

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), will be held by the Niagara Area Development Corporation (the "Issuer") on the 21st day of January, 2022 at 10:00 a.m. local time, in connection with the matter described below, and in particular the approvals that need to be obtained pursuant to the Code (as defined below) from the County Legislature of Niagara County, New York and of the County Executive of Erie County, New York, with respect to the bond financing or portions thereof and the projects to be financed thereby, as described below. As more fully set forth below, the public hearing will be held via toll-free telephone conference only. **PLEASE NOTE THE SPECIAL PUBLIC HEARING LOGISTICS AND INSTRUCTIONS INCLUDED AT THE END OF THIS NOTICE.**

CATHOLIC HEALTH SYSTEM, INC., a New York not-for-profit corporation and an organization described in Section 501(c)(3) of the Code, its successors or designees (collectively, the "Corporation" or "Obligated Group Representative), on behalf of itself and MERCY HOSPITAL OF BUFFALO, SISTERS OF CHARITY HOSPITAL OF BUFFALO, NEW YORK, KENMORE MERCY HOSPITAL, MOUNT ST. MARY'S HOSPITAL OF NIAGARA FALLS, McAULEY-SETON HOME CARE CORPORATION, AND NIAGARA HOMEMAKER SERVICES, INC. d/b/a MERCY HOME CARE (collectively, and together with the Corporation, the "Obligated Group"), has requested that the Issuer issue its Tax-Exempt and/or Taxable Multi-Modal Revenue Bonds (Catholic Health System, Inc. Project), Series 2022A (the "Series 2022A Bonds"), in one or more series, as part of a plan of financing, in the aggregate maximum principal amount not to exceed \$90,000,000 for the purpose of financing or refinancing capital improvement projects at the Obligated Group's facilities, as more particularly described below (collectively, the "Project"), located at 6001 Shimer Drive in the Town of Lockport, New York 14094 (the "Lockport Project"); 565 Abbott Road in the City of Buffalo, New York 14220 (the "Mercy Project"); 2157 Main Street in the City of Buffalo, New York 14214 and 2605 Harlem Road in the Town of Cheektowaga, New York 14225 (the "Sisters Project"); 2950 Elmwood Avenue in the Town of Tonawanda, New York 14217 (the "Kenmore Project") and 5300 Military Road in the Town of Lewiston, New York 14092 (the "St. Mary's Project"). The proceeds of the Series 2022A Bonds will be used to finance all or a portion of the costs associated with the qualifying portions of the Project, and to provide funds for all or a portion of the costs of issuing the Series 2022A Bonds, credit enhancement fees relating to the Series 2022A Bonds, if any, funding a debt service reserve fund, if any, and capitalized interest, if any.

The Project consists of the Lockport Project, the Mercy Project, the Sisters Project, the Kenmore Project and the St. Mary's Project, each as described below:

The Lockport Project consists of: (A) the property acquisition, site development, planning, design, construction and operation of an approximately 63,000 square foot micro-hospital facility and (B) the acquisition and installation of certain equipment. The owner of the Lockport Project will be the Corporation or a member of the Obligated Group. The maximum principal amount of Series 2022A Bonds to be issued for the Lockport Project is \$60,991,425.

The Mercy Project consists of: (A)(i) the renovation, reconstruction and rehabilitation of certain infrastructure relating to certain cardiac catheterization laboratory space and (ii) the acquisition and replacement of certain related equipment, (B) the renovation and rehabilitation of certain hydraulic elevator systems, and (C) the repointing of all or a portion of certain exterior joints. The owner of the Mercy Project will be the Corporation or a member of the Obligated Group. The maximum principal amount of Series 2022A Bonds to be issued for the Mercy Project is \$17,165,469.

The Sisters Project consists of: (A) the renovation, reconstruction, rehabilitation and upgrading of certain pathology related space and certain equipment associated therewith, (B) the renovation and rehabilitation of certain hydraulic elevator systems, (C) the acquisition and installation of certain equipment, and (D) the repointing of all or a portion of certain exterior joints. The owner of the Sisters Project will be the Corporation or a member of the Obligated Group. The maximum principal amount of Series 2022A Bonds to be issued for the Sisters Project is \$6,520,257.

The Kenmore Project consists of: (A) the renovation and rehabilitation of certain hydraulic elevator systems, (B) the acquisition and installation of certain equipment, and (C) the repointing of all or a portion of certain exterior joints. The owner of the Kenmore Project will be the Corporation or a member of the Obligated Group. The maximum principal amount of Series 2022A Bonds to be issued for the Kenmore Project is \$2,143,029.

The St. Mary's Project consists of: (A) the renovation and rehabilitation of certain hydraulic elevator systems, (B) the acquisition and installation of certain equipment, and (C) the repointing of all or a portion of certain exterior joints. The owner of the St. Mary's Project will be the Corporation or a member of the Obligated Group. The maximum principal amount of Series 2022A Bonds to be issued for the St. Mary's Project is \$3,179,820.

It is intended that interest on the Series 2022A Bonds will not be included in gross income for federal income tax purposes pursuant to Section 103(a) of the Code. The Series 2022A Bonds will be special limited obligations of the Issuer payable solely from certain amounts payable by the Obligated Group under a loan agreement or other financing agreement with the Obligated Group and certain other assets, if any, of the Obligated Group pledged for the repayment of the Series 2022A Bonds. **THE SERIES 2022A BONDS SHALL NOT BE A DEBT OF THE STATE OF NEW YORK OR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE COUNTY OF NIAGARA AND NEITHER THE STATE OF NEW YORK NOR ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE COUNTY OF NIAGARA SHALL BE LIABLE THEREON.**

In order for the interest on the Series 2022A Bonds to be excluded from gross income for federal income tax purposes, it is required under the Code that the Issuer obtain (i) the approval of the Project and the issuance of the Series 2022A Bonds by the County Legislature of Niagara County and (ii) the approval of the respective portions of the Project located in Erie County, New York, and respective portions of the Series 2022A Bonds to be issued to finance or refinance such portion of the Project, by the County Executive of Erie County, New York. It is

intended that the Series 2022A Bonds will be issued as qualified 501(c)(3) bonds within the meaning of Section 145 of the Code.

**PLEASE NOTE SPECIAL PUBLIC HEARING CONDUCT INSTRUCTIONS
AND INFORMATION:**

A copy of the Corporation's application is available for viewing on the Issuer's website at:
https://www.niagaracountybusiness.com/file-library/100447/Application_for_Assistance_CatholicHealth.pdf.

Given the ongoing COVID-19 public health crisis, the Issuer will not accommodate any in-person public attendance or participation at this hearing. Nonetheless, in furtherance of federal regulations requiring interested individuals to have a reasonable opportunity to express their view at this hearing, and in accordance Internal Revenue Service Revenue Procedure 2021-39 allowing such hearing to continue if the Issuer is able to hold the public hearing remotely through use of telephone conference, the Issuer will provide all interested persons of the public the opportunity, at the time and on the date indicated above, to provide oral comments with respect to the Project and/or the issuance of the Bonds **via a telephone conference by calling into the following toll-free telephone number: 1-866-804-5312, and entering passcode 5854198959#.**

Dated: January 14, 2022

NIAGARA AREA DEVELOPMENT
CORPORATION

Dated: January 14, 2022

COUNTY OF ERIE, NEW YORK