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STATE OF NEW YORK COUNTY OF NIAGARA,

In the matter of
the
Niagara County Industrial Development Agency
public hearing held for
CENTER COURT, LLC
on November 13, 2007
at 3:30 P.M.
at Niagara Falls City Hall
745 Main Street, Niagara Falls, New York

APPEARANCES: LAWRENCE WITUL,
Assistant Director for NCIDA.
ANDREA P. EGOLF,
Court Reporter.

1 MR. WITUL: If
2 everybody would please sign the attendance
3 sheet if they haven't done so, that would be
4 greatly appreciated. Again, you're free to
5 speak, but please sign the sign-in sheets to
6 help us to recognize and denote those that
7 were in attendance.

8 Good afternoon. My name is
9 Lawrence Witul. I'm the assistant director
10 of the Niagara County Industrial Development
11 Agency. I will be serving as hearing officer
12 for this public hearing. It is now 3:31 p.m.

13 The purpose of this hearing
14 is to solicit comments, both written and
15 oral, on the Center Court, LLC, Project in
16 the City of Niagara Falls, New York.
17 Comments can be in support of or in
18 opposition to the project or on the nature or
19 location of the project.

20 All comments are to be
21 limited to the Center Court Project I, LLC,
22 and this hearing is not for accepting
23 comments on any environmental issues, nor

1 environmental determinations, and this is not
2 a part of the New York SEQRA process.

3 As I have noted, we do have
4 copies of the application for both the Phase
5 I and Phase II project, and I have also made
6 available copies of the project summary
7 sheet.

8 For the record, I will denote
9 the following: The applicant is North Star
10 Development USA, LP. Project location is
11 1501 Center and 1505 Beech Avenue in the City
12 of Niagara Falls. They are seeking fifteen
13 million dollars in tax exempt bonds, along
14 with the appropriate sales and recording tax
15 exemptions.

16 The purpose of this project
17 is to undertake a new housing and economic
18 development project in the City of Niagara
19 Falls in the area known as Center Court. The
20 housing units that were built in the late
21 '40s, early '50s are owned by the Niagara
22 Falls Housing Authority. North Star
23 Development USA is proposing to replace and

1 redevelop the Center Court area. The project
2 does include the development and construction
3 of approximately two hundred forty affordable
4 housing units and approximately forty-two
5 additional site homeownership projects.

6 Again, this phase of the development of the
7 entire project is expected over the next four
8 years in the surrounding area and they are
9 trying to cause as little disruption as
10 possible in their moves and relocation of the
11 new units.

12 The housing authority was
13 awarded a twenty-million dollar grant for the
14 development of the housing under the Hope IV
15 Program, again it is the first phase under
16 the -- my apologies, under the Hope VI
17 Project funded through the federal
18 government. As a result of the project, they
19 are expected to create four full-time and
20 two-part time jobs in the areas of
21 management, office staff, maintenance
22 personnel. In addition, this is intended to
23 serve as an inducement with incentives for

1 additional small business growth within the
2 community, hopefully upgrading and creating
3 opportunities for new business investment.

4 Notice of Public Hearing.

5 Notice is hereby given, that a public hearing
6 pursuant to Article 18-A of the New York
7 General Municipal Law and Section 147(f) of
8 the Internal Revenue Code of 1986, as
9 amended, the code, will be held by the
10 Niagara County Industrial Development Agency,
11 the issuer, on the 13th day of November,
12 2007, at 3:30 p.m. local time, at City Hall,
13 745 Main Street, Niagara Falls, New York, in
14 connection with the following matter:

15 Center Court I, LLC, the
16 company, presented an application, the
17 application, to the issuer, copies of which
18 are on file at the office of the issuer,
19 requesting that the issuer consider
20 undertaking a project known as Center Court
21 Hope VI Revitalization Phase I, the project,
22 consisting of: (A)(i) the acquisition or
23 retention of an interest in approximately

1 twenty-two acres of targeted sites within the
2 general area bounded by Beech Avenue on the
3 north, 20th Street on the East, Center Avenue
4 on the south, and 15th Street on the West,
5 all in the City of Niagara Falls, Niagara
6 County, New York (collectively, the land);
7 (ii) the demolition of and two buildings
8 situated on the land and currently owned by
9 the Niagara Falls Housing Authority and the
10 construction on the land of an approximately
11 one hundred fifteen-unit residential rental
12 facility, consisting of sixty buildings
13 containing in the aggregate one hundred
14 twenty-eight thousand square feet, known as
15 the improvement; and (iii) the acquisition
16 and installation of certain machinery,
17 furnishings and equipment therein and thereon
18 (collectively, the equipment and together
19 with the land and the improvements, the
20 facility); (B) the financing of all or a
21 portion of the costs of the foregoing by the
22 issuance of taxable and/or tax-exempt revenue
23 bonds of the issuer in or more issues or

1 series in an aggregate principal amount
2 sufficient to pay all or portion of the cost
3 of undertaking the project, together with
4 incidental costs in connection therewith,
5 presently estimate to be fifteen million
6 dollars (known as the bonds); (C) the
7 granting of certain other financial
8 assistance (within the meaning of Section
9 854(14) of the Act) with respect to the
10 forgoing, including potential exemptions from
11 sales tax, real property transfer taxes,
12 mortgage recording taxes and real estate
13 taxes (collectively with the Bonds, the
14 Financial Assistance); and (D) the lease
15 (with an obligation to purchase) or sale of
16 the facility to the company or such other
17 person as may be designated by the Company
18 and agreed upon by the issuer.

19 The issuer is contemplating
20 providing financial assistance to the company
21 with respect to the project in the form of:
22 (A) the issuance of the bonds in an amount
23 not to exceed lesser of the project costs or

1 fifteen million dollars, and (B) the
2 exemption from (i) mortgage recording taxes
3 with respect to any qualifying mortgage on
4 the land and the improvements (or such
5 interest therein as is conveyed to the
6 Issuer) to secure bonds; (ii) the exemption
7 from sales and use taxes relating to the
8 acquisition, construction and equipping of
9 facility the facility; and (iii) the
10 exemption or partial exemption from real
11 property taxes (excluding special assessments
12 and special ad valorem levies, if any) of the
13 facility, subject to the obligation of the
14 company to make payments in lieu of taxes
15 with respect to the facility. If any portion
16 of the financial assistance to be granted by
17 the issuer with respect to the project is not
18 consistent with the issuer's uniform tax
19 exemption policy, the issuer with respect to
20 the project is not consistent with the
21 issuer's uniform tax exemption policy set
22 forth in Section 874(b) of the act prior to
23 the granting such portion of the financial

1 assistance.

2 If the issuance of such bonds
3 is approved by the issuer, (i) it is intended
4 that interest on such bonds will be excluded
5 from gross income for federal income tax
6 purposes, pursuant to Section 147(f) of the
7 Code, (ii) the facility will be leased or
8 sold by the issuer to the company pursuant to
9 a lease or sale agreement (the agreement)
10 requiring that the company or its designee
11 make payments or equal to debt service on the
12 bonds and make certain other payments and
13 (iii) the bonds will be special obligations
14 of the issuer payable solely from certain of
15 the proceeds of the agreement and certain
16 other assets of the issuer pledged to the
17 repayment of the bonds. The bonds shall not
18 be a debt of the State of New York or Niagara
19 County, New York, and neither the State of
20 New York nor Niagara County, New York shall
21 be liable thereon.

22 The issuer will, at said time
23 and place, provide a reasonable opportunity

1 to all interested persons to present their
2 views, either orally or in writing, on the
3 location and nature of the facility, the
4 proposed plan of financing for the facility
5 by the issuance from time to time of the
6 bonds, or the proposed tax benefit to be
7 afforded the company in connection with the
8 project.

9 This public hearing is being
10 conducted in accordance with Section 147(f)
11 of the Code and Subdivision 2 of section
12 859-a of the New York General Municipal Law.

13 Dated October 10th, 2007.

14 Niagara County Industrial Development Agency.
15 Samuel M. Ferraro, executive director.

16 I will open the hearing for
17 comments. Once you are recognized I would
18 ask that you please give your name, address
19 and organization you might represent, that
20 you direct all comments to the chair and that
21 you should limit your comments to this
22 project. Because of the number in
23 attendance, I will ask that you try to limit

1 your initial comments to three minutes and
2 you will be given an opportunity to make
3 additional comments.

4 REV. PORTER: Bishop

5 Reverend Porter, Jr. I'm the president and
6 CEO of Black Diamond Corporation and I'm one
7 of the people who are interested in and have
8 invested in the Center Court Hope VI Project.
9 The sixty million dollars is basically joint
10 efforts of what I would call investment,
11 along with North Star Development USA, and as
12 I pointed out to you, as well as the Niagara
13 Falls Housing Authority, HUD, and whoever
14 else participated in that Hope VI Project.
15 Basically I just wanted to bring this
16 information to a -- I guess you'd call it --
17 I guess my point is basically that it is -- I
18 had requested joint co-development. I'm a
19 developer and investor as well in the Hope VI
20 Project. And basically a consultant group,
21 which I have, we are basically interested in
22 the MBE and MBDE who might need assistance in
23 any project such as the Hope VI Project; and

1 basically my consulting team is interested in
2 that, as well. As I say, I am an investor,
3 as well as being a developer in the Hope VI
4 Project, and I just want to make sure that
5 that is understandable that it is a co-joint
6 adventure along with the others financially
7 as well. Thank you.

8 MR. WITUL: If I could
9 offer the suggestion that if you have a
10 business card with you, I would ask that you
11 pass that on to Mrs. Goodman, who is
12 coordinating this project, and I'm sure she
13 will get your information back to the
14 attorneys and the finance people that can
15 respond to you in a little greater detail.
16 But we do thank you for your comment.

17 Next, please.

18 LINDA GOODMAN: My name is
19 Linda Goodman. I am with North Star
20 Development. We're the applicant and I'm
21 here to speak in favor of and in support of
22 the project.

23 As was mentioned in the

1 project description, HUD has actually
2 approved this redevelopment plan, which was
3 the result of a competitive award with the
4 Niagara Falls Housing Authority, one that is
5 helping sort of finance this. The City of
6 Niagara Falls has also approved this
7 redevelopment plan, as well as the State of
8 New York and division of housing, who is also
9 putting in their financing. So right now
10 Phase I, which are the first hundred and
11 fifteen units are ready to go. All of our
12 financing is in place and we appreciate the
13 IDA's participating with the fifteen million
14 bond cap.

15 MR. WITUL: Thank you.
16 Anyone else wishing to speak?

17 TOM PRYCE: Tom Pryce.
18 412 39th Street in Niagara Falls. I have
19 just been involved in the revitalization
20 efforts in the city and essentially in the
21 Highland Avenue area through the Empire Zone
22 for many years and conversant with this
23 project and with the process that got us to

1 this point. I'm very much in favor of this.
2 It will be the biggest revitalization agency
3 in Niagara Falls, probably in its history in
4 one fell swoop. I am definitely encouraging
5 the IDA to do everything in its power through
6 a PILOT, through bonding, and any other
7 effort to enable us to move forward. So I'm
8 very much in favor. Thank you.

9 MR. WITUL: Thank you
10 for your comments. Would anyone else like to
11 speak at this time?

12 REV JIMMIE WRITE: Reverend
13 Jimmie Write, I deal with the youth and the
14 courts, and we deal with the youth of the
15 probation department and I think young adults
16 in the City of Niagara Falls, it has been my
17 experience dealing with these youth, that if
18 you give them something positive, something
19 to hope for, you create a change within them.
20 So the environment will create a change. So
21 this Hope VI Project we're all for.

22 As a youngster growing up in
23 the town and all around you see slighted

1 areas and you -- you don't have a lot of your
2 youth already, for whatever reason, they have
3 low self-esteem, and then living in certain
4 conditions, certain surroundings like, let's
5 give an example, over in the north end of the
6 Center Court area. The housing authority has
7 done the best they can with that particular
8 project, but over the years it is going to
9 continue to go down. You can only do so much
10 with it so therefore new construction is so
11 important and you're going to always have
12 those that need affordable housing, but we're
13 looking towards those to be able to afford
14 their own homes and that is what the future
15 is all about. And they are working in
16 conjunction with others for these people to
17 be able to afford those homes. I'm even
18 seeing where they are going as far as trying
19 to help those that may have a credit problem
20 to be able to get their credit ratings up so
21 they will be able to get these homes. And I
22 know there is an issue about jobs, but
23 however there is always going to be an issue

1 about jobs, but we must move forward.

2 These young men in the
3 community, if we can give them a positive
4 change, a positive view on life, I believe it
5 will even achieve a better situation down in
6 the north end, the conditions and whatnot.
7 If there is a change in there, and I want to
8 keep reiterating that if there is a change in
9 there, I think we're going to see a change
10 and it has to start somewhere. We're trying
11 to do the best that we can to change that way
12 of their life and the living conditions and I
13 think this Hope VI Project is the key and I
14 think we all should support it. Why wouldn't
15 you support something good; it is foolish not
16 to.

17 MR. WITUL: Thank you
18 for your comments.

19 CLARA DUNN: Clara Dunn.
20 I'm with the Niagara Falls Empire Zone. I'm
21 here today to support the Hope VI Project and
22 I applaud the Niagara Falls Housing Authority
23 for taking on such a project. It is an

1 effort to make a small portion of this city a
2 better place to live. I believe this
3 community is well deserving of the best and
4 it is good to witness such a project of this
5 magnitude in the north end of the community.
6 I feel it is a new start for our community
7 and I think we will all rejoice in it and I
8 thank you for your continued support in this
9 project.

10 MR. WITUL: Thank you. Did
11 you want to submit that?

12 CLARA DUNN: No.

13 LEA WHITAKER: Lea
14 Whitaker. I'm employed by the Niagara Falls
15 Housing Authority. I'm also the chair of the
16 Niagara Falls Empire Zone Board of
17 Administrators and I wholeheartedly support
18 this program. This project I one hundred
19 percent support. It have just moved back
20 into the area and I just have that much faith
21 in the housing authority's ability to
22 complete this project. I'm excited about it
23 and I happen to be living into the zoned area

1 and I wholeheartedly support it. I believe
2 my whole board supports this because I report
3 to it on a monthly basis and I never heard
4 one negative comment about the housing
5 authority's ability. As a matter of fact,
6 they keep asking when we're going to get
7 started as far as get bonds and financing.
8 We will be starting and we will complete it,
9 we are known for completing our projects.

10 MR. WITUL: Very good.
11 Thank you. Anyone else wish to make a
12 comment at this time?

13 SPEAKER: I just came
14 in late, but I'm always skeptical when I hear
15 someone talking about something good and I
16 hope as a citizen and taxpayer in the City
17 of Niagara Falls, things come out and come in
18 and sound so wonderful and inspiring and it
19 builds your hope up and it makes you feel
20 that you're almost in a utopian period, but
21 when it all boils down and when the dust
22 settles and the music stop playing, then that
23 is when it sounds so good and it turns out to

1 be difficult and I'm hoping that program
2 which I know little about, I hope it is as
3 good as a sounds. And I pray that those who
4 are backing it won't let people down who have
5 their hope up. I have been in the city here
6 for years and I've seen things come and go,
7 I've seen light and I've seen darkness and
8 I've seen hope and I've seen despair and I
9 hope that this is more hope than despair.
10 And I hope those who are pushing it and those
11 who say it is beautiful and good, I hope they
12 are able to differentiate that and they are
13 not deceived and I hope that they will
14 actually be one of those who actually make
15 things better because this city needs
16 something good. And I hope that it is
17 something good, as good as it sounds.

18 MR. WITUL: I thank you
19 for your comments. Is there anyone who would
20 like to comment? Last call, if anyone would
21 like to comment. Okay. There being no
22 further comments, I declare that this hearing
23 is closed. It is now 4 o'clock. I'd like to

1 thank everyone for coming and I thank you for
2 your comments. Please been careful as you
3 head home today, and, again, thank you.

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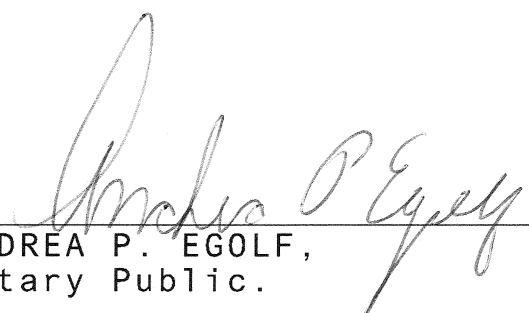
1 STATE OF NEW YORK)

2 SS:

3 COUNTY OF NIAGARA)

4
5 I, ANDREA P. EGOLF, a Notary Public in
6 and for the State of New York, County of
7 Niagara, DO HEREBY CERTIFY that the proceedings
8 were taken down by me in a verbatim manner by
9 means of Machine Shorthand. That the
10 proceedings were taken to be used in the
11 above-entitled action.

12 I further CERTIFY that the
13 above-described transcript constitutes a true,
14 accurate and complete transcript of the
15 testimony.

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ANDREA P. EGOLF,
Notary Public.

**NIAGARA COUNTY INDUSTRIAL DEVELOPMENT AGENCY
NOTICE OF PUBLIC HEARING**

NOTICE IS HEREBY GIVEN, that a public hearing pursuant to Article 18-A of the New York General Municipal Law and Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") will be held by the Niagara County Industrial Development Agency (the "Issuer") on the 13th day of November, 2007 at 3:30 p.m., local time, at City Hall, 745 Main Street, Niagara Falls, New York, in connection with the following matter:

CENTER COURT I LLC (the "Company"), presented an application (the "Application") to the Issuer, copies of which are on file at the office of the Issuer, requesting that the Issuer consider undertaking a project known as Center Court HOPE VI Revitalization Phase I (the "Project"), consisting of: (A)(i) the acquisition or retention of an interest in approximately 22-acres of targeted sites within the general area bounded by Beech Avenue on the North, 20th Street on the East, Centre Avenue on the South, and 15th Street on the West all in the City of Niagara Falls, Niagara County, New York (collectively, the "Land"); (ii) the demolition of the two buildings situated on the Land and currently owned by the Niagara Falls Housing Authority and the construction on the Land of an approximately 115-unit residential rental facility, consisting of sixty (60) buildings containing in the aggregate, approximately 128,000 total square feet (the "Improvements"); and (iii) the acquisition and installation of certain machinery, furnishings and equipment therein and thereon (collectively, the "Equipment" and, together with the Land and the Improvements, the "Facility"); (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 incidental costs in connection therewith, presently estimated to be approximately \$15,000,000 (the "Bonds"); (C) the granting of certain other "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from sales taxes, real property transfer taxes, mortgage recording taxes and real estate taxes (collectively with the Bonds, the "Financial Assistance"); and (D) the lease (with an obligation to purchase) or sale of the Facility to the Company or such other person as may be designated by the Company and agreed upon by the Issuer.

The Issuer is contemplating providing Financial Assistance to the Company with respect to the Project in the form of: (A) the issuance of the Bonds in an amount not to exceed the lesser of the project costs or \$15,000,000 and (B) the exemption from (i) mortgage recording taxes with respect to any qualifying mortgage on the Land and the Improvements (or such interest therein as is conveyed to the Issuer) to secure the Bonds; (ii) the exemption from sales and use taxes relating to the acquisition, construction and equipping of the Facility; and (iii) the exemption or partial exemption from real property taxes (excluding special assessments and special ad valorem levies, if any) of the Facility, subject to the obligation of the Company to make payments in lieu of taxes with respect to the 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 as set forth in Section 874(b) of the Act prior to granting such portion of the Financial Assistance.

If the issuance of such Bonds is approved by the Issuer, (i) it is intended that interest on such Bonds will be excluded from gross income for Federal income tax purposes, pursuant to Section 147(f) of the Code, (ii) the Facility will be leased or sold by the Issuer to the Company pursuant to a lease or sale agreement (the "Agreement") requiring that the Company or its designee make payments equal to debt service on the Bonds and make certain other payments, and (iii) the Bonds will be special obligations of the Issuer payable solely from certain of the proceeds of the Agreement and certain other assets of the Issuer pledged to the repayment of the Bonds. **THE BONDS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR NIAGARA COUNTY, NEW YORK AND NEITHER THE STATE OF NEW YORK NOR NIAGARA COUNTY, NEW YORK SHALL BE LIABLE THEREON.**


The Issuer will, at said time and place, provide a reasonable opportunity to all interested persons to present their views, either orally or in writing, on the location and nature of the Facility, the proposed plan of financing for the Facility by the issuance from time to time of the Bonds, or the proposed tax benefits to be afforded the Company in connection with the Project.

This public hearing is being conducted in accordance with Section 147(f) of the Code and subdivision 2 of Section 859-a of the New York General Municipal Law.

DATED: October 10, 2007

NIAGARA COUNTY INDUSTRIAL
DEVELOPMENT AGENCY

By: _____


Samuel M. Ferraro
Executive Director

