000.00 (the "Recovery Zone Facility Bond Allocation"), and

WHEREAS, Section 1400U-1 of the Internal Revenue Code of 1986, as amended (the "Code") authorizes the County, as the issuer of the Recovery Zone Economic Development Bonds issued pursuant to the Recovery Zone Economic Development Bond Allocation, to designate an area within the County that the County will determine has a significant level of one or more of the following factors: poverty, unemployment, home foreclosures, or general distress and designate as a "recovery zone" for the purpose of issuing Recovery Zone Economic Development Bonds under Section 1400U-2 of the Code (the "Economic Development Bond Recovery Zone"), and

WHEREAS, the County understands that (1) Ulster County Industrial Development Agency (the "Agency") desires to use the Recovery Zone Facility Bond Allocation to issue Recovery Zone Facility Bonds pursuant to Section 1400U-3 of the Code, (2) accordingly, the Agency is requesting that the County assign the County's Recovery Zone Facility Bond Allocation to the Agency, and (3) if such assignment is made to the Agency, Section 1400U-1 of the Code authorizes the Agency, as the issuer of the Recovery Zone Facility Bonds issued pursuant to the Recovery Zone Facility Bond Allocation, to designate an area within the County that the Agency will determine has a significant level of one or more of the following factors: poverty, unemployment, home foreclosures, or general distress and designate as a "recovery zone" for the purpose of issuing Recovery Zone Facility Bonds under Section 1400U-3 of the Code (the "Facility Bond Recovery Zone"), and

WHEREAS, the County understands that, pursuant to the provisions of ARRA, both the Recovery Zone Economic Development Bonds and the Recovery Zone Facility Bonds must be issued prior to January 1, 2011, and

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WHEREAS, the County understands that the Agency will use the proceeds of the Recovery Zone Facility Bonds to finance expenditures for recovery zone property, within the meaning of Code Section 1400U-3(c), with respect to the Facility Bond Recovery Zone, and

WHEREAS, the County is authorized by applicable federal, state and local law to assign the Recovery Zone Facility Bond Allocation, in whole or in part, to the Agency for the purposes provided herein, and

WHEREAS, the entire County of Ulster may be designated a recovery zone because the County has an unemployment rate exceeding 7.7% in October, 2009, an estimated poverty rate of 11.2% in calendar year 2007, a rate of home mortgage delinquency that has increased in the third quarter of calendar year 2009, and is generally economically distressed by these factors. These conditions are a consequence of the recent housing market collapse, the impact of the national recession, and the fiscal crisis experienced by the State of New York and local communities. Accordingly, for purposes of Sections 1400U-1 and 1400U-2 of the Code, the County hereby designates the entire County of Ulster as a recovery zone. The recovery zone shall be identified as the "Ulster County Recovery Zone," and

WHEREAS, the Economic Development and Tourism Committee has met and reviewed said request with a majority of the members voting approval, now, therefore, be it

RESOLVED, as follows:

Section 1. The County Legislature of the County in good faith hereby assigns and transfers $8,833,000.00 of the County's Recovery Zone Facility Bond Allocation to the Agency in order that the Agency may issue Recovery Zone Facility Bonds in order to finance expenditures for recovery zone property, within the meaning of Code Section 1400U-3(c), with respect to the Facility Bond Recovery Zone to be designated by the Agency for purposes of Sections 1400U-1 and 1400U-3 of the Code.

Section 2. The appropriate staff and officers of the County are authorized and directed to take all necessary steps and do such acts to execute, acknowledge and deliver all such documents as may in their discretion be deemed necessary or

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desirable in order to carry out or comply with the terms and provisions of this resolution in connection with assigning the County's Recovery Zone Facility Bond Allocation to the Agency.

Section 3. This Resolution shall take effect immediately,

and moves its adoption.

ADOPTED BY THE FOLLOWING VOTE:

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

FINANCIAL IMPACT:
NONE

0239

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STATE OF NEW YORK
ss:
COUNTY OF ULSTER

This is to certify that I, the undersigned Clerk of the Legislature of the County of Ulster have compared the foregoing resolution with the original resolution now on file in the office of said clerk, and which was adopted by said Legislature on the 2nd day of March, 2010, and that the same is a true and correct transcript of said resolution and of the whole thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of the County of Ulster this 4th Day of March in the year Two Thousand and Ten.

|s| Karen L. Binder
Karen L. Binder, Clerk
Ulster County Legislature

Submitted to the County Executive this

4th Day of March, 2010.

|s| Karen L. Binder
Karen L. Binder, Clerk
Ulster County Legislature

Approved by the County Executive this

10th Day of March, 2010.

|s| Michael P. Hein
Michael P. Hein, County Executive