

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

Notice is hereby given that a public hearing pursuant to Section 859-a(2) of the General Municipal Law of the State of New York (the "Act") will be held by the Ulster County Industrial Development Agency (the "Agency") on the 3rd day of May, 2022 at 7:00 o'clock p.m., local time, at the Town of Wawarsing Town Hall located at 108 Canal Street in the Village of Ellenville and the Town of Wawarsing, Ulster County, New York in connection with the following matters:

Gloucester Street Capital, LLC, a New York State limited liability company (the "Applicant") has presented an application (the "Application") to the Agency, a copy of which Application is on file at the office of the Agency, requesting that the Agency consider undertaking a project (the "Project") for the benefit of the Applicant, a subsidiary of Cresco U.S. Corp., its affiliate Valley Agriceuticals, LLC, or another subsidiary of Cresco U.S. Corp. and/or the principals, owners or members of the Applicant and/or an entity formed or to be formed on behalf of any of the foregoing (hereinafter collectively, the "Company"), said Project consisting of the following: (A) (1) the acquisition of an interest in certain real estate located at 7 Schrade Court and 9 Aluminum, in the Village of Ellenville and the Town of Wawarsing, Ulster County, New York, and more particularly described as approximately four (4) parcels of land totaling approximately 90.7 acres located at (i) 7 Schrade Court (tax map number 83.3-1-2) and (ii) Aluminum Drive (tax map number 83.3-1-7) in the Town of Wawarsing, and (iii) Aluminum Drive (tax map number 83.70-6-11) and (iv) North Main Street (tax map number 83.70-6-19.100), in the Village of Ellenville, Town of Wawarsing, Ulster County, New York (collectively, the "Land"), (2) the construction on the Land of an approximately 380,000 square foot manufacturing building and associated infrastructure improvements (collectively, the "Facility") and (3) the acquisition and installation therein and thereon of related fixtures, machinery, equipment and other tangible personal property (the "Equipment") (the Land, the Facility, and the Equipment being collectively referred to as the "Project Facility"), all of the foregoing to be owned or leased to and operated by the Company or an affiliate as a medical and adult use cannabis production facility and any other directly and indirectly related activities; (B) the granting of certain "financial assistance" (within the meaning of Section 854(14) of the Act) with respect to the foregoing, including potential exemptions from certain sales and use taxes, real property taxes and real estate transfer taxes (collectively, the "Financial Assistance"); and (C) the lease (with an obligation to purchase), sublease 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 Agency.

The Agency is considering whether (A) to undertake the Project, and (B) to provide certain exemptions from taxation with respect to the Project, including (1) exemption from deed transfer taxes on any real estate transfers, if any, with respect to the Project, (2) exemption from sales taxes relating to the acquisition, construction, installation, furnishing and equipping of the Project Facility, and (3) in the event that the Project Facility would be subject to real property taxation if owned by the Company but shall be deemed exempt from real property taxation due to the involvement of the Agency therewith, exemption from real property taxes (but not including special assessments and special ad valorem levies), if any, with respect to the Project Facility, subject to the obligation of the Company to make payments in lieu of taxes with respect to the Project Facility. If any portion of the Financial Assistance to be granted by the Agency with respect to the Project is not consistent with the Agency's uniform tax exemption policy, the Agency will follow the procedures for deviation from such policy set forth in Section 874(4) of the Act prior to granting such portion of the Financial Assistance.

If the Agency determines to proceed with the Project, the Project Facility will be acquired, constructed and installed by the Agency and will be leased (with an obligation to purchase), sublet or sold

by the Agency to the Company or its designee pursuant to a project agreement (the “Agreement”) requiring that the Company or its designee make certain payments to the Agency.

The Agency 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 Agency will at said time and place hear all persons with views on either the location and nature of the proposed Project, or the Financial Assistance being contemplated by the Agency in connection with the proposed Project. A copy of the Application filed by the Applicant with the Agency 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 Agency. A transcript or summary report of the hearing will be made available to the members of the Agency.

Additional information can be obtained from, and written comments may be addressed to: Rose Woodworth, Chief Executive Officer, Ulster County Industrial Development Agency, PO Box 4265, Kingston, New York 12402; Telephone: (845) 943-4600.

Dated: April 21, 2022.

ULSTER COUNTY INDUSTRIAL DEVELOPMENT
AGENCY

BY: /s/ James Malcolm
Chair