

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

Notice is hereby given that a public hearing in accordance with Section 859-a of the General Municipal Law of the State of New York (the "Act") and as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code") will be held by Town of Amherst Development Corporation (the "Issuer") on the 13th day of November, 2014 at 8:30 o'clock a.m., local time, in the offices of the Town of Amherst Development Corporation located at 4287 Main Street in Town of Amherst, Erie County, New York in connection with the following matters:

Millennia Housing Development, Ltd. (the "Company"), an Ohio limited liability company, presented an application (the "Application") to the Issuer, which Application requested that the Issuer consider undertaking a project (the "Project") for the benefit of the Company or an affiliate of the Company, said Project to consist of the following: (A)(1) the acquisition of an interest in a parcel of land containing approximately 12.3 acres located at 2171 -2235 N. French Road, in the Town of Amherst, Erie County, New York (the "Land") together with the existing 160-unit housing apartment community located thereon (the "Facility"), commonly referred to as the Jackson Square Apartments, (2) the renovation and reconstruction of the Facility, and (3) the acquisition and installation therein and thereon of machinery and equipment (the "Equipment") (the Land, the Facility and the Equipment hereinafter collectively referred to as the "Project Facility"); (B) the financing of all or a portion of the costs of the foregoing by the issuance of tax-exempt 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 be approximately \$11,450,000 and in no event to exceed \$12,500,000 (the "Obligations"); (C) the paying 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; (D) the granting of certain other financial assistance with respect to the foregoing, including potential exemptions from mortgage recording taxes (collectively with the Obligations, the "Financial Assistance"); and (E) the lease (with an obligation to purchase) or sale of the Project Facility to the Company or such other person as may be designated by the Company 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 exemption from mortgage recording taxes with respect to any documents recorded by the Issuer with respect to the Project in the office of the County Clerk of the County of Erie, New York or elsewhere, and exemption from deed transfer taxes on any real estate transfers with respect to the Project.

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 issuance of the Obligations is approved by the Town Board of the Town of Amherst, New York after the Issuer has held a public hearing on the nature and location of the Project Facility and the issuance of the Obligations; and (B) pursuant to Section 142(d) of the Code, at least ninety-five percent (95%) of the net proceeds of such portion of the Obligations are used to provide a "qualified residential rental project," as defined in Section 142 of the Code to include a project for residential rental property where, for a period at least as long as the Obligations remain outstanding, at least 20% of such units are occupied by individuals whose income is 50% or less of area median gross income or at least 40% of such units are occupied by individuals whose income is 60% or less of area median gross income; and (C) pursuant to Section 146 of the Code,

there is allocated to such Obligations a portion of the private activity bond volume cap of the State of New York sufficient to equal the face amount of the Obligations.

If the Issuer determines to proceed with the Project and the issuance of the Obligations, (A) interest on the Obligations will be excluded from gross income for federal income tax purposes pursuant to Section 142 of the Code, (B) a project agreement (the "Agreement") will be entered into by and between the Issuer and the Company that will require the Company or its designee make payments equal to debt service on the Obligations and make certain other payments, and (C) 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 TOWN OF AMHERST, NEW YORK, AND NEITHER THE STATE OF NEW YORK NOR THE TOWN OF AMHERST, NEW YORK SHALL BE LIABLE THEREON.**

The Issuer has not yet made a determination pursuant to Article 8 of the Environmental Conservation Law (the "SEQR Act") regarding the potential environmental impact of the Project.

The Issuer will at said time and place hear all persons with views on 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 Company with the Issuer with respect to the Project is available for public inspection during business hours at the offices of the Company. A transcript or summary report of the hearing will be made available to the directors of the Issuer and the Town Board of the Town of Amherst, New York. Approval of the issuance of the Obligations by the Town of Amherst, New York, acting through its elected Town Board, 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: James J. Allen, Chief Executive Officer, Town of Amherst Development Corporation, 4287 Main Street, Amherst, New York 14226; Telephone: (716) 688-9000.

Dated: October 23, 2014.

TOWN OF AMHERST  
DEVELOPMENT CORPORATION

BY: s/James J. Allen  
James J. Allen, Chief Executive Officer