

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

Notice is hereby given by City of Albany Capital Resource Corporation (the “Issuer”) that a public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), and, as required by the Issuer’s certificate of incorporation, Section 859-a of the General Municipal Law of the State of New York will be held by the Issuer on the 12<sup>th</sup> day of October, 2022 at 12:00 o’clock, p.m., local time, at 21 Lodge Street in the City of Albany, Albany County, New York, in connection with the following matters:

Albany College of Pharmacy and Health Sciences (the “Institution”), a New York not-for-profit corporation, submitted an application (the “Application”) to the Issuer, which Application requested that the Issuer consider undertaking a project (the “Initial Project”) for the benefit of the Institution, said Initial Project to consist of the following: (A) the refunding of all or a portion of the following bonds previously issued by the City of Albany Industrial Development Agency (the “Prior Issuer”):

(1) Civic Facility Revenue Bonds (CHF-Holland Suites, L.L.C. Project – Letter of Credit Secured), Series 2007A in the original aggregate principal amount of \$12,780,000 (the “Series 2007A Bonds”), which Series 2007A Bonds were issued on May 3, 2007 for the purpose of financing a portion of the costs of a project (the “Series 2007 Project”) consisting of the following: (a) the acquisition of a leasehold interest (the “2007 Lease Interest”) and a license interest (the “2007 License Interest”, and collectively with the 2007 Lease Interest, the “2007 Initial Land”) in (i) a portion (the “2007 Leased Building Portion”) of an existing building (the “Existing Building”) located on an approximately 7.1 acres parcel of land (the “Institution Parcel”) owned by the Institution and located at 84 Holland Avenue in the City of Albany, Albany County, New York, (ii) approximately 177 parking spaces (the “Leased Parking Spaces”) located on the Institution Parcel and designated from time to time by the Institution and CHF-Holland Suites, L.L.C. (the “Company”) and (iii) any improvements located in or on the 2007 Leased Building Portion or the Leased Parking Spaces (the “Leased Improvements”) (the 2007 Leased Building Portion, the Leased Parking Spaces and the Leased Improvements being sometimes collectively referred to as the “Leased Premises”), (b) the renovation of the Leased Premises (the “Initial Improvements”) (the Leased Premises as improved by the Initial Improvements being sometimes referred to as the “2007 Initial Facility”), and (c) the acquisition and installation thereon and therein of various furniture, fixtures, machinery and equipment (the “2007 Initial Equipment”) (the 2007 Initial Land, the 2007 Initial Facility and the 2007 Initial Equipment hereinafter collectively referred to as the “2007 Initial Project Facility”), all of the foregoing to constitute a facility to be owned by the Company and operated as a dormitory for college and university students of certain educational institutions, including, but not limited to, the Institution, and

(2) Tax-Exempt Civic Facility Revenue Bonds (CHF-Holland Suites II, L.L.C. Project – Letter of Credit Secured), Series 2008A in the original aggregate principal amount of \$6,495,000 (the “Series 2008A Bonds”), which Series 2008A Bonds were issued on January 25, 2008 for the purpose of financing a portion of the costs of a project (the “Series 2008 Project”) consisting of the following: (a) the acquisition of a leasehold interest (the “2008 Lease Interest”) and a license interest (the “2008 License Interest”, and collectively with the 2008 Lease Interest, the “2008 Initial Land”) in an approximately 36,000 square foot portion (the “2008 Leased Building Portion”) of the Existing Building located on the Institution’s Parcel, (b) the renovation

of the 2008 Leased Building Portion (the 2008 Leased Building Portion, as renovated being referred to as the “2008 Initial Facility”), and (c) the acquisition and installation thereon and therein of various furniture, fixtures, machinery and equipment (the “2008 Initial Equipment”) (the 2008 Initial Land, the 2008 Initial Facility and the 2008 Initial Equipment hereinafter collectively referred to as the “2008 Initial Project Facility”), all of the foregoing to constitute a facility to be owned and operated by CHF-Holland Suites II, L.L.C. (“CHF II”) as a dormitory for college and university students of certain educational institutions, including, but not limited to, the Institution; (B) the financing of all or a portion of the costs of the foregoing by the issuance of tax-exempt/taxable 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 Initial Project, together with necessary incidental costs in connection therewith, in an amount then estimated to be approximately \$8,500,000 and in any event not to exceed \$12,000,000 (the “Obligations”); (C) the paying of a portion of the costs incidental to the issuance of the Obligations, including issuance costs of the Obligations, any hedge termination fees 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 Institution or such other person as may be designated by the Institution and agreed upon by the Issuer.

The Issuer is considering whether (A) to undertake the Initial Project, (B) to finance the Initial Project by issuing, from time to time, the Obligations, (C) to use the proceeds of the Obligations to pay the cost of undertaking the Initial Project, together with necessary incidental costs in connection therewith, and (D) to provide certain exemptions from taxation with respect to the Initial Project, including (1) exemption from mortgage recording taxes with respect to any documents, if any, recorded by the Issuer with respect to the Initial Project in the office of the County Clerk of Albany County, New York or elsewhere, and (2) exemption from deed transfer taxes on any real estate transfers with respect to the Initial Project, if any.

If issuance of the Obligations is approved, interest on 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 “Treasury Regulations”), the issuance of the Obligations is approved by the Mayor of the City of Albany, New York after the Issuer has held a public hearing on the nature and location of the Initial Project and the issuance of the Obligations; and (B) pursuant to Section 145(a) of the Code, all property which is to be provided by the net proceeds of the Obligations is to be owned by a Section 501(c)(3) organization or a governmental unit and at least ninety-five percent (95%) of the net proceeds of the Obligations are used with respect to (1) state or local governmental units and/or (2) the activities of Section 501(c)(3) organizations which do not constitute “unrelated trades or businesses” (as defined in Section 513(a) of the Code) with respect to such Section 501(c)(3) organizations.

If the Issuer determines to proceed with the Initial Project and the issuance of the Obligations, (A) the proceeds of the Obligations will be loaned by the Issuer to the Institution pursuant to a loan agreement (the “Agreement”) requiring that the Institution 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 THE CITY OF ALBANY, NEW YORK, AND NEITHER THE STATE OF NEW YORK NOR THE CITY OF ALBANY, NEW YORK SHALL BE LIABLE THEREON.**

It is anticipated that the Issuer will determine that the Initial 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 Initial Project.

The Issuer will at said time and place hear all persons with views on the location and nature of the proposed Initial Project, the financial assistance being contemplated by the Issuer in connection with the proposed Initial Project or the proposed plan of financing the proposed Initial Project by the issuance from time to time of the Obligations. A copy of the Application filed by the Institution with the Issuer with respect to the Initial Project, including an analysis of the costs and benefits of the Initial 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 and to the Mayor of the City of Albany, New York. Approval of the issuance of the Obligations by the City of Albany, New York, acting through its elected Mayor, is necessary in order for the interest on the Obligations to qualify for exemption from federal income taxation.

Additional information can be obtained from, and written comments may be addressed to: Sarah Reginelli, Chief Executive Officer, City of Albany Capital Resource Corporation, 21 Lodge Street, Albany, New York 12207; Telephone: (518) 434-2532.

Dated: September 28, 2022

CITY OF ALBANY CAPITAL RESOURCE  
CORPORATION

BY: /s/ Sarah Reginelli  
Sarah Reginelli, Chief Executive Officer