

ALLEGANY COUNTY CAPITAL RESOURCE CORPORATION

ALFRED UNIVERSITY - PUBLIC HEARING

7 W. University Street, Alfred, New York

June 29, 2015 – 10:00 AM

PUBLIC HEARING MINUTES

Attending: Jack Wood, CRC Chairman
Cathleen Whitfield, IDA CFO
Seth Pullen, HodgsonRuss, CRC Attorney
Giovina Lloyd, Alfred University CFO
Susan Goetschius, Alfred University, VP-UR
Peter McClain, Alfred Village Board Trustee

Chairman Wood reported as follows: We are here today on behalf of the Allegany County Capital Resource Corporation to hold a Public Hearing for the Alfred University Project. This public hearing is required under Section 859-a of the General Municipal Law (as provided in the certificate of incorporation of the Corporation). The purpose of this public hearing is to solicit public comment on the proposed project for Alfred University. The comments received today at this public hearing will be presented to the members of the Corporation at a subsequent meeting. We are not here to answer questions, although in the course of the hearing we will consider questions if we have the information to answer the question and there is sufficient time to consider such questions.

The comments will also be forwarded to the Board of Legislators of Allegany County in connection with obtaining approval for the issuance of the bonds described in the public hearing notice.

By way of background, the notice of public hearing was published on June 14, 2015 in the Wellsville Daily Reporter Sunday Spectator. Publication of the public hearing notice in the Wellsville Daily Reporter satisfies the requirements contained in the General Municipal Law and the Internal Revenue Code. In addition, as required by New York law, the notice of this Public Hearing was mailed on June 16, 2015 to the Village of Alfred, the Town of Alfred, the Alfred Almond School District and Allegany County. Lastly, copies of the Public Hearing Notice were posted on the Corporation's website on June 26, 2015.

By way of operating rules, I would ask that if you wish to make a public comment, please raise your hand, identify yourself for the record and then make your comment. I ask that you keep your comments to no more than five minutes.

Now, before formally beginning the public hearing, I am going to suggest waiving the full reading of the public hearing notice, unless there is any objection, and instead request that the full text be inserted into the public record. I will now open the hearing at 10:09 a.m. for comments:

COMMENTS

- Alfred University representatives had no comment to make.
- Pete McClain, Alfred Village Trustee, asked what the project entailed. Attorney Seth Pullen commented the 1991 Capital Bond for construction and infrastructure was refinanced in 1998. Alfred University is now refinancing that 98 Series Bond which has a \$9M balance. The Allegany County CRC is involved as Issuer of the bond, which was previously issued by the ACIDA. New regulations state that IDA's can no longer issue bonds for civic facilities and the CRC was established for such projects.
- Trustee McClain asked if the CRC is a finance group. Attorney Pullen stated the CRC issues bonds for local development to take advantage of IRS rates. It is separate from the ACIDA, but mirrors the IDA with the same board members. The CRC provides reduced interest rates in comparison to local banks. This project will help Alfred University and the economy.
- Trustee McClain asked if the CRC was new. Attorney Pullen stated it was established by the County Legislature in 2009.

With there being no further comments, Chairman Wood suspended the session at 10:17 a.m. until the required 30 minutes are fulfilled for further guests to arrive.

With no further guests or comments, the Public Hearing was closed at 10:40 a.m.

Respectively submitted,

CATHLEEN L. WHITFIELD, CFO
Acting Recording Secretary

Attachment – Public Hearing Notice

DATED: JUNE 11, 2015

NOTICE OF PUBLIC HEARING
ON PROPOSED PROJECT
AND FINANCIAL ASSISTANCE
RELATING THERETO

Notice is hereby given by Allegany County Capital Resource Corporation (the "Issuer") that a public hearing, as required by the Issuer's certificate of incorporation, pursuant to Section 859-a of the General Municipal Law of the State of New York will be held by the Issuer on the 29th day of June, 2015 at 10:00 o'clock a.m., local time, at the Village Hall located at 7 University Street in the Village of Alfred, Allegany County, New York, in connection with the following matters:

Alfred University, a New York not-for-profit corporation (the "Borrower"), 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 Borrower, said Project consisting of the following: (A) the refinancing and/or refunding, in whole, of the Allegany County Industrial Development Agency's Civic Facility Revenue Bonds, Series 1998 (Alfred University Civic Facility) in the original aggregate principal amount of \$23,035,000 (the "Prior Bonds"), issued on or about August 20, 1998 by Allegany County Industrial Development Agency (the "Prior Issuer"), the proceeds of which Prior Bonds were used to finance and/or refinance various capital projects located at One Saxon Drive in the Village of Alfred, Allegany County, New York including the construction and equipping of the Ford Street Apartments, the Powell Campus Center and the Saxon Inn, the installation of a fiber optic system throughout the campus, and the renovations of existing buildings (collectively, the "Project Facility"), said Project Facility being operated by the Borrower as an educational facility and other directly and indirectly related uses; (B) the financing of all or a portion of the costs of the foregoing by the issuance of revenue bonds of the Issuer 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, presently estimated to not exceed \$9,000,000 (the "Obligations"); (C) the payment of all or 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; and (D) the making of a loan (the "Loan") of the proceeds of the Obligations to the Borrower or such other person as may be designated by the Borrower 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 Allegany County, New York or elsewhere, and (2) exemption from deed transfer taxes on any real estate transfers with respect to the Project, if any.

If the Issuer determines to proceed with the Project and the issuance of the Obligations, (A) the proceeds of the Obligations will be loaned by the Issuer to the Borrower pursuant to a loan agreement (the "Agreement") requiring that the Borrower or its designee make payments equal to debt service on the Obligations and make certain other payments to the Issuer 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 ALLEGANY COUNTY, NEW YORK, AND NEITHER THE STATE OF NEW YORK NOR ALLEGANY COUNTY, NEW YORK SHALL BE LIABLE THEREON.

The Issuer has determined that the Project constitutes a "Type II action," as said quoted term is defined in the regulations issued pursuant to Article 8 of the Environmental Conservation Law (the "Regulations"), and accordingly that no environmental impact statement or any other determination or procedure is required under the Regulations regarding the potential environmental impact of the Project.

The Issuer will at said time and place will hear all persons with views on either, 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 Borrower 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 board of directors of the Issuer.

Additional information can be obtained from, and written comments may be addressed to: Cathleen Whitfield, Chief Financial Officer, Allegany County Capital Resource Corporation, Crossroads Commerce & Conference Center, 6087 State Route 19 North, Belmont, New York 14813; Telephone: 585-268-7472.

Dated: June 11, 2015.

ALLEGANY COUNTY CAPITAL RESOURCE
CORPORATION

BY: 
Cathleen L. Whitfield, Chief Financial Officer